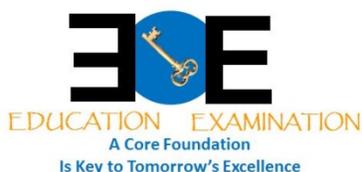


Air Conditioning and Refrigeration Contractors Advisory Board
Compliance Division – Staff Report
September 8, 2015

- Since July 2014, more than 126 Enforcement Division ACR Mechanical Integrity cases have been reviewed and or inspected by Compliance staff.
- October 2014, presentation to the Austin ACCA Chapter on the 2012 Mechanical Code with emphasis on new requirements for mechanical ventilation.
- January 2015 ACCA North Texas Presentation law and rule and 2012 Mechanical Code update
- March 2015, Assist Robert Nino of Enforcement with site review for the San Antonio “Sting”
- March 2015, Waco ACCA presentation 2012 Code update
- Regular attendance and presentation to the Austin and San Antonio ACCA Chapter monthly meetings
- March 2015, Central Texas RSES Meeting and presentation on TDLR law and rule with updates from the 2012 International Mechanical Code and Residential Code.
- April 2015, Load calculation and sizing training presentation to the Amarillo area contractors.
- May 2015, the ACR Exam Review team met and developed new references including the ACCA Manual J and D as required by the 2012 International Residential Code.
- Compliance staff continues to provide ongoing support to our Customer Service, Licensing, Education/Examination, and Enforcement Divisions.



Air Conditioning and Refrigeration Contractors
Advisory Board Meeting
September 8, 2015



GROWTH & CHANGES IN THE EDUCATION & EXAMINATION DIVISION:

- TDLR and PSI facilitated an Examination Review Committee meeting on May 19 and 20, 2015. The purpose of the ERC was to review poorly performing items and to approve new items to augment the exam pool. The Subject Matter Experts agreed to add two new references to the approved reference list for the Environmental Class A and Class B exam; Manual D and Manual J.
- Every six years a Request for Proposal to be TDLR's exam provider is published. This process began in February and after the review of submissions the Commission approved and awarded PSI the examination services contract on July 29, 2015. This contract will take effect September 1, 2015.
- The Education and Examination Division has begun utilizing Zeacom for emails. Zeacom allows us to track what has been completed and the time it has taken to answer emails. Currently, E&E receives more than 1,000 emails a month. The goal is to be able to report work staff has accomplished. As we continue to grow as a model agency our workload and performance numbers will increase. The use of Zeacom is a step to utilizing the effectiveness of innovation.
- Marco Rodriguez is the new Team Leader for the newly created School Inspections/Site Visits section within the Education and Examination Division. Having an extensive background and the ability to command both English and Spanish, Marco will without a doubt help E&E establish uniform procedures to inspect Education School Providers and their courses.
- Cari Hodges is the new Team Leader for Driver Education and Safety Section within the Education and Examination Division. Cari comes to us from The Texas Department of Public Safety (DPS). She has more than 8 years' experience with the laws, rules and procedures for the Driver Training program. Cari without a doubt will be able to lead the new Driver Education and Safety team into thinking outside the box and incorporate new ideas to improve the service we provide for the citizens of Texas.

EXAMINATION STATISTICS

Fiscal Year 2015

Environmental A	261	460	721	36.20%	23
Environmental B	242	714	956	25.31%	41
Commercial Refrigeration A	154	206	360	42.78%	16
Commercial Refrigeration B	46	84	130	35.38%	13
Total	703	1,464	2,167	32.44%	93

Fiscal Year 2014

Environmental A	202	275	477	42.35%	24
Environmental B	179	501	680	26.32%	29
Commercial Refrigeration A	101	97	198	51.01%	16
Commercial Refrigeration B	41	81	122	33.61%	4
Total	523	957	1,480	35.34%	73

Fiscal Year 2013

Environmental A	306	655	961	31.84%	43
Environmental B	291	1,009	1,300	22.38%	62
Commercial Refrigeration A	171	238	409	41.81%	22
Commercial Refrigeration B	74	220	294	25.17%	19
Total	842	2,124	2,966	28.39%	146

CONTINUING EDUCATION STATISTICS

ACR Continuing Education FY 2015	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
COURSE APPROVALS ISSUED	7	11	2	20	3	7	25	35	15	7	3	25	1	8		9	89
TOTAL COURSES	97	108	105	105	90	91	104	104	99	98	96	96	95	100		195	95
**TOTAL PROVIDERS	393	386	393	393	388	381	382	382	388	388	389	389	390	395		395	395

ACR Continuing Education FY 2014	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
COURSE APPROVALS ISSUED	19	0	4	23	19	4	13	36	24	6	5	35	2	6	10	18	112
TOTAL COURSES	125	123	117	117	136	125	135	135	140	135	134	134	131	125	114	114	114

ACR Continuing Education FY 2013	SEP	OCT	NOV	Q1	DEC	JAN	FEB	Q2	MAR	APR	MAY	Q3	JUN	JUL	AUG	Q4	TOT
COURSE APPROVALS ISSUED	10	1	6	17	5	14	7	26	14	12	6	32	8	12	21	41	116
TOTAL COURSES	99	89	92	92	83	85	90	90	95	97	97	97	99	100	116	116	116

AIR CONDITIONING AND REFRIGERATION CONTRACTORS
ADVISORY BOARD

Enforcement Division Staff Report
September 8, 2015

Texas Air Conditioning Contractors of America

- On September 18, 2014, Investigator Robert Niño spoke to the San Antonio chapter of the Air Conditioning Contractors of America. His topics included the Sunset Commission's recommendation for the addition of new programs to TDLR, and he reminded the audience of the proper information and language required for company invoices and websites.
- On April 21, Investigator Sammy Lynch attended a meeting of the Houston chapter of Air Conditioning Contractors of America. Program Specialists John Lain and Stan Johnson were also present, and made a presentation explaining their role in the investigation of complaints. Approximately 50 people were in attendance.
- On May 21, Investigator Robert Niño made a presentation to the San Antonio chapter of Air Conditioning Contractors of America. Robert spoke about TDLR's enforcement process and the results of the recent San Antonio sting operation.
- On July 16, Investigator Robert Nino attended a meeting of the San Antonio chapter of Air Conditioning Contractors of America. Robert spoke to the group about the information needed when filing a complaint for unlicensed activity.

Refrigeration Service Engineers Society Meetings

- On August 21, 2014, Robert Niño attended the monthly meeting of Refrigeration Service Engineers Society in San Antonio. He spoke about technician registration and enforcement in general to students from Southern Careers Institute and Everest Institute who were in attendance.
- On October 16, 2014, Investigator Robert Niño was the guest speaker for the Refrigeration Service Engineers Society, San Antonio chapter. Robert spoke about pulling permits and the importance of technicians being registered.
- On January 17, Robert gave a presentation to the San Antonio chapter of the Refrigeration Service Engineers Society. Robert spoke to the attendees about the importance of technicians getting registered and contractors only hiring registered workers.

- On May 21, Investigator Robert Niño made a presentation to the San Antonio chapter of Refrigeration Service Engineers Society. Robert spoke about TDLR's enforcement process and the results of the recent San Antonio sting operation. Robert also answered many questions regarding the technician registration requirement from technical school students who were in attendance.
- On July 16, Investigator Robert Nino also attended a meeting of the San Antonio chapter of Refrigeration Service Engineers Society. Robert made a presentation about contested case proceedings at SOAH and the Commission.

Education and Continuing Education

- On July 19, 2014, Investigator Robert Niño attended a HVAC continuing education class for Castillo Training in at Johnstone in Supply San Antonio. Robert spoke about TDLR's enforcement procedures then answered questions from the students.
- On August 16, 2014, Robert Niño spoke to a continuing education class for air conditioning contractors held by Castillo Training in San Antonio. Robert's presentation consisted of reviewing TDLR enforcement procedures with the class and answering their questions.
- On September 12, 2014, Investigator Sam Lynch gave a presentation to a continuing education class for air conditioning contractors at Nance Air Conditioning Training School in Houston. Sam updated the group of 20 contractors on the sting operation in Houston last April. He explained the process for resolving a complaint and emphasized ways to improve customer service in order to not become the subject of a complaint. A number of questions were asked about current and proposed rule changes. The contractors also asked why air conditioner suppliers are allowed to continue to sell to unlicensed persons. Sam suggested that the members could propose law and rule changes to their advisory board. Sam later received an email from Joe Moravek with Nance who thanked Sam for attending and told him several contractors mentioned in their course evaluations that they enjoyed Sam's presentation and had given him an "A+".
- On October 18 and November 4, 2014, Robert Niño spoke at two HVAC continuing education classes given by Castillo Training in San Antonio. Robert spoke about TDLR's enforcement procedures and then answered questions from the students.
- On October 31, 2014, Investigator Tony Gatica was invited to speak at a continuing education class held at Coastal A/C Supply in Houston. Tony explained to the attendees the goals of the agency and illustrated some of the ways TDLR supports their industry. As an

example he spoke about recent stings conducted in their area, and the contractors present were provided with documents to facilitate reporting unlicensed activity. Tony encouraged the attendees to contact him with any questions or concerns and also reminded them of the high-quality resources available to them in Austin. Brochures detailing the programs regulated by the agency and program-specific pamphlets were also provided.

- On December 13, 2014, Investigator Robert Niño attended an HVAC continuing education class presented by Castillo Training at Johnstone Supply San Antonio. Robert spoke about TDLR's enforcement procedures and then answered questions from the students afterward.
- On January 6, Investigator Robert Niño attended an HVAC continuing education class presented by Castillo Training at Johnstone Supply in San Antonio. Robert spoke to 20 attendees about TDLR's enforcement procedures and then answered their questions afterward.
- On January 15, Investigator Robert Niño attended an HVAC continuing education class presented by Castillo Training at Johnstone Supply in San Antonio. Robert advised the contractors of TDLR's enforcement procedures and then answered questions afterward.
- On March 27, Investigator Tony Gatica attended and spoke at an ACR continuing education class, which was held at Johnson A/C Supply in Houston. Tony spoke to the class about TDLR's goals and described some of the ways we support the ACR industry. He gave examples of recent stings conducted in their area and explained how to report unlicensed activity. Tony also provided statistical data from fiscal year 2014, including the number of licensees and the number of complaints opened. Tony participated in the class at the invitation of the instructor, Joe Moravek.
- On May 16, 2015, Investigator Robert Niño made a presentation to an ACR Continuing Education class held by Castillo Training. Robert spoke about TDLR's enforcement process and the recent San Antonio sting, and answered questions from those in attendance.

Case Highlights

- On October 14, 2014, a default order was entered against Janice Moore assessing an administrative penalty of \$30,000 and revoking Respondent's ACR Contractor License for violations in multiple cases. Violations included: misrepresentation of services, multiple mechanical integrity violations, failing to include required information on invoice, and failure to comply with previous orders issued by the Department.

- On November 25, 2014, an agreed order was entered against Patrick Jones assessing an administrative penalty of \$14,000 for failing to obtain a permit, failing to properly install, failing to provide an invoice to customer, and employing an unregistered technician.
- On March 30, an agreed order was entered against Brandi Andrews assessing an administrative penalty of \$12,250 for failing to include required information on invoice, and multiple mechanical integrity violations.
- On March 31, a default order was entered against Andrzej Bulga assessing an administrative penalty of \$18,000 and revoking Respondent’s ACR Technician Registration for violations in multiple cases. Violations include: offering to perform ACR contracting services without a license using a license not assigned to the company in multiple cases.
- On June 5, a default order was entered against Jimmy Black assessing an administrative penalty of \$15,000 for performing ACR contracting services without a license in multiple cases.

Stings

- On March 9 through 12, an ACR and ELC undercover sting operation was conducted at a commercial location in San Antonio, by investigators Haregeweyn Demoz, Grace Hernandez, Tony Gatica, Chris Russey, Robert Nino, and Alex Ramon. The sting yielded 33 cases for unlicensed activity. The sting was covered by Dillon Collier, a reporter with CBS in San Antonio.
- From June 22nd to 24th, Investigators Delisa Hamilton, Armand Ramirez, Allen Caughey and Grace Hernandez, and ACR Program Specialist Stan Johnson performed an undercover sting operation in Odessa to catch unlicensed ACR and ELC contractors. The local CBS television station, channel 7, was onsite in an undercover capacity, and is writing a story that will air in mid to late July. Public Relations Officer Susan Stanford was in attendance and interviewed by the reporter on 24th for the story. We are opening 19 cases against unlicensed contractors who were identified in the sting.

Key Statistics – Fiscal Year 2015

Shown below are key statistics for the Air Conditioning program and for all TDLR programs combined through July 31, 2015.

<u>Statistic</u>	<u>ACR</u>	<u>TDLR</u>
• Number of cases opened:	776	9,593
• Number of cases resolved:	1,188	12,372

• Number of Agreed Orders:	125	2,126
• Total amount of penalties assessed:	\$608,875	\$4,190,545
• Total amount of penalties collected:	\$158,133	\$2,143,441

**AIR CONDITIONING AND REFRIGERATION
LICENSING STATISTICS
ADVISORY BOARD MEETING
SEPTEMBER 8, 2015**

CONTRACTORS

	TOTAL FY 13	TOTAL FY 14	Sept. – July FY 15
New Licenses Issued	881	786	658
Renewed Licenses Issued	14,072	14,315	13,341
Online Renewals	13,798	14,039	13,120
% Renewed Online	98%	98%	98%
*Total Population	15,018	15,230	15,427

REGISTERED TECHNICIANS

	TOTAL FY 13	TOTAL FY 14	Sept. – July FY 15
New Licenses Issued	5,619	5,640	5,204
New Licenses Issued Online	5,119	5,317	4,836
Renewed Licenses Issued	13,266	13,445	12,687
Online Renewals	13,067	13,266	12,512
% Renewed Online	98%	98%	98%
*Total Population	19,275	19,528	20,025

CERTIFIED TECHNICIANS

	TOTAL FY 13	TOTAL FY 14	Sept. – July FY 15
New Licenses Issued	1,045	1,029	1,033
New Licenses Issued Online	910	929	935
Renewed Licenses Issued	2,438	2,717	2,794
Online Renewals	2,409	2,682	2,768
% Renewed Online	99%	98%	99%
*Total Population	3,558	3,821	4,222

TOTAL OF ALL LICENSE TYPES COMBINED

	TOTAL FY 13	TOTAL FY 14	Sept. – July FY 15
New Licenses Issued	7,685	7,455	6,895
New Licenses Issued Online	6,029	6,246	5,771
Renewed Licenses Issued	29,776	30,477	28,822
Online Renewals	29,274	29,987	28,400
% Renewed Online	98%	98%	98%
*Total Population	37,851	38,579	39,674

*The population number is a snapshot of the number of active licenses on the first day of the month. The number of licenses issued and renewed is the total activity performed during the fiscal year.