

NECA BOARD OF GOVERNORS MEETING

REPORTS OF STAFF OFFICERS,
COMMITTEES, AND TASK FORCES



OCTOBER 21, 2011
SAN DIEGO, CALIFORNIA

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Letter from NECA President Rex Ferry to the Board of Governors

The 2011 Board of Governors meeting will be my last as NECA's President. I'm honored to have shared some duties this year with NECA's President-Elect Dennis Quebe. Dennis is both a good friend and colleague, and I'm enthusiastic about the leadership he will bring to the association and our industry.

Every outgoing officer likes to reflect on their time in office as a time of stability and strength for the organization they've been chosen to represent. However, that wasn't the circumstances I came into office with. Instead, we've endured an economic recession and painfully slow recovery that has dramatically affected almost everything about our business.

But I've also believed that adversity is just another word for opportunity, and wisdom comes from learning how to reallocate resources, make tough decisions, and move out of the comfort zone. I firmly believe that the one thing our industry can't afford to lose right now is momentum. We've worked too hard to create a positive working relationship with our labor partners. We've invested in research and legislative advocacy to improve the business environment for NECA contractors. Energy solutions and a demand-responsive smart grid are driving our industry now. How we respond to these changes will shape our industry for generations to come.

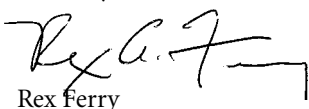
I do believe that we have turned a corner in our relationship with the IBEW. Our toughest years as an industry have been remarkable by the cooperation we've achieved together. Both NECA and IBEW leaders recognize that the old ways of doing business have no place in the 21st century.

In addition to improving our relationship with the IBEW, one of my priorities as NECA President was opening and improving communication between members, individual contractors, NECA chapters and the national office. Over the past three years, John Grau and I have met with hundreds of NECA members. It's important to us to participate in chapter and regional events in order to stay connected and informed about the concerns that are shaping how members and chapters do business day-by-day. The conversations have also helped us make the vast array of industry information that NECA offers more accessible and useful for every member, regardless of their size or scope of work. Many of the ideas taken up by the NECA 3.0 Task Force came out of these discussions.

There are still many opportunities ahead for our industry. It is my profound hope that we continue to choose our battles wisely and concentrate our efforts as an organization on the areas where we can make the most change for the better.

I am very grateful for the opportunity to serve an organization I believe in and respect. Thank you for allowing me to serve as your NECA President, and I hope you have a wonderful experience in San Diego.

Sincerely,



Rex Ferry

Executive Committee

- Rex Ferry
President
- Dennis Quebe
President-Elect
- John M. Grau
CEO
- Daniel G. Walter
VP & COO
- J. Michael Thompson
Secretary-Treasurer
- Geary M. Higgins
VP, Labor Relations
- David MacKay
District 1 Vice President
- Greg E. Stewart
District 2 Vice President
- Alex Owen
District 3 Vice President
- David A. Hardt
District 4 Vice President
- John Lambert
District 5 Vice President
- George Adams
District 6 Vice President
- Daniel G. Schaeffer
District 7 Vice President
- Raymond K. Friend
District 8 Vice President
- Stanley R. Lazarian
District 9 Vice President
- Gary A. Tucci
District 10 Vice President
- Ron A. Autrey
Vice President At Large

Letter from the CEO to the Board of Governors

The recovery from the 2007-09 recession has been disappointing in many ways, including the chronically weak job market. NECA contractors have felt the full force of the economic recession and extremely slow recovery. Profits usually drive business investment in equipment and market expansion—things that generate economic growth and jobs. But that's not happening yet on the broad scale our industry requires.

The severity of the recession has disproportionately hit the construction industry. Over the past year there have been, on average, about 23 unemployed construction workers for every job opening, according to Barclays Capital. Barclays also reported these workers have poor prospects for reemployment in construction or in other industries without retraining.

Reports like this bring to mind the phrase, "adapt or die." Many of NECA's member contractors, and the organization itself, have taken this challenge to heart and are busy adapting to both the changing structure of our national economy and our industry.

Take the all-new NECA 2011 Energy Forum here in San Diego. The Energy Forum was proposed by NECA's Energy Solutions Task Force, electrical contractors just like you, who are trying to determine their place in the emerging alternative energy solutions market. We understand that there isn't a single path of entry for all NECA member companies to pursue this work. But we also know that if we don't begin immediately offering our expertise and services, our existing and potential customers will go elsewhere to get their renewable and energy-efficiency needs met. We don't want to lose what could be the largest game-changing trend to hit our industry in the past two decades.

Another game-changer has been the push to establish local market recovery initiatives incorporating the CW/CE classification across the country. But while CW/CE programs have been expanding, the number of workers in the classification remains relatively low—something we need to work together with our labor counterparts to change. Any single program, classification or initiative may not be the silver bullet to solve our problems, but they are part of the toolbox that gives us a fighting chance for better competition.

As an organization we have also been looking at how we want NECA to grow and change. You'll find a report from the NECA 3.0 Task Force in this book. The task force was appointed in January and given the charge to examine some of the proposals made by the Executive Committee to improve the way we interact with and provide services for our members. We all know that the demographics of our industry have changed, and it's time to do something about it. We have to embrace these changes to make sure we are relevant to the next generation of NECA members. NECA 3.0 is a step in that direction.

It's clear that at NECA, we've chosen to adapt rather than die. Change is never easy, and I am grateful for your innovative spirit to accept the necessary changes. Thank you for your service on the Board of Governors and for joining us for NECA 2011 San Diego.

Sincerely,



John M. Grau

Staff Leadership Team

John M. Grau
CEO

Daniel G. Walter
VP & COO

J. Michael Thompson
Secretary-Treasurer

Russell Alessi
President,
ELECTRI International

Geary Higgins
Vice President,
Labor Relations

R. Drew Gibson
Executive Director,
Midwestern Region

William Orgill
Executive Director,
Western Region

Richard Parenti
Executive Director,
Eastern Region

B. David Roberts
Executive Director,
Southern Region

Finances

The July 31 financial statements for NECA were distributed in a recent Chapter Alert.

As of July, our assets are \$30.3 million, an increase of \$2.6 million from this time last year. Reserve fund investments earnings were over \$2.2 million during the last 12 months; \$1.5 million of which resulted from increased market values as the stock market rebounded. General Fund cash and investments have increased due to an increase in service charge and advertising revenues.

As of July, our liabilities are \$11 million, a decrease of \$1 million from July 2010. The pension liability (the gap between the value of the pension plan's investments and the liability for future benefits payable to participants) decreased as a result of the increase in the value of pension plan investments. Pension funding rules require NECA to make cash contributions to the plan during 2011; both quarterly installments for the current year, as well as a lump sum payment for the 2010 plan year. These were anticipated during the budget process.

The general fund has a gain of \$645,000 for the first seven months of 2011. Unlike last year when **Service Charges** were down, this year they are up 8.3 percent when compared to the same period in 2010. **Advertising** is up 10 percent, compared to the first seven months of 2010 and **Meeting Registrations** are higher as well. Convention and exposition revenue continues to come in at this time; the revenue is included in the balance sheet as deferred revenue until October. Expenses are in line with the 2011 Budget.

Membership

During the preceding 12 months the membership roster has been reduced by 133 net members. The 3.2% decline stems primarily from members that are closing their doors or are leaving the electrical construction industry. The number of terminations has declined, but unfortunately the number of new members is also low.

NECA Membership by Category

(as of July 31)

	2011	2010
Chapter Members	3,928	4,065
Individual Members	3	3
Canadian Members	44	45
International Members	32	27
Total Members	4,007	4,140

Farewell

This marks my 30th Board of Governors meeting as your Secretary-Treasurer. That wouldn't be noteworthy except that it will be my last meeting in this capacity. I plan to retire from NECA on March 31, 2012, but intend to remain involved as the Secretary of the Academy of Electrical Contracting in the foreseeable future. It has been my distinct pleasure to serve this body as your Secretary-Treasurer, and I leave with many fond memories of people that have changed my life, including: eight presidents, 93 vice-presidents, and hundreds of chapter governors and staff, both national and chapter. It has been a wonderful experience that I'll treasure forever.

NECA members continue to recognize labor relations activities as one of the association's most important services. In 2011, we have worked hard to increase the competitive position of our members and to improve communications.

Labor Relations Task Force

The Labor Relations Task Force was originally created by the Executive Committee to meet with representatives from the IBEW to discuss competitive issues and other conditions important to our industry. These discussions are ongoing regarding the state of our industry and the need for more flexible and competitive agreement language.

The Task Force includes Chairman Dennis F. Quebe, John Lambert, Ron A. Autrey, Gary Tucci and Geary M. Higgins. The recent focus of the Task Force has been on the benefit burden facing our member contractors, particularly the potential for cost increases and liabilities attached to Defined Benefit plans. A survey of chapter sponsored pension plans was launched in August to help define the breadth and severity of the Defined Benefit pension plans financial status. The Task Force will be reporting on some of these issues at the Labor Relations Special Session on Monday, October 24.

Council on Industrial Relations

Through August, the CIR has heard and decided 60 cases, four fewer than last year through August, and the 2010 caseload were the lowest since 1988. The interim meeting process continues to work well, with approximately 60 percent of filed cases being solved at home through the August session. Preliminary decisions are now emailed to the parties upon the request of both parties.

Employment Statistics

The *Inside Construction Trends* report is posted on www.necanet.org. The availability of the Bureau of Labor Statistics data for comparison continues to cause the delay for more timely data. The report format which includes national, state, NECA district and IBEW district data and has made significant efforts towards accurate comparisons of the productive workforce and payroll in the inside electrical construction industry.

In late 2010, NECA and the IBEW distributed to all chapters and local unions the NLMCC market evaluation study, completed with

the cooperation of NECA, IBEW, NEBF and the Construction Labor Research Council (CLRC), for 2004, 2005, 2006, 2007, 2008 and 2009. The study provides chapters with the same information the *Inside Construction Trends* provides, but it takes into consideration the county jurisdiction of each chapter, the duplication of worker reporting, and the difference of work performed to where work was reported. The resulting "employment share" and "wage share" are not exact market share numbers, but may be used to track the trends in a market jurisdiction. Data for 2010 should be published before year's end. The data provides both parties with a realistic basis of share for their jurisdiction and response to this data has been overwhelmingly positive. Carey Peters, the new Executive Director of CLRC, will work with any chapter of local LMCC on their study results.

Davis-Bacon

NECA continues an ongoing service to the local chapters with their Davis-Bacon programs through the communication of timely information and assisting in the resolution of local problems. Davis-Bacon wage determinations are available for members and chapters on NECA's website and the Government Printing Office website at www.gpo.gov/davisbacon/. A very informative presentation by U.S. Dept. of Labor personnel at AEI focused on how to correct discrepancies that are discovered in their locally posted prevailing rates. DOL sends wage surveys directly to the applicable chapters; NECA and the IBEW are cooperating in the distribution of the survey notices and the encouragement of the local parties to work together through the local LMCC to retain and regain the prevailing wage in their jurisdiction. Since the rules governing the determination of rates changed, chapters and members are strongly recommended to promptly respond to all survey requests because the next opportunity may be several years away.

Jurisdictional Disputes Board

A NECA representative sits as a member of the Joint Administrative Committee that oversees the board's operations. The National Jurisdictional Disputes Board has traditional support from NECA as it attempts to keep jurisdictional disputes to a minimum.

Labor Relations Conferences and Seminars

The next Labor Relations Conference is scheduled for March 7-8, 2012, at the Royal Sonesta Hotel in New Orleans. The conference

will focus on pressing labor issues and the agenda is currently being developed; suggested topics from chapters and members are encouraged.

Since the introduction of five new Labor Relations Courses in 2008, there have been 57 courses presented to over 1,000 members by NECA Field Reps through MEI.

Employment Benefits Conference

The purpose of this joint IBEW-NECA conference is to keep trust fund administrators and trustees informed on current information that might possibly affect them. The conference was held on January 27-28 in Naples, Florida. The next conference is planned for January 26-27, 2012, in Naples, Florida.

Market Recovery and Organizing

Efforts at recovering lost markets are present in a number of areas. Work recovery efforts are seen in “Initiative” and other “Small Works” type agreements that are currently being pursued

nationwide. Presently, the Construction Wiremen/Construction Electrician language has been approved in 62 agreements in 34 different chapters. The Recovery Agreement initiative by IBEW International President Ed Hill on May 24, 2010, has resulted in a compliance rate of over 75 percent of the local unions. These Recovery Agreements include CW/CE in the scope.

Developments in Line Agreements

In 2011, the National Outside Portability Agreement for transmission jobs and projects of 100 kv or above was clarified to aid in its implementation. This agreement is a complement to the 2009 National Outside Construction Emergency Response Agreement. The Transmission and Maintenance Agreement, TMA, which was developed as a market recovery tool for the line industry, still remains available to our District 10 members. It is automatically approved on a project-by-project basis for projects with “legitimate non-IBEW competition.”

Labor Agreement Information Online

The Labor Relations portion of the NECA website has been revised and improved. When inside agreements are sent for review, as required by the national Bylaws, Section 6.3(g), they will be posted online. In addition to the full agreements, chapter executives can post pertinent wages and conditions on www.necanet.org/wage_database/ for members’ convenience.

National Labor Management Cooperation Committee (NLMCC)

In 2010-2011, the National Labor-Management Cooperation Committee (NLMCC) had to adjust to the prevailing economic conditions. The 2010 calendar year contribution and interest income was five percent less than in 2009. Through June 2011, the total income was down two percent from the same six month period in 2010. However, the NECA-IBEW marketing enterprise was still able to fund significant new and ongoing activities. These included (but were not limited to):

Advertising—While this portion of the budget was reduced out of necessity, the NLMCC was able to:

- maintain its every-issue presence in *Engineering News-Record*,
- funded a full schedule in *Building Operating Management*.

Additionally, our advertising appeared in *GreenSource* magazine (which is affiliated with the U.S. Green Building Council), in *CONSTRUCTOR* (official publication of the AGC), *The Voice* (official publication of the Construction User’s Roundtable), in *Transmission and Distribution World (T&D)*, in 16 professional and college sports magazines covering football, NBA and NASCAR, and elsewhere.

ElectricTV—NLMCC funded a full schedule of 24 segments. Changes to the presentation, promotion, and changes of the mar-

NECA Appointees to the Council on Industrial Relations

CO-CHAIRMEN

Rex A. Ferry	Girard, OH
John M. Grau	Bethesda, MD
David Hardt	Chicago, IL
David MacKay	Weymouth, MA

TREASURER

Geary M. Higgins	Bethesda, MD
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MEMBERS

Ted Brady	Charleston, WV
Scott Bringmann	Anchorage, AK
Donald Campbell	Dublin, CA
Fred Davie	Madison, WI
Michael Gilchrist	Scarsdale, NY
Doug Hague	Wichita, KS
Doug Palmer	Davenport, IA
Jody Shea	Chattanooga, TN
Kevin Tighe	Jacksonville, FL
Jules W. Weaver	Midvale, UT
R Drew Gibson	Glendale, WI
William F. Kuhr	Novato, CA
Bill Orgill	Olympia, WA
Richard A. Parenti	South Kingstown, RI
B. David Roberts	Covington, LA

keting approach, have resulted in a 250 percent increase of traffic to the site since 2009. August has been the best month with 11,732 site visitors, an increase of 300% over August 2009.

Website—In 2011, NLMCC upgraded and re-launched its website and combined several of our sites into one under the URL, www.NLMCC.org. The result is a state-of-the-art website, with more video content (more relevant to today’s audience and more reflective of expectations of web traffic). There is a public side to the site and a private side (for local officials working for IBEW, JATCs, NECA, and local LMCCs). Local LMCCs can get automatic download information from this site, which are known as widgets, which may be put on their own websites.

Trade Show and Business Development Efforts—In 2011, in cooperation with the NECA and IBEW Business Development efforts for our members, the NLMCC provided significant funding to allow the Business Development message to be taken to five key industry trade shows: utilities (EEI), renewable energy (Windpower Expo, Intrasolar, and Solar Power), and building (BOMA Every Building Show). Continued funding and additional shows are planned for 2012.

The ELECTRIC TV/Hour Power booth has carried the NLMCC message by being present at industry and customer events such as the National Training Institute, the NECA Show, the IBEW Construction Conference, and the Construction User’s Roundtable (CURT) annual meeting.

Other Activities—NLMCC maintained its efforts in press relations, its presence at various important industry meetings and trade shows, and its sponsorship of a cable TV program, via the Theodore Roosevelt Conservation Partnership. We’ve continued to gain exposure for our industry via participation with Industrial Information Resources, an online information provider. This program is responsible for the proposed traffic to our updated website.

Special funding efforts—Upon receiving a request from the NJATC, the NLMCC funded a portion of the NJATC Learning Management System (LMS) project and participation in the American Wind Energy Association (AWEA) and their show. Similarly, the NLMCC was able to sponsor a Detroit Public TV program, “The Future of Electricity,” through a one-time grant.

In summary, despite economic and budget restraints, NECA and the IBEW continued to make strides together this year and doing more with less. With an eye on the industry’s future needs, we have sustained key programs and activities.

The NLMCC’s charges remain the same: to promote to customers the efforts of IBEW-employing electrical contractors; to publicize the opportunities offered by our industry to potential new employees; and to educate our internal audience (contractors and IBEW members).

Report from the Workforce Development Committee *David R. MacKay* *Chairman*

The Workforce Development Committee has the responsibility to assist, promote and maintain a high level of skill among journeymen and apprentices working for organized electrical contractors. The committee also serves as the management representatives for our association on the National Joint Apprenticeship and Training Committee.

Committee Annual Meeting

The NECA Workforce Development Committee held its annual meeting at the Marriott Harbor Place Hotel in Baltimore, MD on March 14 with all members present. NJATC Executive Director Michael Callanan, NJATC Assistant Executive Director Rick Hecklinger and NECA CEO John Grau were also in attendance.

Workforce Development Committee Annual Meeting

Chairman MacKay welcomed the committee members and reminded them of the one overriding duty of the committee: “To promote the indenture of sufficient numbers of apprentices in all four of our programs to not only replace those that are leaving, but to grow the industry as well.” Acknowledging the difficult times, Chairman MacKay went on to stress the fact that apprentices were essential to the future vitality of our industry. He noted that CW/CE’s would help to fill the void when work begins to pick-up, but they would never replace the highly skilled journeymen and they are not available in some areas.

District Representatives reported on work in their areas. The work picture in most areas was reported as continuing to be slow with unemployment of both journeymen and apprentices. There was some activity of increased bidding and some pockets of work available, but over-all work remained slow. Transmission work was picking up in District Ten and the future was looking a little better.

NJATC Assistant Executive Director Rick Hecklinger provided an overview of this year’s NTI and related training opportunities. He discussed the need to grow and promote the EC Group at the NTI and that this could be done at the regional meetings. The NJATC and NECA’s MEI are cooperating on more courses this year and hope to increase that number in the future. It was discussed that the inclusion of CEU’s for state and local licensing requirements would help to increase the interest and participation of contractors in the NTI.

NJATC Executive Director Mike Callanan discussed the skilled worker shortage; does it exist and what are we going to do about it? The members agreed that it was real, but that the poor economy was masking the problem. Our apprentice numbers continue to be inadequate to address the future needs of the industry with some areas in their third year without indenturing a new class.

NJATC Executive Director Mike Callanan and NJATC Assistant Executive Director Rick Hecklinger discussed the Arkansas “Pilot Program”. This program used the new DOL apprentice regulations to craft standards that include a “hybrid” program. This program allows us to better address the requirements of states with licensing laws in order to compete with the non-union. The NJATC is currently working on new standards for our industry that will address these same issues,

The next meeting of the Workforce Development Committee will be a breakfast meeting at the NECA Convention in San Diego, CA. The date, time, and location will be announced.

NJATC Annual Meeting

The Workforce Development Committee met Tuesday morning, March 15, with its counterparts from the IBEW as the full National Joint Apprenticeship and Training Committee. At this meeting Executive Director Mike Callanan presented a detailed overview of the year’s activities of the NJATC.

Committee Members

David R. MacKay, Chairman	Weymouth, MA
Geary M. Higgins, Secretary	Bethesda, MD
John S. Frantz	Sydney, OH
David Long	Jacksonville, FL
Bradley R. Weir	Wadsworth, IL
Greg Gilleland	Wichita Falls, TX
David P. Lantz	Anchorage, AK
Gary Demmel	Omaha, NE
James L. Peterson	Colorado Springs, CO
Frank E. Schetter	Sacramento, CA
Jody Shea	Chattanooga, TN

NECA co-chairman David MacKay again stressed the need for indenturing more apprentices and that apprentices were essential to the future vitality of our industry. While CW/CE's will help to fill the void for electricians when work picks up, they will never replace the highly skilled journeymen and they are not available in some areas. The highly trained journeyman's value can only grow with an increase in the number of CW/CE's, because they will need more supervision. Demographics are also driving this need for journeymen as many of our best are now facing retirement. Our training is also changing to meet the new marketplace and the skills necessary to address it. The NJATC is doing a good job staying at the forefront of this change as it offers new approaches to training through; new standards, core curriculum, blended learning, hybrid training and more.

Mike Callanan's report included detailed information from the annual survey of local JATC's. Executive Director Callanan reported a continued drop in the number of newly indentured inside apprentices for 2010 from 2009 from 5195 to only 4641. This number is about 38% of 2007 just three years ago and 47%

of 2008. This alarming trend is continuing and will erode our ability to respond both in numbers of apprentices and in training for them when the market begins to expand. This is also putting financial stress on the NJATC because it derives most of its income from the sale of training materials.

77,452 journeymen inside wiremen returned to the classroom for additional training in 2010 down from an all time high in 2009 of 95,726. This all-time record for journeymen training in 2009 was a code year and they are always higher. 77,452 is off some from recent past non-code years, but is more in line with those past non-code years.

The current economic situation has had an effect on the NJATC finances causing some financial restructuring. Budgets have been tightened; the NJATC is meeting its budgets and is in a stable economic situation. The NJATC is also working hard on developing addition revenue sources particularly in cooperation with the training partners.

The Management Development Committee met February 15-17 in Austin, Texas. This report shares some of the insights into NECA's evolving educational projects and opportunities. Short, medium and long-term committee goals were reviewed and discussed. Committee recommendations are as follows:

- *Short-term*—increase online course offerings and online registrations.
- *Medium-term*—follow-up on NECA Chapters who are not utilizing the products and services of MEI. Send letters of encouragement to the chapter executives, copying NECA field representatives.
- *Long-term*—continue to develop *leadership* courses and make sure these courses are specific to our industry. Develop new courses that meet the educational and training needs of NECA members.

The Management Education Institute (MEI)

The Management Education Institute (MEI) provides a management development program for the benefit of the NECA membership. In 2010, MEI held 167 seminars, serving a total of 3,365 students. Currently, the MEI curriculum consists of 113 courses. MEI offers seven online courses and recently launched a new online course, *Contractor 101*. MEI will unveil its *2011-2012 Course Catalog Supplement* at NECA San Diego 2011. To increase MEI course registrations, the committee has agreed that MEI needs to do more marketing; better educate electrical contractors on the benefits of MEI; and encourage NECA contractors to include management education in their company plans.

Contractor 101 Course

In keeping with the suggestion of the Management Development Committee, MEI successfully developed *Contractor 101* this year. The new online course is an introductory level overview of key topics in construction contracting for people new to the industry and for contractors who are experienced at the project operations level of construction and are moving, or have moved, into higher levels of management responsibility in the firm. The Committee has recommended that MEI build upon the existing *Contractor 101* course and consider adding an additional module: *How to Start an Electrical Contracting Business*.

NECA Mentoring Program

At present there are 21 NECA members registered in the NECA Mentoring Program. Recruiting a sufficient number of mentors with the necessary qualifications needed to match our roster of Protégé applicants has been an ongoing challenge for NECA's Mentoring program. NECA is now recruiting Mentors from a broader base, as well as from targeted Mentor-qualified groups, like the Academy of Electrical Contracting.

Other new program initiatives include: the online **Contractor 101** course is now available at no cost to Protégé applicants; and approval of a new **Strategic Assessment** process offered as an integral part of the Protégé application process. Conducted by the Mentoring Program consultant, this process is designed as an intake interview to help Protégés to better define their mentoring objectives and to improve the Mentor-Protégé matching process. This assessment procedure is voluntary, but Protégés are strongly encouraged to participate.

Executive Management Institute

In keeping with the Committee's suggestion, the Executive Management Institute (EMI) program was reviewed, analyzed and revised in 2011. A program was held September 21-25 in Niagara-on-the-Lake, Ontario, Canada; 15 individuals attended the program, which exceeds the number of participants the last time the program was held in 2009.

Committee Members

George Adams, Chairman	Portland, OR
Gregory Mankevich, Secretary	Bethesda, MD
Thomas M. Driscoll	Farmington, NH
James Smith	Huntington, WV
Michael A. Grant	Hixson, TN
Craig R. Martin	Aurora, IL
Joel M. Fritz	Phoenix, AZ
David A. Peterson	Spokane, WA
Blair Mahan	Superior, WI
Craig Clark	Lakewood, CO
Frederick Jensen	Salinas, CA
Clint Tate	Boise, ID

Publications

The *NECA Financial Performance Report* was revised and made available in January. The *Tool & Equipment Rental Schedule* was revised and made available in April. The *NECA Manual of Labor Units* was also revised and made available in May. The next MEI publication slated for revision is the *Officer and Overhead Personnel Compensation Report*. This report is a valuable tool for benchmarking compensation and benefit levels in the electrical contractor industry. The report will be revised and made available in the summer of 2012.

Electrical Project Supervision

In 2010, MEI conducted 83 EPS training sessions for 2,135 students. Figures for 2011 are expected to be slightly lower compared to 2010. EPS continues to account for almost half of the student enrollment in MEI training programs.

The committee has expressed their support for MEI's efforts aimed at moving forward with the Small Contractor Electrical Foremen program. This new program is a compliment to the EPS program focusing specifically on the needs of foremen for smaller contractors in smaller markets. The first three modules of the program—M1: Defining the Foreman's Role; M2: Communicating and Team Building; and M3: Managing the Crew: Leadership and Motivation—are ready for pilot-testing. All 14 modules are expected to be completed this winter.

NECA Line Chapters

Regarding the Line Construction Foreman (LCF) program, the Committee supports MEI's efforts aimed at establishing a greater interface with the Committee's District 10 representative, and efforts aimed at developing new products and services specifically designed for line contractors. An LCF (TtheT) program was successfully completed at NTI 2011 in Ann Arbor, MI (July 31–August 2). At the NECA Convention in San Diego, there will be management seminars offered exclusively for Line contractors.

Managing Multiple Craft Skill Levels

MEI has been working with Jerry Rounds (MEI Adjunct Faculty Member) on a new program designed to assist NECA field reps in helping foremen integrate CW and CE workers into their crews through the new program, *Managing Multiple Craft Skill Levels—Foremen Guidelines for Effectively Incorporating Construction Wiremen and Construction Electricians into Electrical Construction Projects*. The program explains what the new classifications are and why they have to be created; describes how they are changing the work environment; and provides guidance on how the new craft workers can be effectively incorporated into construction crews. In the future, NECA Field Representatives will teach the program at the chapter level.

Future Leaders

The Future Leaders of the electrical contracting industry and NECA met May 12-14, in Pittsburgh for their annual conference. This year's meeting was the best ever attendance-wise, and all attendees were unanimous in their praise of the program. The 2012 conference is scheduled to take place April 18-20 in the Dallas/Fort Worth area.

NECA 2011 San Diego

MEI is responsible for the management seminars offered at the national convention in San Diego. The NECA Management Development Committee reviewed speaker recommendations for management seminars at NECA 2011 San Diego and forwarded these recommendations to the NECA convention team. The NECA Convention will offer sessions on *Fleet Management*, *The Future in BIM*, *Building Successful Customer Relations*, *Lighting Retrofits*, *Alternative Energy for the Electrical Contractor*, *Succession Planning as a Management Strategy*, *Alternative Energy*, *Surviving Today's OSHA*, *What you don't know about LED lighting can hurt your business*, *NECA Mentoring*, *Strategies to Win Today's Market*, *Government Affairs Update for 2011*, *Electric Vehicles*, and *Business Development moving forward*.

Student Chapters

There are currently 23 NECA Student Chapters across the country. We recently received an application from Arizona State University (ASU) to join the NECA Student Chapter family, so we could have a total of 24 NECA Student Chapters by year's end. MEI will continue to provide assistance to ELECTRI International involving the 3rd Annual NECA/EI Student Chapter Competition: *The Green Energy Challenge*. In 2010, the winner was the Milwaukee School of Engineering.

Relationship with Chapters

MEI continues its work with Chapter Managers to provide world-class education and training to address specific needs of the staff managing chapter operations. The Chapter Executives Leadership Institute (CELI) serves as supplemental training to the current Staff Executives Training School (SETS) and Chapter Administrative Training School (CATS) that NECA currently offers twice a year. The next SETS and CATS program is scheduled to take place December 12-14 (SETS) and December 15-16 (CATS).

The 2010 CELI took place November 2-4 in Orlando, FL. The program theme was *Keeping your Chapter Afloat—Navigating through Difficult Times*. The program included a mock CIR Session. CELI 2012 which will take place in early November.

Report from the Codes and Standards Committee

Raymond K. Friend
Chairman

The Codes and Standards Committee met February 14- 15 in Las Vegas. Committee members provided several 2014 NEC proposals to be submitted by NECA prior to November 4. Activity reports on NFPA 70, 99, 90A, 70E, 72, and the NESC were also given. NFPA provided an update on the revisions to the NEC development process scheduled for the 2017 NEC development cycle. The committee continued development discussions related to the draft

Committee Members

Raymond K. Friend, Chairman	Boise, ID
Michael J. Johnston, Secretary	Bethesda, MD
Harry J. Sassaman	Edison, NJ
Thomas H. Wood	Rockford, IL
Stanley D. Kahn	Aptos, CA
Ronald J. Toomer	Baton Rouge, LA
Nathan Philips	Eugene, OR
Jacob M. Howlett	Canby, OR
Scott Cline	Monterey, CA
Michael W. Smith	St. Louis, MO
Wesley Wheeler	Keystone Heights, FL
Larry Cogburn	Jacksonville, FL
Steven P. Poholski	Muskegon, MI
Wayne Brinkmeyer	Houston, TX
Gregory A. Bowman	Chattanooga, TN
Richard Sobel	Long Island City, NY
Stanley J. Folz	Las, Vegas, NV
Thomas L. Hedges	Ramona, CA
William Brunner	Minot, ND
Martin D. Adams	Pueblo, CO
Marc J. Bernsen	Boise, ID
Bruce D. Shelly	Philadelphia, PA
Doug Pirkle	Atlanta, GA
Don Jhonson	South West Ranches, FL
Bobby J. Gray	Yakima, WA
Charles M. Trout	Hernando, FL
Thomas Thierheimer	Houston, TX
John Luke	Marion, IA
Tom G. Smith	Oklahoma City, OK

proposal to change the current 3-year NEC development cycle to a 5-year cycle. The target date for draft proposal completion and submittal to NFPA is November 2011.

NECA Codes and Standards Committee New Member Orientation

Standards and Safety developed a *Codes and Standards Committee Member Orientation Program*, an overview of NECA committee member responsibilities and the requirements for technical committee members representing NECA on standards technical panels. The first orientation meeting was conducted at the NECA offices in Bethesda, MD in July, with five new members attending: William Brunner, Gregory Bowman, Jacob Howlett, Thomas Thierheimer, and Wesley Wheeler.

NECA NEC Committee Chair Positions

Michael Johnston has been appointed to chair the NFPA NEC Technical Correlating Committee. Larry Cogburn has been appointed to the Chair position of NEC Code-Panel 8. This brings the total of NECA chair positions to six, seven including the TCC Chair position. NECA is the only organization to ever chair this many Code-making Panels.

2011 National Electrical Code (NEC) Significant Changes MEI Seminars

The 2011 NEC Significant Changes Textbook and Seminar are offered as an MEI training program. Michael Johnston (NECA) and James Dollard (NJATC/IBEW) teamed up to present this 8-hour training program for NECA chapters as requested. This training provides members with the latest NEC changes that impact their work while offering continuing Education Units (CEUs) for license and certification renewals where needed.

NECA Electric Vehicle Charging Station Workshops

NECA's Workshop on Managing Electric Vehicle Supply Equipment Installations was developed in early 2011. Michael Johnston and Rob Colgan have provided NECA chapters presentations on the Contractor's Role in Managing Electric Vehicle Supply Equipment (EVSE) Installations. The workshop provides a high-level review of opportunities for electrical contractors and the critical aspects of this type of work including accurate site assessments and coordina-

tion with the inspection authorities. Inspectors have attended these presentations at the invitation of the local NECA chapters.

National Electrical Installation Standards (NEIS) Development

NECA's performance standards for electrical construction are becoming more popular and widely accepted. They are commonly used in construction specifications, contract documents, and RFPs. The library of *NEIS* has helped NECA define what constitutes good electrical construction and provide a clear benchmark of quality and standards in work that reaches beyond the average level.

In 2011, ANSI approved one new NEIS, NECA/BICSI 607, Telecommunications Bonding and Grounding Installation Methods for Commercial Buildings. Two revised/reaffirmed *NEIS* were approved by ANSI. Five new *NEIS* are in development, and 16 are slated for revision/reaffirmation.

Canadian Electrical Installation Standards (CEIS)

NECA and the Canadian Electrical Contractors Association (CECA) have entered into a licensing agreement on developing a Canadian version of NECA's national electrical installation standards. The development of these standards is based on the requirements in the Canadian Electrical Code Part I. The Canadian Standards Association (CSA) is working closely with CECA in the development of these documents.

NECA Safety Activity and Products

NFPA 70E-2012 Standard for Electrical Safety in the Workplace

The revision and development process for *NFPA-2012 Standard for Electrical Safety in the Workplace* is complete. The new standard was published in September and is available through NFPA. John Luke and Jerry Rivera serve on the NFPA 70E committee. NECA produces safety training material based on NFPA 70E. Jerry Rivera is providing presentations about the 2012 70E changes for NECA chapters and at regional safety conferences.

NFPA 70E Worker and Supervisor Certification Program

The NFPA is working on NFPA 70E Certification programs for Worker and Supervisor levels. A group of subject matter experts (SMEs) met in August in Dunedin, FL. The focus of the initial meeting was to develop the framework for a body of knowledge participants need and to create a curriculum of what will be required to achieve both worker and supervisor certification.

NECA Safety Professionals Conference 2011

The inaugural NECA Safety Professionals Conference was held May 23-24 in Dallas. The conference provides a specific venue

dedicated to those working in safety positions at all levels. Nearly 100 safety and health professionals attended this conference, which offered two general sessions and multiple breakout training programs covering subjects such as the *Changes to NFPA 70E-2012*, *Best Practices for Line Contractors*, *Crane Signal Person Training updates*, and the *Systems Approach to Safety*. NECA President Rex Ferry and Vice President and COO Dan Walter were in attendance and spoke at the general session. The main theme established during this conference was establishing a "zero energy work environment" by effectively creating electrically safe work conditions, where achievable—a principle outlined in NECA's Standing Policy on Safety.

Another valuable aspect of this conference was the focus not only on what safety rules require, but how to effectively implement them. Moving forward, the NECA safety professionals conference will provide multiple opportunities to address growing needs and concerns about electrical contractors maintaining the highest level of efficiency in safety program development and supporting employees who exercise all safety-related work practices. Planning has already begun for the Safety Professionals Conference in St. Louis, May 19-22, 2012.

NECA Safety Products

NECA believes it is important to provide members and the industry with the latest Code and Safety information. NECA continues to address these concerns by participating in the latest electrical worker safety training programs and reaching out through various trade publications.

- Recent interest in NFPA 70E, *Standard for Electrical Safety in the Workplace*, has grown beyond expectations, with contractors concerned about attaining the appropriate training for their electrical workforce. NECA's popular *Personal Protective Equipment (PPE) Selector* and *Lockout/Tag-out Guide* and Software CD are scheduled to be updated to the NFPA-2012 edition.
- *Lockout/Tag-out Guide and Software CD*—The products assist NECA members and the industry in understanding and applying Lockout/Tag-out (LOTO) procedures. The content is based on the requirements in Article 120 of NFPA 70E-2012 *Establishing an Electrically Safe Work Condition*. The LOTO products are being updated to NFPA 70E-2012 edition.
- The *Electrical Contractor Safety Program Manual* is designed to assist electrical contractors in effectively integrating safety into their organization. The program includes a manual, CD, and 90-day free subscription.

NECA is updating the *Toolbox Talks* series and it will be released in the last quarter of 2011. Outside linemen and inside wiremen talks will be included in this product update.

New Safety Products in Development

NECA's *Personal Protective Equipment (PPE) Selector* is being developed into an online training program. The virtual training program will be ready for release in the first half of 2012.

Supervisor Guide to Jobsite Safety will offer supervisory personnel the key knowledge required to manage a safe work site. *Supervisors Guide to De-energizing* will help guide supervisory personnel through the decision making process of de-energizing and establishing an electrically safe work conditions for personnel. This product will help supervisors make a stronger case for performing electrical work in the de-energized mode rather than performing energized work.

NECA Safety Network

NECA continues to ensure that sound and practical safety solutions for workplace safety are being considered at the standard development phase. The formation of the Safety Network, a group of safety professionals from within the membership, has been a huge success. This network provides NECA with valuable, timely input on critical safety issues that impact NECA members, especially in rule-making processes. Most important, communication has been enhanced within our membership.

Zero Injury and Safety Excellence Award Program

Participation in the NECA Zero Injury and Safety Excellence Award Program continues to gain interest and momentum. The program, which started as a district program, has spread throughout the United States. NECA expects that 2012 will bring increased interest and participation to the safety awards program. NECA encourages all districts to participate and be recognized for excellence in safety.

OSHA Rule-Making Activity

NECA continues to be actively engaged in the rule making process by commenting and assisting OSHA at public hearings on standard development. Some of the proposed rules that NECA is involved with are: Subpart V, Cranes and Digger Derricks, Injury Illness and Prevention Programs (I2P2), Walking-Working Surfaces and PPE, and Modernizing Injury and Illness Data collection. The release of the final rule Electrical Power Generation Transmission and Distribution (Subpart R) and Power Transmission and Distribution (Subpart V) has been delayed until 2012. For now, OSHA is coordinating efforts with NECA to conduct a potential site visit to further understand electrical line construction. Some of the requirements proposed during the comment period include arc-rated/fire-rated FR clothing, minimum approach distances (MAD), working position devices and protective grounding.

Electrical Transmission & Distribution (ETD) OSHA Strategic Partnership

NECA continues to be active in the Electrical Transmission and Distribution (ETD) Partnership which has proven to be a value during the current political climate. NECA, IBEW, and several major NECA line constructors are members. Ongoing work includes:

- Developing and teaching the OSHA 10- and 20-hour courses for line construction
- Producing safety training videos for line foremen and supervisors
- Development of industry best safety practices and a searchable incident database
- Collating the Partnership data for the purpose of tracking success, benchmarking, and planning future goals and objectives.
- Developing and distributing a promotional video to support the work of the partnership to reduce injuries and enhance safe work practices in line construction.

NECA participates on the Steering Committee, Task Team I (Data), Task Team II (Training), Task Team III (Best Practices), and Task Team IV (Communications). Development of best practices continues with a new BP on Working at Heights nearing completion. Information about the work of this OSHA partnership is available on the www.powerlinesafety.org website maintained by NECA.

Advisory Committee on Construction Safety and Health

Thomas Marrero from Zenith Systems LLC, of the Greater Cleveland Chapter NECA, attended his first ACCSH meeting in July, as NECA's representative to ACCSH. This appointment assures NECA a voice in safety and health rule promulgation. Mr. Marrero has also been appointed to the Injury and Illness Prevention Programs subgroups as Chair. Joining Mr. Marrero on ACCSH is Bill Hering from NECA contractor SM Electric, as the representative of The Association of Union Contractors (TAUC).

The construction industry continued to face economic uncertainty in 2011, with unemployment teetering around 20 percent, with no imminent sign of permanent legislative relief. NECA increased its presence and advocacy efforts on Capitol Hill to ensure that our contractors have a voice on key legislation advanced in Congress, addressing the repeal of several onerous taxes, while advancing pro-labor issues and green energy incentives.

ECPAC

Following the 2010 mid-term elections, NECA measured its success rate in electing legislators that support the electrical construction industry. The success rate for when NECA made an ECPAC contribution (and that recipient was elected) was 89.3% in the House and 91.3% in the Senate. NECA is already looking to the upcoming 2012 elections and has begun to seek out new candidates, while supporting those incumbents helping to advance NECA's legislative priorities. With the tremendous support of our members, especially our PLC members, NECA has exceeded the \$1.5 million-plus threshold for ECPAC annually since 2004, holding ECPAC's place among the elite as the largest specialty contractor PAC in the country.

NECA members continue to set fundraising records. Over \$700,000 has been collected from more than 887 NECA members;

over 100 of the 120 NECA chapters have made at least one ECPAC contribution. Political Leadership Council (PLC) Chairman Tom Wolden put forth two new goals as part of NECA's legislative priorities: securing \$1 million dollars in ECPAC contributions and at least one contributor from each NECA chapter.

NECA's "Corporate ECPAC Partners" program continues to grow as well. As of September 2011, \$91,750 has been collected from 277 contributors. While corporate contributions may not be used for candidate contributions, these monies will go to defray the cost of fundraising expenses, such as raffles, premiums, and bank charges.

Political Leadership Council

Much of the fundraising success can be attributed to NECA's Political Leadership Council Chairman Tom Wolden and the PLC, a group of members and chapters that have demonstrated leadership in political activities and have offered significant ECPAC contributions. Chairman Wolden has also played a vital role in the success of ECPAC this year, reaching out to chapters to help secure ECPAC contributions. He significantly increased efforts for each PLC member to attract an additional member, as well as increasing corporate contributions. Under his leadership, PLC membership in 2011 has nine new members: six individual contractors and three chapter members.

In May, NECA's annual PLC Summit and Legislative Conference were held jointly and attended by over 150 members, staff, and guests. Nearly 60 PLC members attended and were treated to a reception and dinner at the United States Botanical Garden (USBG). Located on the U.S. Capitol Grounds, the USBG is one of the oldest botanic gardens in North America. PLC members had the opportunity to explore the gardens and take in some of the most diverse plant life in the world.

Constituent Action

Through NECA's effective constituent involvement, members have had a significant impact on the legislative policy that affects our industry. With more than 100 new Members of Congress, NECA has more than 100 new opportunities to garner relationships with key legislators who support the electrical industry.

This year more than 100 meetings have taken place across the country with NECA members and legislators. NECA is encouraging chapters to schedule at least one meeting per year to renew the

Committee Members

Greg Stewart, Chairman	Columbus, OH
Lake Coulson, Secretary	Bethesda, MD
Ciro Lupo	Long Island City, NY
David Dickey	North Lima, OH
Bradley Giles	South Daytona, FL
Larry Clennon	Wilmington, IL
Michael Boggs	Balch Springs, TX
David Ginestra	Lynnwood, WA
David Nielsen	Oakdale, MN
Sean Knutz	Twin Falls, ID
John Everson	Los Angeles, CA
Thomas Wolden	Cloverdale, VA
Ron Guarienti	Pueblo, CO

relationship as well as discuss key legislative priorities. Several of these incumbents, such as Sen. Rob Portman (R-OH), Sen. Bob Casey (D-PA), Rep. John Garamendi (D-CA), Rep. Darrell Issa (R-CA), Rep. Bob Dold (R-IL) and Rep. Stephen Lynch (D-MA), have met with NECA contractors and/or chapter executives to discuss local projects and issues.

Legislative Action

Financial Accounting Standards Board

NECA's number one priority this year was the detrimental proposals put forth by the Financial Accounting Standards Board (FASB). Last October, FASB proposed sweeping rule changes that would require multiemployer pension plan participants to disclose withdrawal liability on their financial statements. NECA submitted comments to FASB expressing concerns regarding the disclosure of misleading withdrawal liability data that would negatively impact our members' ability to secure lines of credit. Soon after, a construction coalition including NECA, other construction associations, and accountants and actuaries, worked with FASB to oppose their initial proposals and offer practicable alternative proposals that did not include a withdrawal liability disclosure. Several Members of Congress also sent letters to FASB expressing their concerns that the proposal clearly usurped existing ERISA statutes. In July, FASB finalized their decision to eliminate the requirement to disclose withdrawal liability and opted for a disclosure supported by NECA and other construction and actuarial stakeholders that would consist of publicly available information. FASB's final decision represents a significant victory for NECA contractors participating in multiemployer pension plans.

Davis Bacon & Project Labor Agreements

At the outset of a new Republican Majority in the House, several amendments were introduced to repeal the Davis Bacon Act (DB) and prohibit the use of Project Labor Agreements (PLA's) on federally funded jobs. NECA worked alongside the IBEW to educate Members of Congress on the vitality and importance of prevailing wage laws and PLA's for NECA contractors. To date, there have been a total of six votes that would repeal or eliminate DB or PLA's in Congress. The three votes held on DB and the three votes held on PLA's all failed by slim margins as a result of the full support of the Democrats and the support of labor-friendly Republicans.

While much of the political dialogue has focused on reducing government spending, there has been strong bipartisan consensus that remains committed to job creation, addressing regulatory burdens on businesses, energy efficiency initiatives, and proactively initiating discussions on the Pension Protection Act.

Corporate-to-Corporate Reporting, Form 1099

The first significant piece of the comprehensive health care legislation was repealed in April. NECA played an active role in

advocating on behalf of this burdensome provision. The President signed into law legislation that would repeal the corporate reporting requirements, sometimes referred to as Form 1099 reporting. The Form 1099 reporting requirement would have been placed on all corporations whenever they pay a vendor, including a supplier or subcontractor, more than \$600 for goods or services over the course of a year. The president spoke on the need to avoid unnecessary burdens like filling out paperwork on small businesses and instead allowing them to focus on job creation and growing their business.

3% Withholding Tax

NECA is hopeful that the 3% repeal legislation will pass this Congress and remove the uncertainty for NECA contractors involved in government projects. The 3% withholding tax enacted in 2005 will require that federal-state-local governments withhold 3% of payment due to government service providers. Congress has acted previously to delay implementation of this onerous tax that was set to take effect in 2012. Then in May, the IRS issued an additional delay of the effective date until 2013 for the final rule implementing the regulations. However, the delays in implementation do not impact the urgency for repeal of the 3% withholding tax.

The 3% repeal legislation was introduced with record-breaking bipartisan support. The co-sponsors of H.R. 674 are Reps. Wally Herger (R-CA) and Earl Blumenauer (D-OR), both strong NECA allies. In the Senate, companion legislation S. 89 was introduced by Sen. David Vitter (R-LA) and S.164 was introduced by Sen. Scott Brown (R-MA). NECA has been actively involved in Hill efforts to garner additional co-sponsors on the bills to repeal the 3% withholding tax before it takes effect in 2013. In September, House Majority Leader Eric Cantor announced the Republican's fall agenda; he focused on legislation that would eliminate burdensome regulations that impede job creation efforts. One of the bills mentioned for consideration is H.R. 674, legislation that would repeal the 3% withholding tax. The bill will likely come up for vote sometime in October.

Energy Efficiency Initiatives

Congress also turned their attention to several energy programs that have been introduced to help create jobs and promote energy savings, including renewable energy tax incentives and electric vehicle infrastructure tax credits. Several bills that will spur job creation for NECA contractors include the Electric Drive Vehicle Deployment Act (H.R.1685/ S.948), the Energy Savings and Industrial Competitiveness Act (S.1000), and the Clean Energy Deployment Administration (H.R. 2212/ S.949). In addition, NECA has been working with Congressional staff on key legislation that would extend the Energy Efficient Commercial Buildings Deduction (Section 179D of the Internal Revenue Code) for retrofitting commercial buildings. The current tax incentive is set to expire at the end of 2013. Similar to the Building Star legislation last Congress, there are provisions in the new legislation that will

significantly enhance the incentive to make it usable for a broad range of stakeholders, including NECA contractors.

Pension Protection Act

Multiemployer pension plans remain high on the list of NECA's legislative priorities. In 2014, the Pension Protection Act (PPA) is set to expire. NECA CEO John Grau has been involved in a coalition tasked with offering revisions and ideas to improve the Act. The group will be tasked with developing proposals that could be enacted into legislation.

NECA is also assisting the Dept. of Labor on the study that is mandated under the PPA to determine whether the PPA has been beneficial for defined benefit plans. The DOL, Pension Benefit Guarantee Corporation (PBGC), and Employee Benefit Security Administration (EBSA) must complete and report their findings to Congress by the end of 2011. The DOL and other officials are requesting specific details from several contractor groups that will help them determine the affects of PPA on DB plans.

NECA continues to work on meeting its goal of identifying leadership opportunities on key industry legislation. NECA has also started working with several new members of Congress to gain support for NECA's legislative issues, another goal for the Government Affairs Committee.

Committee Updates

Under the leadership of Committee Chairman Greg Stewart, NECA's Government Affairs Committee met prior to the May National Legislative Conference to discuss and review Committee priorities and proposals including NECA's standing policies, energy efficiency legislation and the Financial Accounting Standards Board proposals on multiemployer pension plans. Rep. Rick Berg (R-ND), candidate for the U.S. Senate, joined the Committee to discuss his insights on the legislative agenda in Congress as well as his 2012 Senate campaign. Berg highlighted some of NECA's tax priorities as they relate to his work on the powerful House Ways and Means Committee.

NECA's Government Affairs Committee recommends support for the following:

NECA's legislative positions include a brief description and a statement of support or opposition on various legislation within a broad subject matter. When formulating a position on newly-introduced legislation, NECA will strongly consider the established position, but reserves the right to support or oppose any piece of legislation based on factors deemed relevant at that particular time.

Energy Issues

1. Legislation to prevent or restrain regulated utilities, utility holding companies and rural electric cooperatives from engaging in unfair competition with unregulated private businesses.

2. Legislation providing federal incentives to owners for construction or modernization of so-called "Green Buildings" or LEED-certified buildings.

Health Issues

3. All employers should be required to offer health care coverage and employer-provided benefits should not be taxed.
4. No new taxes should be imposed on individuals and businesses to cover the costs of health care reform.
5. Restrictions should be placed on frivolous medical malpractice lawsuits and excessive punitive awards should be eliminated.
6. The government should not be in the business of providing a health insurance plan that would compete against those in the private insurance industry.
7. Health care benefits should not be provided for illegal immigrants.

Tax Issues

8. Repeal of the 3% withholding requirement on all government contracts, now scheduled to go into effect in January of 2013.
9. Permanent elimination of the estate tax especially when the ownership of a business is transferred within a family as the result of the death of its owner.
10. Repeal of the alternative minimum tax.
11. Increasing allowable limits of direct expensing of new business equipment.
12. Permanently reducing the current 39-year recovery for depreciation of interior improvements on leased properties.
13. Technical corrections necessary for implementation of multi-employer pension law reform.

Labor Issues

14. Inclusion of prevailing wage law provisions in all construction contracts using federal funds or assistance, including innovative financing proposals providing federal assistance to local projects.
15. Responsible reform of the Occupational Safety and Health Act to include employee accountability and co-responsibility for violations of safety rules and standards and a shift in emphasis from enforcement and penalty assessment to consultation.
16. Use of Project Labor Agreements on federal and federally-assisted construction in cases where those in charge of the project believe it would be the most cost-effective construction method.
17. To remain neutral on proposed changes, as identified in the Employee Free Choice Act (EFCA), to existing union organizing methods.

Construction Procurement Issues

18. A comprehensive federal construction procurement reform package, including:

- a. Bid listing requirements on federal and federally-assisted construction, or other legislative remedies that would eliminate the unethical practice of bid shopping.
- b. Legislation preventing the federal government from using the bidding procedure known as “internet reverse bid auctions.”
- c. Requirements that that contractors doing federal work have a clean record of abiding by environmental, labor, anti-trust, tax, anti-fraud, OSHA, and federal and state contracting laws.
- d. Requirements for certification that contractors are abiding by employment and workforce eligibility laws, are submitting proper withholding taxes if operating as independent contractors and, where appropriate, are abiding by local contractor licensing requirements.
- e. Legislation enhancing enforcement of procurement-related federal laws and regulations by creating a centralized database to track past performance of government contractors as well as contractors currently debarred from being awarded federal contracts.
- f. Requirements for prevailing wage law provisions in all construction contracts using federal funds or assistance, including innovative financing proposals providing federal assistance to local projects.

19. Legislation requiring federal agencies to contract with firms in the private sector of the economy for needed goods and services wherever practicable.

20. Elimination so far as is practicable of all federal and federally-assisted procurement programs or practices which discriminate on the basis of size, race, sex or business location.

Insurance Issues

21. Legislation setting national policy on workers’ compensation insurance to require that premiums reflect hours worked, not wages earned.

22. Appropriate legislation to assure that insurance necessary for construction projects is available and available at reasonable rates.

23. Tort reform to eliminate frivolous lawsuits, limit punitive damages, cap attorney fees and establish a reasonable statute of repose.

Other Issues

24. Reform of federal truck safety standards to exclude vehicles not normally operated to transport materials in interstate commerce and to make all such regulations more appropriate to the businesses which must comply.

25. Legislation to remove the requirement for prior approval for political action solicitations within trade associations with corporate or business memberships.

26. Adding legislative authority to the Small Business Regulatory Enforcement Fairness Act (SBREFA) to allow its full and effective enforcement.

27. Immigration reform which includes increased enforcement of existing immigration laws and a substantially increased commitment to maintaining border security.

NECA’s Government Affairs Committee recommends opposition to the following:

Labor Issues

1. Repeal in whole or in part of the scope or coverage of the Davis-Bacon Act.

2. Any requirement for extension of health care coverage to employees beyond that already in current law.

Construction Procurement Issues

3. Any attempt to limit or forbid the use of project labor agreements on federal or federally-assisted construction.

4. Any attempt to regulate or procure construction as if it were a “commercial item.”

5. Use of the practice known as “internet reverse bid auctions” in construction procurement.

6. Any change in the Fair Labor Standards Act of 1938 which would allow use of “voluntary time off” in lieu of overtime pay for employees.

Other Issues

7. Any inclusion of “vicarious liability” in immigration reform legislation (conditions where a contractor might be held liable for the hiring practices of his subcontractors or materials suppliers).

8. Legislation that discriminates in any way on the basis of race, sex or geographic location in procurement policies or practices.

NECA's Marketing Committee has historically served to expand markets for electrical contractors, and to identify new opportunities and useful tools for NECA members. The NECA 2011 Energy Forum is a direct result of an idea that began in the Marketing Committee and was developed further by the Energy Solutions Task Force, which itself was a product of the committee's efforts.

Annual Meeting

The annual meeting of the NECA Marketing Committee was held on February 21-22, at the J.W. Marriott Hill Country Resort in San Antonio, Texas. Chairman Daniel G. Schaeffer and members from all regions and various industry segments contributed their experience and provided strategic direction and guidance to NECA's market development program.

The marketing committee reviewed NECA Standing Policies Nos. 8, 15 and 16 and recommended that Standing Policies 8 and 16 be reaffirmed without changes. The committee discussed that Policy 15 did not address utilities other than electric power utilities, where market transformation in data and communications has expanded the role of communications companies to where they act in a role similar to utilities.

After action of the committee, Chairman Schaeffer directed Mr. Colgan to draft a revision for review by the committee, and to subsequently submit the proposed changes to the Executive Committee with the committee's recommendation for adoption in accordance with the Bylaws. The proposed changes were submitted to the Executive Committee for review at their June meeting, and subsequently, were submitted by the Marketing Committee as Ordinary Proposal #1 for approval by the Board of Governors.

Strategic Planning

In 2010, the NECA Marketing Committee initiated a new direction for NECA's marketing efforts, moving away from reliance on traditional marketing tools and public relations toward more focused market development activity. The chairman encouraged the committee to consider how to best support NECA's growing market development initiative, both in terms of helping NECA develop these markets for members' benefit and encouraging NECA contractors to pursue work in emerging energy markets. As charged by the NECA Executive Committee, the committee focused its discussion primarily on market development, with

communications as a supporting resource for these initiatives.

Topics discussed by the committee in the strategic planning portion that consumed the greatest part of the meeting focused on NECA's role in developing new market opportunities and exploring the NECA 3.0 market development concept. Mr. Colgan had provided a document outlining his initial vision for NECA 3.0 Market Development as a launching point for the discussion. He pointed out that customers, both new and existing, see the electrical contractor at the center of these emerging technologies, further amplifying the importance of NECA participating in these new markets and communicating their participation to customers and NECA members.

The committee talked at length about what NECA contractors need to enter these emerging markets. They identified two primary tasks for NECA's market development initiative:

1. Define NECA's role in developing new markets for members to gain new work
2. Share market information and market development tools with NECA members; create an awareness for the basic information needed regarding each opportunity

Potential markets for NECA contractors identified by the committee include home automation, electric vehicle supply equip-

Committee Members

Daniel G. Schaeffer, Chairman	St. Louis, MO
Robert W. Colgan Jr., Secretary	Bethesda, MD
Donald W. Leslie, Jr.	Hauppauge, NY
Michael B. Joyce	Bedford Heights, OH
Richard Hall	Knoxville, TN
Jerry Dancey	Clinton Township, MI
Larry K. LaFave	Tulsa, OK
Rocky Sharp	Tacoma, WA
Jerry W. Root	Kansas City, KS
Roger D. Petersen	Missoula, MT
William J. Pfeiffer	San Jose, CA
George L. Troutman	Shoemakersville, PA
Michael C. Abbott	Canton, OH

ment, alternative and renewable energies, high-end video conferencing facilities, medical technology and health care facilities, prefabrication, energy storage and homeland security.

Moving Forward Towards Market Development

Recommendations from the 2010 Marketing Committee have been implemented including enhanced member communications about Energy Solutions Task Force projects and supply chain activity with the National Electrical Manufacturers Association (NEMA) and the National Association of Electrical Distributors (NAED). Additionally, NECA has implemented expanded communication on a regular basis about staff activities to demonstrate the value added by the national staff that members do not hear about otherwise.

Since July 2010, NECA has been heavily involved in the electric vehicle infrastructure market. The impending launch of production vehicles from Chevy and Nissan in December 2010 identified gaps in the automakers' strategy, as they did not recognize that electrical contractors comprised a critical link in the supply chain. NECA became engaged in the development of installation standards and taken several opportunities to participate with a broad coalition of EV market stakeholders. NECA's interest in developing a new market for its members' services and our enthusiastic response to the needs of the auto and electric vehicle supply equipment (EVSE) manufacturers has enabled NECA to assume a leadership position in the sector. NECA's executive directors of both Market Development and Standards & Safety have been in demand by EV infrastructure working groups from the Electric Power Research Institute (EPRI) and the Center for Automotive Research (CAR). NECA's grassroots network of local NECA and NECA/IBEW business developers and our local relationships with the inspection community have proved valuable assets particularly with respect to our relationship with General Motors. Through these initiatives, NECA has become a respected resource for the industry and we have modeled a process to develop new market opportunities for NECA members.

NECA facilitated the development of the grassroots network of local and statewide NECA and IBEW/NECA business developers by organizing meetings at both the Boston 2010 convention and

at the San Diego 2011 Association Executives Institute. These local representatives of chapters and local LMCCs combine economic development and government affairs expertise to increase opportunities for electrical contractors in their communities. The national market development and government relations staff provide support and resources to encourage cooperation among the local developers.

NECA and the IBEW are receiving grants from the National Labor Management Cooperation Committee (NLMCC) to fund a staff position in market development at each of the respective organizations. The executive director developed a business plan for the activities funded through this initiative. The NECA and IBEW directors will work independently of each other for the respective interests of their members, but will collaborate on common market development interests. The NLMCC will also allocate funds to exhibit at trade shows of key customer audiences. Both NECA and the IBEW will provide staffing of the exhibit booth.

In May, NECA hired Mir M. Mustafa as NECA Director of Market Development. Mr. Mustafa has already attended a number of district council and regional managers meetings to introduce him to members and chapter managers, and is meeting regularly with business development staff from chapters and local LMCCs to build and organize a network of NECA business developers across the country. He is also working collaboratively with his counterpart at IBEW's International Office and participating in tradeshow for the NLMCC. Mustafa will be hosting the NECA Business Development Meeting and Reception on Monday, October 24, for the network of business developers from chapters and LMCCs.

Based on a recommendation of the NECA 3.0 Taskforce, the Board of Governors will consider Bylaw Amendment Proposal #1 that sunsets the marketing committee as a standing committee. Members of the existing committee have been appointed to the Business Development Taskforce by President Ferry. The new taskforce is chaired by Daniel G. Schaeffer, NECA District 7 VP. Mir Mustafa, NECA Director of Market Development, serves as the secretary to the taskforce.

The NECA Energy Solutions Task Force (ESTF) was first appointed in 2009 to address specific market opportunities in sustainable, “green” construction, energy efficiency, and renewable and alternative energy sources. Task force members are selected for their experience and expertise in one or more of these emerging markets.

The mission of the task force is to establish NECA contractors as the market leaders in energy solutions. The task force recommendations and strategic direction enable NECA to develop and expand the tools and competitive advantages available to NECA contractors for the energy solutions market.

The task force held their annual meeting March 15-16 at the Marriott Denver West in Golden, Colorado. Stanley Lazarian, NECA District 9 Vice President, served as task force and meeting chair. The task force discussed several items detailed below:

Energy Forum at NECA 2011 San Diego—NECA’s first energy forum, a one-day event that will be held Saturday prior to the opening reception of the NECA Convention and Show in San Diego. Members discussed the agenda and provided suggestions for possible speakers, and structure of the event. The discussion produced a strong list of suggested topics for plenary and breakout sessions, along with many recommendations for keynote speakers and topic experts. The goal at the Energy Forum is to provide contractors and their customers an opportunity to share their knowledge of energy-related electrical work.

NECAWORKS™ Energy Economic Modeling Online Screening Tool—The EEM development team announced the completion

of Phase 1 and led a discussion of the content and design of web pages that will be used in the NECAWORKS screening tool. A timetable and specific milestones for Phase 2 development were established. Task force members also asked that the input screen for energy efficiency would align with the output of the energy audit worksheets as taught in the MEI Energy Auditing Workshops. Promotion of the product will begin prior to its release.

Electric Vehicle Infrastructure Market and the EVITP—The launch of production electric vehicles from Chevy and Nissan in December 2010 identified gaps in the automakers’ strategy, as they did not recognize that electrical contractors comprised a critical link in the supply chain. NECA became engaged in the development of installation standards and availed ourselves of opportunities to participate with a broad coalition of stakeholders in the emerging market.

The taskforce heard presentations from Rob Colgan and Bernie Kotlier, director of green energy solutions for the California LMCC, on NECA’s market development work in electric vehicle infrastructure, the installation of electric vehicle supply equipment (EVSE) and the development of the Electric Vehicle Infrastructure Training Program (EVITP).

NECA’s interest in promoting its members’ services and our enthusiastic response to the needs of the auto and electric vehicle supply equipment (EVSE) manufacturers have enabled NECA to assume a leadership position in the sector. NECA’s executive directors of both Market Development and Standards & Safety have been in demand by EV infrastructure working groups from the Electric Power Research Institute (EPRI) and the Center for Automotive Research (CAR). NECA’s grassroots network of local NECA and NECA/IBEW business developers and our local relationships with the inspection community have proved valuable assets particularly with respect to our relationship with General Motors. The bottom line on the activity in the electric vehicle market is that NECA has become a respected resource for the industry.

Energy Projects on Native American Land—Jim Willson, executive manager for the Los Angeles Chapter, NECA, opened the discussion by relating how the Greater Los Angeles LMCC and the statewide California LMCC worked with David Lester, executive director of the Council of Energy Resource Tribes (CERT) to open up communications with CERT and create project and

Task Force Members

Stanley R Lazarian, Chairman	Pasadena, CA
Robert W Colgan Jr., Secretary	Bethesda, MD
Tim Ehmann	Victor, NY
Otto Kirchheiner	Miami, FL
Phillip G Rose	Milwaukee, WI
Larry Hollis	San Jose, CA
James M Willson	Pasadena, CA
Jerry Heminger	Toledo, OH
Marvin D Nelson	Seattle, WA

revenue opportunities for IBEW/NECA contractors as well as employment and craft training on Indian lands.

Visible Light Communications—The task force heard a presentation from LVX System introducing an innovative LED lighting technology that provides energy savings along with a new way to communicate and carry data through light waves. The presentation highlighted the benefits of the new technology and offered a business model that task force members had a hard time getting their arms around. LVX has entered into a partnering agreement with the IBEW and would like to do so with NECA. The task force has adopted a wait-and-see position, stating that much more information and product development are needed before the LVX offering is viable or appealing to electrical contractors.

Energy Standards and Code Issues—Mike Johnston, NECA executive director of standards and safety updated the task force on the activity in codes and standards related to energy solutions topics, including work on NEC articles on demand issues, solar PV, electric vehicle charging, storage systems and more.

Conclusion

NECA is continuing to develop resources to assist members in the energy solutions market, and is actively promoting NECA members as the customer's best choice for energy efficiency, renewable energy, and green construction through all available channels.

Bottom Line: For 2011, the ELECTRICAL CONTRACTOR brand of print, electronic and other media formats will again meet, and hopefully, exceed its budgeted goals.

As stated last year, 2011 is fulfilling its promise to be among the most challenging, and yet in some ways most satisfying, in recent memory. Based on current economic forecasts for the overall economy and specifically the construction market, we do not expect the challenges to decrease for 2012. In fact, we have been preparing for quite the opposite. Yet, a hope for sustainable recovery and growth continues, with confidence that it will eventually happen.

However, hoping for change is not on our agenda for 2012. The entire magazine staff is mobilized and motivated to plan for, create, and deliver the most unique, valuable industry leading educational information package possible. Our goal is to insure that the ELECTRICAL CONTRACTOR brand continues to dominate across the ever broadening scope of reader activity and need. We also fully expect to continue our role as a significant revenue source for other NECA initiatives.

Expense management is continually and thoughtfully examined and refined without sacrificing overall quality, breadth/ depth of coverage of our growing print and electronic products. However, we also realize that we cannot, over the long term, “save” our way to success. Success comes from intelligently, creatively and aggressively pursuing new, and expanding existing growth opportunities.

ELECTRICAL CONTRACTOR print edition: We are expanding our successful venture into several industry significant Special Issues and Supplements, including Green, Lighting (LED/Controls), Energy Service Opportunities, Alternative Energy, D/Build (BIM), Residential, Renovation/upgrades etc. These are high read, high incremental revenue issues. 2012 is a semi-annual Profile Research year. Major emphasis on Code/Standards, Safety, EVs and other emerging markets continues.

SECURITY + LIFE SAFETY SYSTEMS: Our six times/yearly supplement within EC has morphed from strictly vertical security/life safety content into a true reflection of the need for more information/education on the total integration of these and all other building systems into a true “High Performance Building” concept. Expect a lot more on this next year.

Electronic Media: Electronically, we continue to expand reader content and advertising revenue initiatives throughout our website, www.ecmag.com, several of which are industry firsts. To continue to grow our reader involvement and revenue, EC’s website will undergo a complete re-design for 2012 to offer both more and more interesting graphic material including enhanced webinars and video. Among additions will be a section devoted to formal, web-based training opportunities for our audience. Revenue from this site doubled between 2010 and 2011 and reader traffic leads the market. We expect significant, continuing growth. Email, list rental, newsletters, social media are also on our electronic menu for 2012.

Primary objectives for our overall brand are focused in three areas:

- *Editorial Content:* EC is the most authoritative, preferred and dominant information source in the industry. Editorial spans the entire spectrum of traditional electrical power, emerging technology, low voltage integrated systems, and business management/development. We guide and encourage readers to be aware of and explore new opportunities leading to more profitable industry growth.
- *Revenue:* Our ongoing financial objective is to maximize revenue from our growing array of activities, while managing expenses to deliver a significant, positive revenue stream to NECA on a regular basis. That excess supports several other NECA initiatives.
- *Market Research and Educational Initiatives:* We lead the industry in providing exclusive, in-depth market research of significant educational value to our reader base, advertising partners, national/international organizations, and government officials at all levels.

We will continue to invest in and lead the industry in every relevant measurable area. There is always more to do. We will do it.

The Academy of Electrical Contracting continues to draw on decades of shared industry experience to review and comment on the future requirements of the industry. Academy Fellows share their expertise in addressing important issues facing the electrical construction field, as well as preserving the institutional memory of our industry. This is accomplished through the Academy's Working Group, special papers contributed by Fellows and camaraderie.

This is my final report to the Board of Governors as Chairman of the Academy. It has been my distinct privilege to serve as Chairman of this esteemed group of Fellows for the past three years, and I look forward to continuing my association with the Academy of Electrical Contracting.

Annual Meeting at The Greenbrier

The annual meeting was held in June at The Greenbrier Resort in West Virginia. Sixty-nine Fellows and their guests attended and offered very high marks for all programs and events.

The meeting's keynote speaker was Louis Zamperini—Olympic hero, World War II bombardier, plane crash survivor, Japanese prisoner of war, and survivor of post-war turmoil — and his long-time friend, Olympic swimmer John Naber, who captured four gold medals and one silver at the 1976 Olympics in Montreal. They led a fascinated audience through the story of Zamperini's amazing life: his challenges, his obstacles, his will to live and the people who helped him along the way.

Zamperini's story is also the subject of a new book by Pulitzer Prize winning author Laura Hillenbrand. *Unbroken: A Story of Survival, Resilience and Redemption* was released in November 2010 and has been near the top of the New York Times Best Sellers list every week thus far in 2011, including 10 consecutive weeks in the #1 spot.

Under the leadership of Fellow Bob Bruce, the Academy's Working Group program focused on mentoring, a new initiative of the Management Education Institute (MEI). Joining Bruce on this important new program was Karl Borgstrom, PhD, who has been working on this project. The group also heard more about the recently unveiled *Contractor 101* online course.

Another highlight of the meeting was the sharing of two papers. Fellows John Negro, Craig Martin and Bill Powell shared their

experience as participants in "Peer Group 2." They discussed the many advantages of sharing their experiences in such a group that has existed for 15 years. Don Campbell discussed the changes in moving from a NECA contractor to managing the Northern California Chapter. He highlighted some challenges that weren't that apparent before making the switch.

The site for the next annual meeting of the Academy will be The Broadmoor in Colorado Springs, Colorado. We have a lot to look forward to as the Academy leadership transitions to Chairman Rex Ferry.

2010 Academy Inductions

During the General Meeting, the Fellows elected the following to the Academy Board of Directors for the term ending in 2014:

- Jim Abbott (Abbott Electric, Canton, Ohio),
- Gloria Ashford (Ashford Electric and Construction, Woodinville, Washington),
- Jim McGlynn (McWilliams Electric, Schaumburg, Illinois), and
- Walter Parkes (O'Connell Electric, Victor, New York).

The Jury of Fellows convened during the annual meeting to review nominations for Academy Fellowship. Seven candidates were favorably reviewed at two consecutive meetings and will be installed in San Diego. They are Kirk Davis (North Louisiana Chapter), Thomas Driscoll (Boston Chapter), Charles Ewton (East Tennessee Chapter), John Frantz (Western Ohio Chapter), Bradley Giles (North Florida Chapter), Thomas Ispas (Southern Sierras Chapter) and Thomas Moore, Jr. (Penn-Del-Jersey Chapter). The following individuals are also scheduled for installation in San Diego: Alex Owen (Atlanta Chapter) for his election as District 3 Vice President and Dan Palmer (Quad-Cities Chapter) as a result of winning the McGraw Award.

Academy Reception

Last October the Academy shared the same location as the ELECTRI International reception for their reception at the national convention in Boston. There were also nine new Fellows inducted last year and they were honored at the Moakley Federal Courthouse. In San Diego, we will have another joint reception at an antique car museum (Evans Garage).

The NECA 3.0 Task Force was appointed in January 2011 with the charge to examine certain proposals of the NECA 3.0 plan being discussed by the Executive Committee. The task force held its first meeting on January 18 and conference call meetings on February 18 and May 26.

NECA 3.0 Task Force Discussions

Following review of the entire NECA 3.0 plan, the task force focused on the concept of establishing member caucus groups to facilitate interaction among similar segments within the NECA membership. The most commonly cited examples of member caucuses were residential contractors and small contractors. Other suggestions included VDV, energy solutions, industrial and service contractors.

The task force discussed the existing schedule and structure of regional meetings, their content, and the degree of member participation. A survey of members regarding regional meetings and conferences was conducted. Data was analyzed for two groups—members who regularly attend the regional conferences and members who rarely or never attend the regional conferences. The results of the survey were presented to the task force in May.

While members currently attending these meetings seem to enjoy and support them, consideration must be given both the emerging generation of member contractors and those members who are not presently attending these meetings. A primary reason for

establishing a new leadership conference is to facilitate national interaction among special interest groups, as well as improve the content of these meetings and reduce costs through economies of scale.

The task force also discussed changes in the NECA standing committee structure, referring to a consultant's report from 2000 recommending that NECA use task forces with limited focus and objectives as opposed to standing committees.

NECA 3.0 Task Force Conclusions and Recommendations

The task force's conclusion and recommendations were presented to the Executive Committee at their June 2011 meeting.

1. Establish Caucus Groups for NECA Members

NECA should establish educational tracks for member segments at meetings and use other means of communication to target member special interest groups. This will allow NECA to gauge the interest of members in participating in such groups. If sufficient interest is shown, NECA can then consider a more formal arrangement like a caucus group.

2. Create and Evaluate a New Spring Meeting

The survey regarding regional meetings showed that members want improved meeting content, and they want value for the investment they are making to attend these meetings. The survey results indicate that member desires in terms of meeting time, location, and format are contradictory. It appears the only way to truly determine member response to a new type of meeting is to try it.

The task force recommends that NECA develop a national Spring Leadership Conference in 2013 in lieu of separate regional conferences. In 2014, NECA would return to the traditional regional conference format. A second national conference would be scheduled for 2015. These trials will allow NECA to member response and make decisions regarding the future of national and regional conferences.

3. Changes in Governance/Standing Committees

The task force concluded that NECA will get the best result from committees that are composed of members with strong interests

Task Force Members

Stanley R Lazarian, VP District 9, Chairman	Pasadena, CA
Dennis Quebe, President Elect	Dayton, OH
Alex Owen, VP District 3	Mableton, GA
James Strange, Member	Louisville, KY
Larry Bradley, Chapter Manager	Rochester, NY
Tracy Harness, Chapter Manager	Portland, OR

ALSO PARTICIPATING

Rex Ferry, President	Girard, OH
John Grau, CEO	Bethesda, MD
Dan Walter, COO	Bethesda, MD

and skills in the subject or issue addressed by the committee. It recommended that the government affairs committee be reorganized to include representation from the Political Leadership Council. It also recommended that NECA sunset both the Marketing and Management Development Committee. Subjects or issues formally addressed by these committees should be assigned to task forces of limited scope and focus as the need arises.

Report of ELECTRI International

Gregory Rick
Governor, Dakotas Chapter

Each year, ELECTRI International gives our Board of Governors an update on its activities and progress for our industry. I am honored to have been selected to bring you ELECTRI's message for 2011.

ELECTRI has a remarkably energetic group—contractors, industry partners, chapters, attorneys, and investment firms—all working as members of the ELECTRI Council to keep the Foundation on solid footing and to keep its program vibrant. In the past year alone, ELECTRI has received new and upgraded commitments of close to \$2.5 million. Much of the work to make this happen has been accomplished with the direct involvement of the ELECTRI Council's fund-raising committee (informally known as the "Kitchen Cabinet.")

Speaking personally, this year, our Dakotas Chapter decided to increase our involvement and support for ELECTRI by joining the ELECTRI Council. Many years back, we had participated in the Foundation's Chapter Century Circle—a gift of \$100 per chapter member per year for five years. We recognized that our chapter could have a seat at the Council table and be part of deciding our own future by adding to our earlier gift and bringing our total ELECTRI pledge to \$100,000.

Our NECA Board of Governors represents and serves electrical contractors of every size and variety from coast to coast. Our Dakotas Chapter members see ELECTRI International in that same light. For example, ELECTRI bolsters our access to bright young professionals, especially if we get involved with activi-

ties that ELECTRI supports, such as the students' Annual **Green Energy Challenge** Competition and the NECA Student Chapters' **Cross-Border Service Program**.

ELECTRI research and education programs are important to small and medium-size contractors as well as to the larger firms. Every time a new research report is released, we have an opportunity to learn new and better ways of operating our businesses. This year, ELECTRI has issued several reports including *Guide for Addressing Electrical Installation Seismic Requirements* and *The Measured Mile. Transmission and Distribution Worksite Shock Protection* will be available by year-end.

Some of you may not yet have reviewed these studies to understand the impact that they can have on the chapter that you govern. We each have a responsibility to help educate our members about the ELECTRI programs and services that are available to them. Our Dakotas chapter members want to learn more about what ELECTRI offers, and we also want to make sure we have some input into ELECTRI's choices.

One final note about the Dakotas Chapter: Many of our members have been involved with NECA for 30 to 40 years. We see supporting ELECTRI International—with both dollars and time—as the ideal way for us to give back to our industry. I hope you agree.

Report on Past Board Actions

At their 1994 meeting the NECA Board of Governors adopted a resolution requesting a review of past actions taken by the Board that called for follow-up and action. The resolution required that this list of action items be kept current with actions taken at all future Board meetings and published in a report to the Board at its annual meeting. This report is intended to comply with that resolution.

Resolution Date: 2009

Resolved: The NECA Board of Governors adopted by voice vote an ordinary proposal that endorses submitting a proposal to the National Fire Protection Association (NFPA) that suggests changing the 3-year National Electrical Code® (NEC) development cycle to a 5-year development cycle.

Current Update:

The matter has not yet been resolved as of September 2010. NECA has been in communication with NFPA about the proposal including discussions about the justification for the proposal. The 2011 NEC development cycle was completed in August 2010. The 2014 NEC development cycle schedule was established by NFPA prior to the Board of Governors meeting in 2009. It is anticipated that ordinary proposal 4 and associated substantiation will be crafted and submitted to NFPA Standards Council for consideration in 2011 directed toward the development cycle for the 2017 NEC.

Resolution Date: 2008

Resolved: That NECA, through its Board of Governors, shall affirm its support for collaborative industry efforts to eliminate the presence of counterfeit electrical products in the supply chain.

Resolved: That NECA shall take independent action to educate its members, their customers, the industry, and the public about the potential liability, economic cost and threat to public safety posed by counterfeit electrical products.

Current Update:

Regarding NECA's independent action to educate its members, customers, industry and the public regarding counterfeit electrical products, the following specific actions have been taken by ELECTRICAL CONTRACTOR magazine:

- A one hour panel discussion was hosted by EC and TED magazines at the Chicago NECA Show. Proceeding was video

taped and posted on both magazine's web sites as well as Siemens, Schneider Square D, NEMA and UL sites.

- In December 2008, a special 64-page anti-counterfeit editorial supplement was produced and inserted in both EC and TED December issues. That supplement also generated over \$200,000 net revenue for EC.

- In April 2009, we conducted a special one-hour webinar on the anti-counterfeit initiative. It was attended by over 300 contractors, distributors and manufacturers. Contents of that webinar are archived on both magazines' websites, producing an ongoing audience participation.

- John Maisel, Publisher of EC has been active in traveling to various NECA district and chapter meetings to discuss the issue. More are planned.

- We were invited to and participated in a U.S. Chamber of Commerce Special Committee meeting specifically to discuss the impact of electrical product counterfeit activity.

- NECA CEO John Grau authored an editorial on the dangers of counterfeit electrical products in the June 2009 issue of *Construction Today*.

The Anti-Counterfeit Initiative is ongoing and has greatly increased awareness of the seriousness of the issue across the spectrum of our industry.

Resolution Date: 2007

Resolved: That on any panel of the Council of Industrial Relations where the case at hand involves matters which directly impact an IBS agreement, there will be at least one management member who is an active systems (IBS) contractor or representative of such contractor; and NECA shall promote such representation on the part of the IBEW among their respective panel members.

Current Update:

Beginning with the February 2008 CIR panel, NECA's President appointed one IBS contractor to serve on the CIR panel and on IBS related cases.

Resolution Date: 2006

Resolved: That NECA's Board of Governors' adopt the amended strategy listed herein to achieve an aggressive and comprehensive

overhaul of standard NECA-IBEW Agreement language; and be it additionally;

Resolved: That attached agreement language be proposed by NECA to achieve sweeping improvements to the market share controlled by NECA contractors and the employment levels and job security enjoyed by IBEW members.

Current Update:

The amended resolution addressed seven areas of a “Revised Strategy.”

Item 1: The Labor Relations section of the NECA website includes a wages/fringes and agreement database, where complete chapter agreements are submitted electronically or on CD to NECA’s national office for review or when posted by chapters. Certain terms and conditions of each agreement may also be posted by the chapters. The landing page has been updated with brief news events and video products of the NLMCC. The Vice President of Labor Relations has a regular piece entitled “Between the Lines.”

Item 2: NECA’s Labor Relations Task Force continues to meet with the IBEW Leadership and a summary is part of the Vice President of Labor Relations report.

Item 3: The topic of changing the Category I Referral Language continues to be discussed with the IBEW. While International President Ed Hill has been unwilling agree to a “call by name” provision, some progress has been made. Recently a NECA-IBEW Memorandum of Understanding for a Worker Recall Provision was distributed to all chapter managers. It is Optional Language, and there are specific provisions that must be included in the language. It is in all the Pattern Agreement Guides found on the NECA website. It is approvable and is recommended for use when the local parties agree to adopt a “Journeyman Recall” provision in their local agreement. The Labor Relations Task Force will continue to fight for the employers’ needs for greater flexibility.

Item 4: The Construction Wireman/Construction Electrician classification and addendum are in place. Although it replaces any Intermediate Journeyman program, both parties must agree to insert the addendum into their inside agreement. A number of areas have adopted these classifications through the use of “Initiative” type agreements, and “Recovery” Agreements, or Small Works Agreements, instituted by the IBEW Vice President to fit the needs of their respective Districts.

Items 5 & 6: These issues continue to be discussed with the IBEW and full portability is available under all of the “Recovery” Agreements; however, the IBEW has not agreed to unrestrained portability language for all agreements. However this concept has been embraced by the IBEW in most “Recovery” Agreements. Through the Labor Relations Task Force and the Outside Transmission and Storm Task Force, the issue of portability under certain conditions was resolved and resulted in a National Outside

Portability Agreement approved in October 2010 and a National Outside Construction Emergency Response Agreement in March 2010. NECA continues to recommend against the inclusion of the Category II Age Ratio language in local labor agreements, but the IBEW maintains its support for this language in Category II.

Item 7: Alternate shift language that allows the local parties to reduce the premiums in the Standard Category I Shift provision was agreed upon with the IBEW and distributed August 2007. The options are to assist contractors to meet the needs of customers and local conditions that require a reduced premium for the “standard” format or the “alternate” format.

Resolution Date: 2004

Resolved: That the NECA Board of Governors endorses and supports the recommendations of the Mission 2004 Report and that each Governor will encourage their chapter to support and implement these recommendation.

Current Update:

The Mission 2004 Report contained many recommendations for our industry. Work on all aspects of The Mission 2004 Report continues with the Labor Relations Task Force.

Resolution Date: 2004

Resolved: That NECA enter into discussions with the IBEW for the purpose of developing Category I language that will establish as a minimum a work day between the hours of 6:00 a.m. and 6:30 p.m. and that will allow contractors to vary the starting time of the work day by up to at least two hours, or language that will afford the contractor the greatest possible flexibility in establishing the work day to meet the needs of the customer and/or job requirements.

Current Update:

NECA has discussed these items with the IBEW, but to date, the IBEW has not agreed to these changes for all agreements. However, this concept has been embraced by the IBEW in many “Recovery” Agreements. Discussions on this issue are ongoing with the IBEW through the Labor Relations Task Force as per the 2005 Board of Governors resolution. At this time, starting and quitting times are not Category I language, and they may be modified to meet local needs during local negotiations.

Resolution Date: 2004

Resolved: The National NECA’s Labor Relations Department shall be authorized to engage in negotiations with the IBEW to modify Category I language pertaining to the referral of applicants for employment to allow employers to select employees by name from the list of referral applicants and allow employees to solicit work directly from employers.

Current Update:

Through the Labor Relations Task Force meetings with the IBEW, Optional Worker Recall language was added to the Inside, Outside and Residential Pattern Agreement Guides which are on the NECA website since December 2008. The language, if negotiated and agreed upon locally, and if it meets the stated provisions, is approvable by the IBEW and is recommended by NECA.

Resolution Date: 2001

Resolved: That NECA enter into discussions with the IBEW to amend the terms of the National Agreement on Employee Portability to enhance the ability of employers to best use the skills of their employees by allowing the requisite number to follow the work offered by the customer regardless of the location of the work or the contractor's permanent offices.

Current Update:

This is also addressed in the 2006 Resolution, items 5 & 6 and future action will be contained in the 2006 Resolution Update.

Resolution Date: 2000

Resolved: That the National Electrical Contractors Association and the International Brotherhood of Electrical Workers commit themselves as they originally did in 1920 to the elimination of strikes and or the threat thereof by entering into an agreement that requires the Council on Industrial Relations process or some other form of like arbitration be included in all agreements between NECA chapters and IBEW local unions.

Current Update:

Unless changed at the IBEW Convention, the standing policy of the IBEW prevents it from agreeing to this proposal. The CIR process remains as Category I language. In the current Pattern Agreement Guide for inside, outside, and residential agreements, the CIR language is declared as "the preferred language endorsed by the IBEW International and NECA National."

Resolution Date: 1994

Resolved: That commencing with the 1995 Board of Governors Meeting, only changes to previously approved labor policies or Category I language or new additions thereto, be submitted to the governors for review and reaffirmation.

Current Update:

Proposals submitted to the Board of Governors comply with this policy.

Resolution Date: 1994

Resolved: That the national office of NECA review past actions taken by the Board of Governors which have been adopted and which called for follow-up and action, and that this list of action items be kept current with actions taken at all future governors meetings which require follow-up and that this action list be a published report for distribution and review at all future Board of Governors meetings.

Current Update:

This report complies with the resolution.

Resolution Date: 1982

Resolved: In order to make the Council on Industrial Relations more contractor oriented, that whenever possible NECA be represented by not less than three (3) electrical contractors at all council meetings.

Current Update:

At least three electrical contractors are appointed to serve on all CIR panels.

Resolution Date: 1973

Resolved: (1) That the NECA Executive Committee be requested to obtain from each District Vice president a list of members from his district who would be willing and qualified to be appointed to the Council on Industrial Relations by the President of NECA; (2) That in submitting this list, the Vice President should confirm the candidate's recognition of the demands on his time and resources and his willingness to serve on the Council on Industrial Relations, and submit any other pertinent information regarding his qualifications.

Current Update:

Annually, the District Vice Presidents make recommendations to the President of NECA on persons eligible to serve as members of the CIR.



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