



Date: July 29, 2005

Memo To: Members of the Board of Governors, NECA

From: J. Michael Thompson, Secretary-Treasurer

Subject: Ordinary Proposals/Resolutions

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In accordance with Section 8.8 of the NECA Bylaws, the attached five proposals/resolutions were properly submitted and were directed to, or evidently intended for, submission to the September 17, 2005 meeting of the Board of Governors, being held at the Hilton Riverside Hotel in New Orleans, Louisiana.

The attached proposed changes, if adopted, shall become effective immediately unless otherwise indicated.

The Association's standing policies are reviewed and reaffirmed bi-annually. Two of the proposals address these standing policies.

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**ORDINARY PROPOSAL #1** - Re: Re-authorization of the National Labor-Management Cooperation Committee (Submitted by the NECA Executive Committee)

WHEREAS, An agreement to establish a National Labor-Management Cooperation Committee (NLMCC) was approved by the Board of Governors in 1995;

WHEREAS, In order to gauge the effectiveness of the NLMCC, the initial agreement reached by the IBEW and NECA provided that the agreement would terminate at the end of five years from its date of creation if not renewed by the parties;

WHEREAS, The agreement was re-authorized through November 30, 2005;

WHEREAS, The agreement states that it “may be terminated...by either party upon written notice to the other of at least 90 calendar days”;

WHEREAS, The NLMCC has initiated a number of programs to implement its mission of improving the relationship between signatory contractors and the IBEW at all levels, explore means of becoming more competitive, increase employment opportunities, and promote union electrical work to end users;

WHEREAS, The effectiveness of many of these programs is already apparent on both the local and national levels and these and other programs show the promise of even greater results in the future;

WHEREAS, Many of these programs have entailed a current and continuing commitment of resources at both the national and local levels;

WHEREAS, A discontinuation of the NLMCC at this point would have a negative impact on these programs and require local parties to devote a disproportionately larger share of their resources to replace and duplicate services and materials now available to them through the national NLMCC; and

WHEREAS, Re-authorization of the NLMCC will give its programs an opportunity to mature, expand, and improve the outlook for all local areas on the most economical basis; now, therefore, be it

**RESOLVED**, That the National Electrical Contractors Association reaffirms its support for the NLMCC and authorizes its officers to renew the “NECA-IBEW Agreement for a National Labor-Management Cooperation Committee.”

**Comment From NECA Headquarters:**

The NLMCC has been very successful in fostering innovative labor-management programs and in promoting our industry. This proposal is recommended **FOR** adoption.



**ORDINARY PROPOSAL #2** - Re: Editorial changes in final paragraph of Standing Policy Statement 15 (Submitted by NECA Marketing Committee)

WHEREAS, The existing NECA Standing Policy Statement 15 still accurately depicts NECA's position; and

WHEREAS, The timeliness of the policy statement can be improved by minor revisions to the first sentence of the closing paragraph, now, therefore, be it

**RESOLVED**, That NECA Standing Policy Statement 15, "Electrical Industry Contractor Utility Relations," be reaffirmed with the following changes:

**Current wording:** "NECA advocates a return to positive relations between electric utilities and electrical contractors, and encourages reopening and maintaining effective communication channels at all levels...."

Delete "a return to" and "reopening and maintaining"

Replace "communications channels" with "channels of communications"

**Proposed revised wording:**

NECA advocates positive relations between electric utilities and electrical contractors, and encourages effective channels of communications at all levels. Electrical contractors and utility companies are most productive, and customers are best served, when the industry partners cooperate to deliver the goods. Disputes will arise and the parties will have to "agree to disagree" on some issues, but the industry and the end-users of electrical power will benefit from electric utilities and contractors working together on common interest and competing fairly when interests diverge.

**Comment From NECA Headquarters:**

These revisions are recommended **FOR** adoption.



**ORDINARY PROPOSAL #3** - Re: New Standing Policy Statement 16 (submitted by NECA Marketing Committee)

WHEREAS, NECA's Strategic Plan establishes a priority to "improve the image and visibility of the electrical construction industry and NECA";

WHEREAS, A strong public identity is consistent with and supportive of all NECA's strategic objectives and priorities; and

WHEREAS, The existing NECA Standing Policy Statement 16 no longer accurately reflects the Association's proactive and responsive approach to public relations; now, therefore, be it

**RESOLVED**, That NECA Standing Policy Statement 16, "Public Relations," be deleted in its entirety and replaced with the following policy statement:

NECA maintains a comprehensive public relations program to address the strategic goal of enhancing the image of NECA and the electrical contracting industry. Electrical contractors provide a vital service, but the impact of their work is often undervalued by the public. Effective public relations creates a marketplace environment where NECA contractors are recognized by customer audiences and members of their communities as business professionals, leaders, problem-solvers and technical experts; and NECA is recognized as the voice of the electrical industry.

NECA's approach to public relations is both proactive and responsive; it positions NECA as the leading authority on the electrical industry and the primary advocate for member contractors. The Association actively seeks opportunities to speak out on issues important to NECA members through the media and other forums. NECA also develops public relations initiatives that address emerging concerns and unfolding events. The Association provides resources, training, and support to advance and expand the public relations and marketing efforts of individual members and chapters, as well as ensure a consistent message in all of NECA's media and outreach initiatives.

Active communication with NECA members, the media and key decision-makers is essential to maintaining a positive appreciation for the electrical contracting industry and the Association. Therefore, ongoing efforts should be made at the chapter, district and national levels of NECA to identify and communicate newsworthy Association activities and feature outstanding examples of members' work. Communications methods include distributing press releases and developing articles for the trade and public media. Public relations also includes community outreach, strategic partnership and philanthropic activities. These activities should have a strategic and meaningful connection to NECA's role in the industry. When publicized, these activities will enhance the image of qualified electrical contractors. It is also recommended that special commemorative events that occur within the Association be shared with the business community.

A higher profile makes it possible for NECA to assume industry leadership and be a key player in policies, legislation and partnerships. For NECA members, this growing visibility will translate into increased market opportunities, improved access to important decision-makers, and a broader talent pool from which the next generation of skilled craftsmen and managers will come. As NECA's brand recognition grows, qualified electrical contractors will benefit from their alignment with NECA as their customers will associate professional excellence with NECA membership.

Regular efforts should be made by NECA staff and officers to stay informed of the developments and best practices in public relations and marketing communications. NECA will use these skills and knowledge to remain effective and efficient. Funding for such public relations activities should be an integral part of the Association budgeting process, at the local chapter and national levels of NECA. Finally, systematic studies to measure the public opinion of NECA and its members should be conducted in order to refocus the public relations program as local, regional, and national issues may warrant.

**Comment From NECA Headquarters:**

This policy supports changes being made in NECA's public relations initiatives and the proposal is recommended **FOR** adoption.

**ORDINARY PROPOSAL #4** - Re: Electronic Voting (Submitted by the Northern and Southern New Jersey Chapters, NECA)

WHEREAS, The Board of Governors is the ultimate legislative body for the National Electrical Contractors Association;

WHEREAS, The Board of Governors meets annually for the purpose of enacting, through legislation, Ordinary Proposals and Bylaw Amendments;

WHEREAS, Such legislation deserves not only enlightened debate on critical issues, but an efficient and precise method for counting ballots;

WHEREAS, The Employment of "Voice" votes on certain issues may, due to the fact that ballots are weighted according to man-hours worked, create a distorted result;

WHEREAS, The National Electrical Contractors Association is justifiably proud of the fact that it remains on the cutting edge of technology;

WHEREAS, The collection and counting of paper ballots is a slow, antiquated and potentially imprecise form of voting; and

WHEREAS, Other Associations in the construction industry employ modern electronic means of casting ballots that provide for instantaneous tallying of votes; now, therefore, be it

**RESOLVED**, That the Executive Committee of the National Electrical Contractors Association be directed to investigate a variety of options available for electronic balloting;

**RESOLVED**, That the Executive Committee of the National Electrical Contractors Association be empowered to appropriate the funds necessary to establish such a system of voting that is, in its opinion, suitable for the governance of the Association; and

**RESOLVED**, That the Executive Committee of the National Electrical Contractors Association put in place a suitable electronic voting system that is operational for the 2006 Board of Governors Meeting.

**Comment From NECA Headquarters:**

The issue of electronic voting has been investigated in the past and it was concluded that there would be little, if any, gain in the speed of the overall voting process yet at a large cost. A computer is currently used to tabulate and assign the proper weights to each vote. Other checks are employed to minimize spoiled and improper ballots. Due to the fact that NECA employs weighted voting, a system using a hand held electronic vote device is impractical. It is overly expensive and does not have adequate safeguards to ensure the integrity of the vote. The most viable system appears to be an electronic scan of a paper ballot. The potential time savings and cost effectiveness of this system appears marginal considering the limited number of issues voted on each year. Voice votes are a time honored and convenient means of voting when it is obvious there is little or no opposition to a proposal. A ballot vote can be required on any issue by a single governor. To require a ballot vote on all proposals, even by electronic means, could actually lengthen the time required for voting. We will investigate again the latest technologies and costs of electronic voting and hope to have that information to report at the Board of Governors meeting. Absent this information it is not prudent to mandate electronic voting in 2006. It is recommended to vote **AGAINST** this proposal unless the governors have sufficient information to determine that an electronic voting system is efficient, cost-effective and has the proper safeguards.



**ORDINARY PROPOSAL #5** - Re: Category I Referral Language (Submitted by the St. Louis Chapter, NECA)

WHEREAS, No progress has been reported to date concerning agreement by the IBEW to amend Category I Referral Language as proposed by the Connecticut Chapter, NECA as amended Ordinary Proposal #9, 2004;

WHEREAS, By passage of Amended Ordinary Proposal #9 in 2004, NECA's Board of Governors resolved that, "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. In addition employees who have signed the referral list and are available for work shall be permitted to solicit work directly from employers.";

WHEREAS, Current Category I Referral language discourages personal initiative and superior performance by IBEW craftsman;

WHEREAS, Conditions imposed upon contractors by Category I Referral procedures limit timely industry growth and restrict NECA members from consistently demonstrating to customers, superior expertise, professional work ethics and productivity; and

WHEREAS, NECA contractors can compete more successfully with non-IBEW employers, increase market share and significantly expand employment opportunity for IBEW members; if Category I referral procedures are sufficiently flexible to recruit and place trained and consistently productive workers when and where necessary; now, therefore, be it

**RESOLVED**, That the NECA Executive Committee shall by December 1, 2005, appoint a special Task Force to amend Category I Referral Procedures. This "Referral Procedure Task Force" shall spearhead a national initiative to achieve necessary changes to Category I referral procedures and other Category I Agreement Language. The Task Force shall report progress to NECA's membership by no later than May 1, 2006. Duties for the new Referral Procedure Task Force shall include, but are not limited to:

1. Draft NECA's proposal to amend Category I referral procedures to achieve the terms of Amended Ordinary Proposal #9, 2004 and any additional amendments deemed necessary.
2. Review any additional proposal submitted by a NECA Chapter by February 1, 2006, to improve and make more competitive Category I Agreement Language; such as elimination of Reverse Order of Layoff provisions; improvement of the Apprentice Ratio; or development of new classifications of employees.
3. Develop a strategy to achieve revisions to the referral procedure and assist NECA's Labor Relations Department to negotiate and secure IBEW agreement to amend Category I Agreement Language.

**Comment From NECA Headquarters:**

We are concerned about the duplication and potential conflict of effort that this proposal would create. Under NECA's bylaws, the Executive Committee serves as the labor relations committee. Considering the importance of labor relations to NECA it is appropriate that the national officers of NECA elected by the membership have this responsibility. In addition the Executive Committee has formed a Labor Relations Task Force, which performs the functions called for in this proposal. Subject to the directions of the full Executive Committee and Board of Governors, the Task Force has analyzed issues of concern to the membership, evaluated current labor agreement provisions and directly discussed solutions with the leadership of the IBEW including the IBEW International President. These efforts are directly responsible for many of the progressive initiatives and changes accomplished during the past two years. With regard to the proposed changes in the referral language as requested in the 2004 NECA Board of Governors proposals the IBEW has not been willing to agree to "call out by name," "open solicitation," and/or elimination of the referral system at this time. While we understand the frustration of the membership, we do not believe any strategy or tactic can be developed by a different task force that will change their position – if anything, having to negotiate with a new task force over issues already discussed may only serve to harden the IBEW's position. That being said, the Executive Committee would welcome any ideas, proposals, and suggestions from members or chapters as called for in this proposal and is offering an amended proposal that maintains the essence of this proposal while giving the existing Labor Relations Task Force the flexibility to address the specific referral issue in a manner that it believes will be most productive. It is evident that many signatory electrical contractors are seeking a change in the traditional methods of operation under our collective bargaining agreements. Your elected leaders are of the same mindset. The question is how improved operations can best be achieved. Duplication and potential conflict in this effort will be counter-productive especially in light of the overall progress achieved to date. The Executive Committee recommends a vote **AGAINST** this proposal and a favorable vote for its amended proposal.

**ORDINARY PROPOSAL # 6** – Re: Category I Repeated Discharge Language (Submitted by the NECA Executive Committee)

WHEREAS, Since 1999 there has existed Optional Agreement Language that requires that an individual who has been discharged for cause three times in a twelve month period be examined by a neutral party to determine what corrective action may be required before that individual may return to the referral list;

WHEREAS, This language was developed in order that IBEW-signatory contractors would be “guarantee(d) a supply of the most qualified, competitive, and highly trained manpower”;

WHEREAS, A number of local areas have adopted this language with favorable results, but many areas have not yet adopted this language;

WHEREAS, Due to the efforts of the Joint NECA-IBEW Labor Relations Task Force study that developed the Mission 2004 Report and the IBEW’s own internal review of referral practices, a revision to the optional language was recommended and agreed to that would reduce the triggering event from three discharges to two discharges and also elevate the language from Optional to Category I; and

WHEREAS, The changes called for are well founded and of benefit to the industry, now, therefore, be it

**RESOLVED**, That NECA, through its Board of Governors, shall reaffirm its support for and acceptance that the Repeated Discharge Language be made Category I.

**Comment From NECA Headquarters:**

This change to the Repeated Discharge Language and its elevation to Category I was approved by the Executive Committee acting as NECA’s Labor Relations Committee. It ties in with our efforts to standardize and improve the overall structure and operation of the referral process across the country, ensuring our contractors that their calls for additional manpower will be met in a timely fashion and with applicants who have both the necessary skills and attitude to be productive workers. This proposal is recommended **FOR** adoption.