

Wisconsin Chapter NECA
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Leave Your Heart in San Francisco

One of America's favorite cities will host the 2007 NECA Convention and Show. Registration is now open for the 2007 NECA Convention and this year's convention and trade show promises to be better than ever before! The event will be held October 5 – 8 in the heart of San Francisco, the City By the Bay. The Wisconsin Chapter will be staying at the San Francisco Marriott Hotel, conveniently located across from the Moscone Convention Center. The hotel is located near the cable car line, Union Square shopping, and Westfield's San Francisco Center shopping to name just a few.



One of the new features of the convention this year is a Labor Relations "Town Hall" meeting. Convention participants will have an opportunity to ask questions of the panel, which will include John Grau, Ed Hill, and NECA Labor Relations Vice President, Geary Higgins, regarding the most current and critical labor relations issues facing contractors today.

Keynote speakers this year include former San Francisco 49er's Quarterback, Steve Young, who is currently a sports analyst on ESPN's Sunday NFL Countdown TV series, and is the founder of the Forever Young Foundation, which is active in children's charities nationwide.

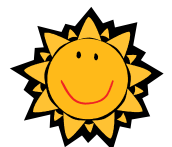
The second speaker is former Uruguayan soccer player, Nando Parrado, who survived 72 days in the treacherous Andes Mountains following a plane crash

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Blue Harbor Hosts NECA

Just a reminder that the 2007 Summer Meeting of the Wisconsin Chapter will be held **July 26-28** at the **Blue Harbor Resort** in Sheboygan. Our event kicks off on Thursday with a cocktail party starting at 6:00 p.m., and the general sessions will be held from 8:00 a.m. to noon on Friday and Saturday mornings. Golfers, be sure to sign up for your tee time at the Thursday evening cocktail party. Dinner is on your own Thursday evening, but there are plenty of area restaurants to chose from.

As always, our weekend will conclude with an awards presentation and banquet on Saturday evening. We look forward to seeing you there!



The state Senate's budget bill included a health insurance plan which was designed to cover all employees in the State of Wisconsin, without exception, and was touted as being a "Cadillac plan" similar to the plan the state employees currently enjoy. The current state employee plan, however, does not include deductibles and co-pay amounts for the coverage, and the employees do not pay any portion of the premiums for coverage. Under the budget bill proposal, employees would pay a 4% payroll tax, and all employers would pay an amount of 9 to 12% of their payroll to fund the plan. Deductibles would be \$300 for a single adult, \$600 for families, and co-payments for adults would be \$20 for medical, hospital and related health care services.

As you might imagine, there will be opposition to the plan coming from a variety of sources; state employees who pay nothing for their coverage now, employees of firms who provide good health insurance benefits now, and employees who are covered under their spouses' insurance plans. Of course, business owners who do not currently provide any health insurance to their employees will also be opposed.

The debate is sure to continue for some time on this issue as health care costs will continue to climb.

Imagination is more important than knowledge.

- Albert Einstein

Hady is our Key Contact

Mark Hady of Hady Electric recently met with Congressman Paul Ryan (R-WI-01) in a successful constituent action meeting on repeal of the 3% withholding law held in Congressman Ryan's Janesville district office.

Last month, NECA issued an action alert calling on its Key Contacts and members to meet with their Member of Congress to discuss H.R. 1023, a bipartisan bill that would repeal the 3% withholding on government contracts going into effect in 2011. Mark Hady, who is the Key Contact for the Wisconsin Chapter, took up the challenge and met with Congressman Ryan to achieve concrete goals. This particular meeting was set up with one main goal in mind, ask Congressman Ryan to ask a key House Democratic Sub-Committee Chairman for a hearing on 3% withholding, and it was successful too, as Congressman Ryan immediately made the request.

We extend our thanks to Mark for volunteering his time to help the industry with better legislation.



Key Contact, Mark Hady (left) met recently with Congressman Paul Ryan.

New Drug Testing Policies are Coming

According to a recent survey, 1 in 12 U.S. workers admit they used illegal drugs in the past month. Most of those employees are working full-time, and the second highest rate was found in the construction industry.

NECA and the IBEW are working on establishing drug-testing policies in each of the local unions in the Wisconsin Chapter jurisdiction, and many of them will be starting up some time next year. Local #14 (Eau Claire and La Crosse areas) has had its policy in place for a few years, and the results of the testing have been very favorable so far, with less than one percent of those tests coming back positive.

Creating a drug-free culture of safety on the jobsites has become a vital issue for contractors and their electricians alike, and the parties are working together to create a program that will help to rehabilitate those who may have a drug problem, as well as to clean up the job sites. The IBEW workforce is poised to become a model for other trades as they agree to random testing as well as post-accident or reasonable suspicion testing. Prior to implementation, there will be educational meetings scheduled for electricians and for employers to review the policy, and explain procedures to ensure that our workforce is drug-free.

Please plan to attend these educational meetings yourself, and encourage your workforce to attend the sessions designed to explain the program to them. Together, the IBEW and NECA can make it work.



From the Desk of Attorney Kay



The Court of Appeals of Wisconsin issued an interesting written decision on March 13, 2007, holding that a developer of real estate could enter into an enforceable contract with a contractor where the developer promises to buy a certain amount of construction services from the contractor in the future and the contractor promises to perform the work requested in the future. However, instead of the developer and the contractor writing up an elaborate contract detailing these promises, the developer gave the contractor a promissory note in the amount of \$50,000.00. In a separate document, the contractor proposed that the developer give the contractor that note bearing interest at 9% to be paid in full on a specified date.

The developer never ordered the construction work from the contractor but the contractor argued that it was entitled to the \$50,000.00 since it had stood by ready to perform the construction work.

The Wisconsin Court of Appeals sustained the circuit court's lengthy and thoughtful analysis of the testimony and made several factual findings:

1. The note that was issued by the developer was a gesture of good will in anticipation of future work and an assurance to the contractor that the developer and the contractor would continue working together, and that the developer would continue to use the contractor's service in the development of the real estate. It was, as it were, a down payment on future work.
2. In exchange for the developer's promise to pay, the contractor promised to perform construction services in the future if offered such work by the developer. At the time these promises were exchanged, both parties expected that the work would need to be performed and would in fact be offered the contractor.
3. The developer was interested in maintaining a working relationship with the contractor and the note was issued to assure the contractor that such work would be made available to the contractor.
4. Negotiations between the developer and the contractor included the exploration of a variety of ideas to secure the future work from the developer for the contractor before hitting upon the idea of the promissory note. The contractor was qualified to perform the work and it had already established an acceptable reputation by having done previous construction work for the developer.
5. Evidence of these negotiations indicated that the parties had concern about guaranteeing future work.
6. The promissory note for \$50,000.00 had been calculated to be an assurance to the contractor that the developer would offer at least \$50,000.00 of work in the future.

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August 2007

- August 1**
Madison Membership
Janesville-Beloit Membership
- August 2**
La Crosse Membership
- August 8**
Northeast & Fox Valley Memb.
- August 9**
Indianhead Membership
- August 13**
Kenosha & Racine Membership
- August 23**
Wisconsin Valley Golf Outing

Upcoming Meetings

- October 5 - 8, 2007**
NECA Convention
San Francisco, CA
- January 25 - 26, 2008**
Winter Meeting
Bloomington, MN
- April 6 - 9, 2008**
Midwestern Region Spring Conf.
Key Largo, FL
- July 24-26, 2008**
Summer Meeting

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The Wausau School District is considering creating a charter school that would be focused on construction. The State of Wisconsin currently has a couple of engineering charter schools, most notably Appleton's Tesla School, which had enrollment of 78 in 2007. Wausau's construction school would be the first in the state. A charter school is tuition-free, open to the public but unlike a regular public school, its curriculum is focused on a particular field, and many times they incorporate business leaders to help lead or teach classes. The standards of accountability are there, but with a specific focus such as construction, they will reach students who may drop out, be home schooled, or do not perform well in the typical academic structure. The idea is that students of these schools will be better prepared to begin careers in the construction industry because they have already had exposure to it in high school, unlike their peers.



Have you got a code question for Tom? Let us know and we'll ask him to answer it in a future newsletter.

From the Health and Welfare Fund Office

When you or one of your family members go to the doctor, dentist or vision care provider, your Health & Welfare office receives your bill. The bill is processed and an "Explanation of Benefits (EOB)" is sent to you and the provider of service. You must keep these EOB letters in order to send them in with your Flex Reimbursement forms. Payment from your Flex Fund cannot be made without the EOB form. If you call the Fund Office and ask for copies of your EOBs you will be charged \$20.00 for the first form, 10 cents for each additional form, and the cost of postage.

You may go to a Vision provider that will not bill the Health & Welfare Fund and has you pay the bill directly to them. For Flex reimbursement, you should request an itemized bill (patient name, date of service, items provided --- lenses, refraction, frames, tinting, etc.) and send that itemized bill along with your Flex Reimbursement form for your payment from the Flex Fund.

Should you request EOBs for any other reason (divorce, tax filing, etc.) the same charges as mentioned earlier will apply.

According to Construction Financial Management Association, 49% of contractors who responded to the "2006 Construction Industry Annual Financial Survey" expected that their top challenge will be "shortage of trained field personnel." That's an increase of 58% from the 2005 survey respondents.

Tom's Code Corner

Question: I need to route a fire pump feeder through an existing building. Encasing the conduit in concrete is not an option. Are there other acceptable alternatives?

Answer: Yes. 695.6(B)

As you mentioned, encasement in not less than 2-inches of concrete is permitted.

The feeder can also be routed through 1 HR construction dedicated to the fire pump circuits. The feeder circuit can be a listed electrical circuit protective system with a 1 HR fire rating. Type MI cable is one such system.

There is a listed 1-HR circuit protective system that can be used with EMT. "Lifeline Cable" is the manufacturer. Use care when specifying such a system. The listing requirements for the system have securing and supporting requirements that exceed the NEC. The special conductors that form the system are larger in diameter than THHN conductors.

There also are alternative 1-HR systems that employ a wrapping material over the conduit installation. The UL category for such systems is "Electrical Circuit Protective Systems (FHIT).

MANPOWER STATISTICS

For the Month of -- **May 2007**

Local Union #	14	127	158	159	388	430	577	890	TOTAL
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Local Contractors: NECA	9	4	3	18	5	5	3	6	53
Non-NECA	35	12	17	18	14	15	7	19	137
Total Local Contractors:	44	16	20	36	19	20	10	25	190
Traveling Contractors: NECA	8	6	7	4	5	4	5	6	45
Non-NECA	5	13	4	4	1	4	0	1	32
Total Traveling Contractors:	13	19	11	8	6	8	5	7	77
TOTAL # OF CONTRACTORS - LOCAL AND TRAVELERS:	57	35	31	44	25	28	15	32	267
Contractors More Than Two Months Delinquent in N.E.B.F.	2	1	0	3	2	3	0	1	12
Total Number of Contributing Contractors in Area:	59	36	31	47	27	31	15	33	279
Employees: NECA	282	64	212	889	345	73	162	181	2208
Non-NECA	252	83	226	98	49	67	70	71	916
TOTAL EMPLOYED:	534	147	438	987	394	140	232	252	3124

<u>Union #</u>	<u>NECA Division Name</u>
127	Kenosha Division
158	Northeastern Division
159	Madison Division
388	Wisconsin Valley Division
430	Racine Division
577	Fox Valley Division
890	Janesville-Beloit Division
14	Indianhead/La Crosse Division

NOTE: These figures only reflect employees of contractors not more than 2 months delinquent in their N.E.B.F. payments.

Wisconsin's biotechnology industry is growing and gaining national attention, thanks to research coming out of the University of Wisconsin, and investment dollars provided by Venture Investors. The Madison-based company has recently announced a new fund, which will provide between \$500,000 and \$10 million dollars to Midwestern companies working to create marketable products from the research conducted at the University of Wisconsin. The State of Wisconsin Investment Board is one of the largest investors in the fund, thereby helping to direct the monies to Wisconsin companies where possible. With the biotechnology industry on the brink of huge expansion, Wisconsin is positioned to become a leader and the industry could potentially create a major boost to the economy of the entire state as high paying jobs are created.

From the Desk of Attorney Kay

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- 7. Even though the work was not given to the contractor by the developer, the contractor was entitled to collect the note in full and would not be overpaid.

This case reminded me of my experiences in the past with contractors who were negotiating a work continuation agreement with a customer. Such agreements, in the form of maintenance contracts and construction agreements, often contain similar provisions but seldom are accompanied by a note from the owner. However, this case, just published in March of this year, demonstrates that contractors may successfully enter into work assurance agreements and even enforce a promissory note given to secure such agreements. Electrical contractors might wish to consider the use of such future work agreements secured by promissory notes in their business plans.



NECA Convenes in San Francisco, CA

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and wrote about it in *Alive*. Nando and another player eventually set off on a grueling 10 day hike to guide rescue crews back to the other surviving teammates. His story of courage and determination is one you won't soon forget.

The closing gala this year will feature a special performance by comedian Dana Carvey, who created some of the most popular characters on Saturday Night Live in the 1990's, including Church Lady, Garth of Wayne's World and of course, his very own impersonation of former President George Herbert Walker Bush. It is sure to be an entertaining evening of laughter.



As always, the convention will feature a number of management seminars and technical seminars for attendees, and the preeminent electrical trade show of the year, the NECA Show. A new feature this year at the NECA Show will be "Green Alley", featuring the latest in solar, wind and other energy efficient technologies.

The NECA Convention "Early Bird" registration deadline is August 10, 2007. Convention registration was mailed to all members, however, more detailed information is readily available on the NECA Convention website, www.necaconvention.org. Call Jennifer or fax your registration form to the NECA Office (608) 221-4652, to register for this year's better than ever event!



Racine's Uptown Gets Urban Renewal

The Highway 20 corridor in Racine, known as Uptown, runs from Interstate 94 to the downtown area, and is scheduled to receive a major facelift. The Racine Plan Commission recently approved an operating plan for the Uptown Business Improvement District, which involves raising money for beautification, street improvements and maintenance and marketing the area to prospective businesses.



One of the ideas involves encouraging artists to relocate to Racine, a pet project of Mayor Gary Becker, who got the idea from Paducah, Kentucky. A colony of artists would be a unique and welcome idea, and the city has recently purchased a building on the corridor, which will be renovated into apartments or condos with studio space. Lake Michigan provides ample inspiration, and the close proximity to Chicago would provide plenty of visitors to the artists' studios.

The Highway 20 corridor is the "Gateway to Racine" and has long needed some work, and the city has made the commitment to revitalize this area with a long-term vision of boosting the downtown area also.