

Wisconsin Chapter NECA
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Madison WI 53713

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May 2009

2009 Summer Meeting

The 2009 Summer Meeting of the Wisconsin Chapter NECA will be held at Lake Lawn Resort in Delavan. A popular destination, the Lake Lawn Resort sits on the banks of Delavan Lake which features fishing, water sports, hiking, horseback riding and other family activities.

The meeting will open with a cocktail party Thursday evening, and the general meetings will begin promptly at 8:00 on Friday and Saturday mornings. Our speakers include Mike Johnston, NECA's Executive Director for Standards and Safety; Joe Hertel, State Electrical Inspector; and Professor Awad S. Hanna.

Friday afternoon will feature the annual golf outing, complete with Hole-in-One prizes to those who hit the shot of a lifetime. For those who don't golf, it's an excellent time to check out the local attractions in Delavan and nearby Lake Geneva.

Our closing banquet and award presentations will be held Saturday night and will feature entertainment from comedian Tim Walkoe.

The registration information and materials have been mailed to all members, and the registration deadline is Monday, June 22. Call the Chapter Office if you would like further information.

Electrical Anti-Counterfeit Campaign

Every day, counterfeit electrical products are finding their way into our homes, businesses, and public institutions. These fraudulent products pose a serious financial and legal liability to the electrical industry, and they have become a grave safety crisis for our communities – a crisis that requires immediate action.

More than one million counterfeit electrical products, including extension cords, power strips, batteries and hair dryers have been recalled in recent years. Perhaps even more shocking, recent statistics from Gallup Consulting and the U.S. Chamber of Commerce estimate that 64 percent of counterfeit electrical products in the United States were purchased from legitimate shops and retailers. Counterfeit electrical products may be difficult to spot, as many times they appear to be authentic brand name items.

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The Wisconsin Electrical Employees Benefit Funds (WEEBF) Health & Welfare Trust will pay up to \$450 per year per insured participant to receive a physical examination from the physician of their choice. This benefit is not subject to the deductible or co-payment percentage of the Plan; however, charges exceeding this maximum are the responsibility of the Plan Participant.

There is also an option for participants who wish to have a complete physical without having to pay additional fees. Health Dynamics will provide a complete physical for members and spouses at their contract facilities. The exam consists of a health history questionnaire, complete blood analysis, blood pressure check, pulmonary function, strength evaluation, flexibility testing, an EKG and cardiac fitness test, urinalysis, colorectal cancer screening, chest X-ray or mammography, and pap smear or PSA test. A second visit for follow up is recommended to review the test results and consult with a wellness coach. There is no cost to participants for the Health Dynamics physical, however, you must be sure when you schedule the appointment that it is a "Health Dynamics" physical.

Regardless of the option you choose, preventative health measures such as a complete physical exam can help prevent the onset of chronic illness, saving both time and money for you and the WEEBF Health & Welfare Trust.

Hady Celebrates 80 Years!

Congratulations to **Hady Electric**, Watertown, Wisconsin, celebrating 80 years of business. In recognition of the family business' achievement, they recently took a photo of four generations of Hady electricians. The eldest Hady in the photo is Tom Hady who will be 90 years old this year. Tom started in the business at age 17 and says his first job was wiring a new home with this new wiring method for homes called Knob and Tube wiring! The Hady electricians pictured have 208 years of electrical experience and including Hady electricians not pictured, they have 271 years of experience.

We congratulate them on their longevity in the industry.



Anti-Counterfeit Campaign (continued)

In some cases, they have been made without key components or compliance to relevant safety standards to save money. While these shortcuts may offer cost savings, they can also pose great danger.

May is National Electrical Safety Month and to help raise awareness, the Electrical Safety Foundation International (ESFI) has the following safety tips to help protect against these counterfeit products:

- Look for CSA, UL or ETL-SEMKO certification marks.
- Beware of bargains that seem too good to be true, they may be cheap because they are counterfeit or defective.
- Use established vendors who purchase from legitimate distributors.
- Check the warning label. It should be free of grammatical errors and should not conflict with information found elsewhere on the package.
- Look for the name and contact information of the manufacturer.



ESFI has a free Buyer Beware Anti-Counterfeiting Campaign toolkit available for download from their website: www.electrical-safety.org. The toolkit can be customized to create your own local campaign, to recognize National Electrical Safety Month.

Dean Licht, Business Manager of IBEW Local Union #14, has decided not to seek reelection to his position this year; therefore, a new business manager will be elected in Local #14 this year. Dean has also resigned his position as Chairman of the Health & Welfare Trust.

Thanks

There are four candidates running for the position of managing the largest local union in the State of Wisconsin. We wish Dean good luck in his future endeavors, and thank him for his years of service to the Local and to the industry.

From the Desk of Attorney Kay



PERFORMING CONSTRUCTION FOR THE STATE OF WISCONSIN

During this economic slowdown, contractors are finding that governmental construction may be the best market remaining for awhile. It is important to remember the constraints placed upon contractors who wish to perform construction work for the State of Wisconsin. Under § 16.855 of the Wisconsin Statutes, the Department of Administration is required to let work to the lowest qualified responsible bidder, except when the State Building Commission determines that certain design and construction processes may make better use of the resources in technology in the construction industry. From time to time the State Building Commission has waived the requirements of § 16.855 in awarding a state construction contract.

Section 16.855, Wis. Stats., requires the state to advertise for bids and to require a bid bond or guarantee of 10% of the amount of the bid. The bids must be publicly opened and read aloud at a specified time and place. Within a reasonable time after opening the bids, they are to be made available for public inspection. No alteration of a bid is permitted except that the Department may negotiate deductive changes with the lowest qualified bidder. A bidder may withdraw its written bid after submitting it to the Department of Administration, provided that the published time for opening bids has not yet occurred. Therefore, if a contractor determines that it has made a bid error prior to the opening of bids, it may simply withdraw its bid by submitting a written request to the Department seeking such withdrawal. The contractor may also submit a new bid if it can do so before the published time of bid opening.

If a bid contains an error, omission or mistake, the bidder may limit liability to the amount of the bid bond or guarantee by giving written notice of its intent not to execute the contract within 72 hours of the bid opening. The Department of Administration, working with the state attorney general, is empowered to settle and dispose of all cases of this nature that may arise. However, if no settlement is reached, the bidder is not entitled to recover the bid guarantee unless the bidder proves in the circuit court for Dane County that in making the mistake, error or omission, the bidder was free from negligence.



Bidders on state projects should not forget that the Department has the right to reject any and all bids provided it is in the best interest of the State. The law requires the Department to have rational reasons for the rejection of a bid and those reasons are to be expressed in a written rejection letter to the bidder.

The Department may issue contract change orders whenever they are deemed to be in the best interest of the State. A change order is an amendment to a construction contract and it must be negotiated. Both the State and the contractor must agree on the terms of the change order.

Although contractors may eagerly seek state work, particularly when there is an economic downturn as currently exists, the Department may require bidders to submit sworn statements as to their financial ability, equipment and experience in the construction involved.

When the Department believes it is in the best interests of the State to contract for certain proprietary articles available from only one source, it may contract for such articles or materials after publishing its intent in the official state newspaper.

Section 16.855 requires the Department to attempt to insure that 5% of the total amount expended in each fiscal year is awarded to contractors and subcontractors of minority businesses. A minority business is defined as a business certified by the De-

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June 2009

- June 3**
Janesville-Beloit Membership
- June 4**
La Crosse Membership
- June 8**
Kenosha-Racine Membership
- June 10**
Northeast and Fox Valley Joint Membership
- June 11**
Indianhead Membership
- June 17**
Madison Golf Outing
- June 18**
Wisconsin Valley Membership

Upcoming Meetings

- June 17-18, 2009**
Advanced Estimating Seminar
Wisconsin Dells
- July 30-August 2, 2009**
NECA Summer Meeting
Lake Lawn Resort, Delavan
- September 12-15, 2009**
NECA Convention
Seattle, WA
- January 29-30, 2010**
NECA Winter Meeting
Holiday Inn, Manitowoc



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Negotiations Complete

On Monday, May 11, Chapter Manager Loyal O'Leary and Business Manager Ed Gray, IBEW Local Union #127, appeared before the May Session of the CIR to present their oral briefs on negotiations. Unable to settle the agreement at home, the parties will now be bound by the Council decision, which is expected later this month.

The Local #14 Residential Agreement was settled at home by extending the current agreement for an additional year with no changes other than Pattern Agreement Language.

The Local #577 Residential Agreement was also extended for two years with the understanding the contractors would pay any increase to the Health & Welfare premiums over the next two years, and Pattern Agreement Language changes as needed.

Contract change letters will be mailed soon.



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

Proposed Rules Discussed

Electrical licensing came one step closer to reality on April 29, 2009 when the State of Wisconsin Department of Commerce held a public hearing on the proposed rules for electrical inspection and licensing. Loyal and Shari attended the hearing held in Madison. There were approximately 30 people present and four people spoke on the proposed rules.

Those speaking were in favor of the proposed rules overall, and David Boetcher, representing the IBEW State Conference, was among them.

Dave noted a couple of areas that the IBEW would like to see addressed including:

- Beginner Electrician rules should be revised to include a limit on the number of beginners that a Journeyman or Master Electrician may supervise. The IBEW would like to see a ratio similar to the apprentice to JW ratio to ensure proper training and safety.
- Maintenance Electricians need to be able to do installations at their facility, provided they have received the proper training. The Department of Commerce personnel questioned the definition of a "Maintenance Electrician" and also inquired about training. The IBEW is requesting the addition of a "Maintenance Electrician" license.
- The Master Electrician license should include a Journeyman license. Dave noted that in many other states with electrician licensing, the Master Electrician classification typically refers to the business aspects of electrical licensure, and therefore the Master Electrician license is seen as a contractor's license, and is not recognized as the individual's training, education and competence. In some cases, this means a Master Electrician must also obtain a Journeyman license to actually perform electrical work.



Tom's Code Corner

Question: I recently did an office building rough-in using Type AC cable for some of the receptacle circuits. The inspector is requiring anti-short bushings be installed on the cable. The cable actually came with a package of them but I lost them so I used connectors that have an insulated throat and are listed for Type AC/MC cable. Now I will have to remove all cables from the boxes to install them. Can he require this?

Answer: Yes. 320.40 indicates that all terminations of AC cables shall have a termination that protects the wires from abrasion. In addition it requires an insulating bushing be installed between the armor and the conductors. The connector needs to be of such design so the insulating bushing or its equivalent be visible for inspection.

MANPOWER STATISTICS

For the Month of -- **March 2009**

Local Union #	14	127	158	159	388	430	577	890	TOTAL
	=====	=====	=====	=====	=====	=====	=====	=====	=====
Local Contractors: NECA	7	3	4	17	5	5	3	6	50
Non-NECA	33	9	14	18	7	16	8	14	119
Total Local Contractors:	40	12	18	35	12	21	11	20	169
Traveling Contractors: NECA	8	5	5	2	4	3	5	6	38
Non-NECA	4	8	4	5	1	3	0	2	27
Total Traveling Contractors:	12	13	9	7	5	6	5	8	65
TOTAL # OF CONTRACTORS - LOCAL AND TRAVELERS:	52	25	27	42	17	27	16	28	234
Contractors More Than Two Months Delinquent in N.E.B.F.	1	2	1	0	5	0	0	0	9
Total Number of Contributing Contractors in Area:	53	27	28	42	22	27	16	28	243
Employees: NECA	237	56	116	479	190	39	156	153	1426
Non-NECA	179	94	165	72	33	55	48	70	716
TOTAL EMPLOYED:	416	150	281	551	223	94	204	223	2142

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

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

After considerable discussion, the Health & Welfare Trustees made the difficult decision to increase the premiums for the insurance by 15%, effective July 1, 2009. The increase was necessary to compensate for a combination of factors including fewer participants this year than last year, and therefore, less money in premiums paid, an increase in the cost of claims despite fewer participants, and the rising cost of health care overall. While the decision was not an easy one, the Trustees are hopeful that the increase will help the Plan recover and remain cost-effective. The Trustees also discussed increasing the deductibles or co-insurance amounts; however, action was not taken on those options at this time.

An upturn in the stock market is expected to help the Plan to rebuild its reserves to a more comfortable level after a chaotic couple of investment quarters.

From the Desk of Attorney Kay

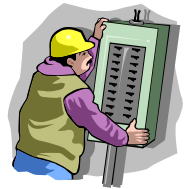
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partment of Commerce as “American Indian”, “Asian Indian”, “Black”, Hispanic”, and may be a sole proprietorship, partnership, limited liability company, joint venture, or corporation. The business must be at least 51% owned, controlled and actively managed by a minority group member or members who are U.S. citizens, lawfully admitted to the United States for permanent residence. The Department of Commerce periodically updates a list of certified minority businesses and conducts investigations to determine whether a business qualifies as a minority business. A determination that a business qualifies as a minority business cannot be based solely on the number of minority group members employed by the business.

Interestingly, a contractor working on a state project may recover damages incurred as a result of another contractor on the site interfering with its work or nonperforming its work. Section 16.855(11) states:

A contractor shall be liable for any damages to another contractor working on the same project caused by reason of the former’s default, act or nonperformance.

Under § 16.855(13)(a) a list of subcontractors are not to be submitted with a prime contractor’s bid. However, the Department may require the prime contractor to submit in writing the names of prospective subcontractors for the Department’s approval before the award of a contract to the prime contractor. Under that section, all subcontractors may be approved in writing by the Department prior to their employment. Changes may be made in the list of subcontractors with the agreement of the Department and the prime contractor, when in the opinion of the Department it is in the best interest of the State to require the change.



Provision is made for the Department’s promulgation of administrative rules to implement the advertising and award of contracts, and such administrative rules exist as I have previously mentioned in former articles.

Section 16.855(19) provides that as the work progresses under any state contract for construction the contractor is granted an estimate of the amount in proportionate value of the work done which shall then entitle the contractor to receive the amount less retainage. The retainage is limited to not more than 5% of the estimate until 50% of the work has been completed. At 50% completion, no additional amounts are to be retained and partial payments are to be made in full to the contractor unless the architect or engineer certifies that the job is not proceeding satisfactorily. When the work is not proceeding satisfactorily, at or after 50% completion, additional amounts of retainage may be required, not to exceed 10% of the value of the work completed. Under that section, upon substantial completion of the work, the retainage is to be paid to the contractor.

State work can be a very important market for contractors when the demand for private construction dries up. Public building expansion plans are not necessarily determined by general economic conditions.

We must accept finite disappointment, but we must never lose infinite hope. - Martin Luther King, Jr.

The Wisconsin Chapter NECA was the proud recipient of the 2008 MEI Chapter Award and was recognized at the NECA Midwest Regional Spring Conference in Kauai, Hawaii in March. The award was presented to the Chapter for sponsoring the most MEI seminars in 2008. The Chapter was first among the other District IV Chapters. Wisconsin Chapter President



Bernie Cleppe accepted the award on behalf of the Chapter.

We thank you for your support in attending the seminars, and thereby allowing the Wisconsin Chapter to be first among its peers in 2008.

As we’ve mentioned in previous newsletters, the Chapter has scheduled six MEI seminars in 2009. The OSHA Alliance Committee has sponsored a couple of NFPA 70E seminars this year, and may sponsor another one if there is sufficient interest. The Committee is also considering two or three additional seminars this year.

We hope you feel these seminars are of value to you.