



“Only he is free whose efforts are called out by what seems to him a good of itself by the belief that he is impressing upon the stuff of this world some idea authentically his own.”

Learned Hand

## NOTES FROM DISTRICT TWO COUNCIL MEETING

- 1.) Revenue for NECA (National) has improved slightly—3.7% above the previous year.
- 2.) Membership has declined by about 160.
- 3.) Manhours worked are down about 9% behind the previous year.
- 4.) There has been discussion about starting a national training fund.
- 5.) CIR has seen a considerable decline in cases.
- 6.) District Two had a net loss of 22 members in 2010.
- 7.) Mike Joyce is on the Marketing Committee for 2011.
- 8.) The Legislative Conference will be May 10-12 in Washington, D.C. at the Mandarin Oriental.
- 9.) A discussion about the “Code of Excellence” was held with IBEW Vice President, Sam Chilia and IBEW Vice President, Dan Siegel. It continues to be used only on specific jobs.

## CLEVELAND MANHOURS

Total hours worked for 2010 were slightly better than 2009—up about 4.5% to 3,452,281.

Local 38 and 129 were improved but Local 673 continues to experience declines.

## NEGOTIATIONS

Since December 2010 we have been negotiating two Agreements of the local unions the Chapter deals with, IBEW Local 71 and IBEW Local 129. Both of these locals have reached settlements. LU 71 has approved their agreement and LU 129 has

a membership vote soon.

Local Union 38 exchanged opening letters and will start discussions shortly. Local Union 673 will start next month. As most of you know the economy is the major concern on both sides of the table.

## GREEN ENERGY

The Cleveland Electrical JATC has been awarded a grant from the State of Ohio to install solar panels on the roof of the building. We have been working with the

committee, architect—Bill Doty, Training Director—Ken Field and instructor Carl Scheutzow. This spring it is expected that the work will begin.



## FINANCIAL POINTS OF INTEREST

- 1.) Copper continues to increase in price—hovering above \$4.50.
- 2.) Latin America is becoming an alternative for health care with many physicians board certified in the U.S.
- 3.) China will continue to push the demand for oil—they are expected to account for 57% of the rise.
- 4.) Residential real estate continues to be weak.
- 5.) The U.S. economy is expanding at a 2.5% annual rate. Low compared to historical rates.
- 6.) Trend increases for medical plans is still growing between 9-10%. Prescription drug trends are increasing at about the same rate. Dental plans are

- actually declining. The Affordable Care Act is expected to add cost to most plans at least this is expected near term.
- 7.) Of all the silver mined over the past 5,000 years, more than 90% of it has been used up. It's gone forever.
  - 8.) Silver is much more undervalued than gold.
  - 9.) Investor optimism is at record levels. There's way more risk than potential reward over the next three months.
  - 10.) The stock market is up 97% in less than two years.

## CONSTRUCTION CONTRACTS

As reported in ENR changes to the Consensus DOCS—model contracts for the building design & construction industry were released January 19, 2011. Thirty one industry groups collaborated to develop these contracts. Additions to Model Agreements:

- A.) “Constructor” replaces “Contractor.” “Design Professional” replaces “Architect.”
- B.) Objective “Standard of Care” added.
- C.) Green building design services are mandatory.
- D.) Greater flexibility to provide documents in electronic format.

- E.) Owner can audit constructor's books.
- F.) Contract documents better defined.
- G.) Erroneous constructor termination for cause changes to a “termination for convenience.”
- H.) Subcontractor can get financial information about owner.

Also the Consensus DOCS 300 has been renamed the Standard Tri Party Agreement for Integrated Project Delivery.

## POLITICAL

- A.) Health Care—5 things Republicans may do:
  - 1.) Repeal and Replace
  - 2.) Piecemeal tweaks
  - 3.) Starvation—no money appropriated
  - 4.) Legal challenges and investigations
  - 5.) State Level intervention
- B.) FASB requirements—still pending.
- C.) Repeal the 3% government withholding tax—no decision yet.

- D.) Misclassification of employees—under consideration.
- E.) Relief for Multiemployer Pension Plans.
- F.) Support the building star energy efficiency act of 2010.
- G.) Support a permanent solution to estate tax reform.

**LOOK FOR THE NEXT REVIEW IN MARCH 2011!**

**HURRY UP SPRING!**