

MARKET RECOVERY PLAN
LOCAL UNION 932
I.B.E.W.

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I. OVERVIEW

A. GOAL OF PROGRAM

The fundamental goal of Local Union 932 is the Market Recovery Program is to maintain and, where possible, improve its current market share of the electrical construction market. This approach, coupled with effective labor-management relations, a pool of qualified manpower, ongoing training of apprentices and journeymen, and effective union organizing is intended to protect the union's share of the electrical construction market.

B. FUNDING

The Market Recovery Program is funded entirely from the Local Union 932 general fund.

C. LEGAL ISSUES

Organized labor is covered by special protections to federal antitrust law both in the form of "statutory exemptions" by Wagner Act, Copeland Act, Clayton Act, and National Labor Relations Act, and through court adopted law - "non-statutory exemptions." Thus, provided the Union is pursuing the objective of improving employment opportunities, "work preservation" for its members, its actions fall within these protections. Attempting to protect its market share and generate work for its members, which are the goals of the Market Recovery Program, are legitimate objectives under current legal standards.

D. FAVORED NATIONS CLAUSE

Article II Section 2 (a) of the Inside Labor Agreement between Local Union 932, I.B.E.W. and the Oregon Pacific Cascade Chapter, NECA as approved by the International office of the I.B.E.W. specifically permits the practice of the Market Recovery Program.

Therefore, the use of the Market Recovery Program does not constitute a violation of the favored nations clause.

E. ACCOUNTABILITY TO MEMBERSHIP

Consistent with the Bylaws of Local Union 932, a quarterly report will be made available to the membership of the market recovery program including number of successful projects, financial support, the outstanding commitments of successful awards and the man-hours gained through these efforts.

F. ELIGIBILITY OF EMPLOYERS

All employers signatory to the Inside Agreement between Local Union 932 and Oregon Pacific-Cascade Chapter of NECA and who recognize Local Union 932 as the exclusive collective bargaining agent for all of their employees are eligible to receive market recovery funds, excepting:

1. Employers may be barred from using the Market Recovery Program for any of the following reasons:
 - A. Falsifying non-union competition
 - B. Falsifying bid dates
 - C. Submitting fraudulent signatures on weekly man-hour reports
 - D. Failure to submit weekly man-hour reports
 - E. Fraudulently submitting for hours not worked or not included in original contract (i.e. change orders, extras)

G. ELIGIBILITY OF PROJECTS

The Union will selectively use the market recovery program to preserve and generate work for its members. Projects of all sizes and types will be eligible for Market Recovery since non-union intrusion into these markets is a continuing concern of the Union.

Each Project will be dealt with on an individual basis. The Union will take into account the competition, both union and non-union, the policy of the awarding entity, the market itself, the man-hours at stake, the availability of existing funds, and the timing of the request. These factors, taken into consideration with the experience acquired under the Program will provide the basis upon which the Union will be able to place the signatory contractor on a level playing field with the non-union contractor. The local union will decide how MRP projects are subsidized. Wages on prevailing wage projects will not be subsidized below the established wage rate for the project.

Projects may be funded in two separate ways:

First, market recovery projects may have the wages subsidized. On these projects, a monetary amount per hour will be awarded with a not to exceed price set.

Second, market recovery projects may have the material costs subsidized. On these projects a set amount will be awarded for the purchase of materials. How projects are funded is determined at the sole discretion of the Union.

H. EXCLUDED CLASSIFICATIONS

The classification of apprentice is not covered by the market recovery program, and their hours are not subsidized.

Overhead personnel are also excluded from the market recovery program. Overhead personnel include material expeditors, estimators, secretaries, or any others that do no productive work on the actual jobsite.

I. AMENDMENTS

The Union reserves the right to unilaterally amend or cancel the market recovery program or its rules and procedures at any time.

The Oregon Pacific-Cascade Chapter of N.E.C.A. will be notified immediately of any amendments to this plan. Notification of amendments to the Oregon Pacific-Cascade Chapter of NECA will constitute notification to all signatory contractors.

II. ADMINISTRATION

A. RULES

Due to the vast amount of time and paper work involved in maintaining the Market Recovery Program, rules must be implemented in order to maintain the program's integrity and proper operation. Therefore, the following rules will apply:

1. Requests for Market Recovery Program jobs will only be received between the hours of 8:00 a.m. and 5:00 p.m. daily at the N.E.C.A. office. All signatory employers are responsible for calling in and requesting a project to fall under the Market Recovery Program on a job-by-job basis.
2. All requests shall be made at least five (5) days prior to bid date.
3. When requesting a Market Recovery Program job, the following information is required:
 - A. Name of Contractor requesting
 - B. Job name
 - C. Address
 - D. Bid date & time
 - E. Non-union competition
 - F. Estimated hours
 - G. Type of work: i.e. Residential – Commercial – Industrial
 - H. General contractor
 - I. Approximate start date
 - J. Length of project
 - K. Prevailing wage rate
4. The results of all requests made between the above stated hours will, if at all possible, be relayed to contractors requesting the Market Recovery Program at least one day prior to bid time.
5. Special conditions may be required for contractors to adhere to before receiving Market Recovery monies.

These conditions may include but are not limited to the following:

- A. Wage subsidies may be back-loaded on a project (i.e. the final 1000 hours of a 2000 hour project).
- B. Contractors may not be allowed to utilize portability.
- C. Contractors may be required to utilize the Local Union referral hall to man the project.

6. The successful bidder must send a job notification letter to the union office immediately upon being awarded the job, and that letter shall contain the following information:
 - A. Job name
 - B. Address
 - C. Actual contract price
 - D. Actual man-hours involved (excluding apprentices)
 - E. Starting date
 - F. Approximate completion date
7. Upon receipt of the job notification letter, the Business Manager will send a MRP award letter to the successful bidder. No job shall be considered an official Market Recovery Program job until an award letter has been signed by the Business Manager of Local Union 932, I.B.E.W.
8. The actual hours listed in the award letter will be strictly adhered to. Should the man- hours listed in the award letter be exceeded, then all man-hours in excess shall revert to the existing inside agreement wage rate.
9. Unit pricing, extra orders, change orders and/or additional work will not be considered for obtaining additional hours.
10. The employer is responsible for paying the full wages of the apprentices.
11. Market Recovery funds shall be assigned to a job for a period of 90 calendar days. If no job notification letter is received prior to the expiration of the 90 day period, the funds shall be released. Market Recovery funds may be requested in writing before expiration date to be assigned for an additional 90 days. In no case may funds be held for more than six (6) months from the original request date. It shall be the responsibility of the contractor to monitor the time frames noted above.
12. All funded projects that become inactive for a period of six consecutive months shall be considered completed and no further funds shall be released.

B. SUMMARY OF PROCEDURAL STEPS

The following list of steps is intended to give the signatory contractor an idea of the process involved with requesting and, hopefully, receiving a Market Recovery Project:

1. Identify all known competition on the prospective job.
2. Provide NECA with relevant background including the names of known competitors, man-hours, awarding entity (ies), nature, and duration of the project. This information shall remain confidential between NECA and the Union.
3. This information is then forwarded by NECA to the Union.
4. The Union then investigates the prospective job and unilaterally determines if the project should be targeted for Market Recovery, and if so, the appropriate hourly wage or material supplement.
5. The Union notifies NECA of its decision.
6. Contractors pursuing the project should confirm whether the project has been targeted for Market Recovery funding by contacting the NECA office.
7. If the project is awarded to a signatory contractor, then the contractor completes a job information letter including the market data and specific information (i.e., actual man-hours) regarding the project and returns it to NECA.
8. Upon receipt of the job information letter, the Business Manager will send an award letter to the contractor. A copy will also be sent to NECA.
9. On a weekly basis, the contractor forwards the signed time sheets to the union.
10. The union agrees to make payments on a monthly basis for the weekly man-hour reports submitted in a timely manner.
11. All bidding information of contractors will be absolutely confidential.
12. Payment will be denied if the weekly man-hour report does not contain the market recovery job number and original signatures of workers employed on a targeted job.