



WATTS UP

November 01, 2007

Alaska Chapter NECA Newsletter

www.alaskaneca.org

Chapter Calendar

November 3-9

Benefit Conference-Anaheim, CA

November 6

Anchorage JATC

November 11

Veteran's Day

November 13

Safety Committee

November 14

Board Meeting/Membership Meeting

November 22

Thanksgiving

November 28-30

NJATC-Las Vegas

December 15

Annual Meeting / Christmas Party

Tool Box Talks

November 05, 2007

Tools, Hand and Power Tool Safety

November 12, 2007

Tools, Hydraulic and Pneumatic

November 19, 2007

Tools, Powder-Actuated

November 26, 2007

Transformer

2007 NECA Convention in San Francisco, CA

NECA's 2007 Convention and Trade Show in San Francisco was a rousing success! If you couldn't make it to San Francisco this year, we hope you enjoy our daily recap on www.necaconvention.org, complete with pictures and stories from the main events.

Nuclear Plants to Expand

Nearly three decades after the Three Mile Island accident, several utilities are anticipated to seek regulatory approval for constructing new nuclear plants, including Entergy, Dominion Resources, Exelon, and the Tennessee Valley Authority. Florida Power & Light (FPL) has requested permission from state regulators to enlarge its nuclear power output at Turkey Point and in St. Lucie County by 2012. Utilities view nuclear power as a way to bypass greenhouse gas emissions, while a streamlined regulatory process and new modular designs are making the sector more attractive. But no company has yet been able to secure financing, and utilities are backing proposed legislation that would broaden federal loan guarantees and let utilities raise rates to recoup construction costs. Global high demand for raw materials is also raising construction costs while public opposition could rise in response to an accident or attack. At present, the Energy Department is paying 50 percent of the cost of three early applications, which includes \$5.5 million of the \$11 million spent by Entergy on preparing an application for a new reactor in Port Gibson, Miss. Nuclear plants initially cost more than other types of power plants, but are less expensive to operate--the average cost of electricity derived from nuclear was 1.72 cents per kilowatt hour in 2005, compared to 2.21 cents for coal-fired plants and 7.51 cents for natural gas plants, according to the Nuclear Energy Institute.

IBEW Local 164 & Graybar Announce Educational Partnership

The International Brotherhood of Electrical Workers (IBEW) Local 164's Business Manager Richard Dressel announced plans to work with Graybar Electric in Parsippany, N.J., to create a state-of-the-art training center utilizing Square D electrical apparatuses. Equipment installed in the electrical distribution room, designed by IBEW's National Joint Apprenticeship and Training Committee, will reduce voltage to lower levels for outlet, lighting, and motor control systems' usage. Dressel says the goal of the partnership is to recreate real-life events in a "controlled, high-tech educational setting" as part of instruction. "Local 164 is dedicated to forging cooperative partnerships with leading distributors like Graybar to enhance industry knowledge and provide hands-on training to our apprentices, journeymen and journeywomen," says Dressel. Aside from classroom studies, Local 164's electrical students will engage in laboratory exercises that demonstrate their acquired knowledge of the Square D electrical apparatus. Exercises will include wiring an electrical distribution system from its primary source--the switch--to a terminal or outlet. Once a demonstration is completed successfully, power is available to use in a variety of functions, from fire alarm panels and data equipment to other various motor controls. Local 164 spokesmen say the new room will be used to determine an apprentice's skill level and gauge progress.

Interim Victory In Battle For Full Repeal Of 3% Withholding

Good News! HR 3056, the Tax Collection Responsibility Act of 2007, passed the House yesterday by a vote of 232-to-173. If this legislation, which was introduced in July by Rep. Charles Rangel (D-BY 15), goes on to win approval in the Senate, it will extend the deadline for implementation of the law requiring 3% withholding on all government contracts - federal, state and local - from January 2011 to January 2012.

Why that's important: Included in HR 3056 is a requirement for the Treasury Department to conduct a study on the problems and costs of administering the withholding law. Results of this investigation would have to be reported within six months after passage of the legislation.

Since it became known that the withholding requirement was surreptitiously slipped into the 2005 Tax Increase and Reconciliation Act, it has been opposed vigorously not only by the construction industry but also by IRS officials and state, county, and municipal governments that would be overwhelmed by the responsibility to administer it. NECA has led efforts to repeal the 3% withholding, and we are confident that the report would provide a strong basis for full and outright repeal.

As NECA Executive Director of Government Affairs Bob White notes, "Bipartisan support for repeal just keeps on growing. "This week we brought the total of co-sponsors of the Meek-Herger repeal bill, HR 1033, to 217. That's just one vote short of an outright majority of House members!"

Ways To 'WOW' General Contractors

Rather than trying to make money in the contracting industry by providing only the minimum, the way to make an impact as a subcontractor is providing the "WOW" factor that impresses general contractors and makes them remember you, writes George Hedley of Hedley Construction and Hardhat Presentations. It's important to have the right amount of manpower on every job, and to be well financed to ensure that the subcontractor can stay afloat throughout the job without having to seek more money or different payment procedures. "To run a successful subcontracting business, I recommend at least 20 percent of your annual sales volume in working capital plus a bank line of credit of at least 15 percent of your annual sales as a backup," Hedley writes. Subcontractors need to read their contracts in detail to understand exactly how the general contractor wants the project managed, and they should be proactive in keeping the project going, rather than waiting for the customer to call before noticing things need a change. Hedley recommends a "WOW checklist" for job-site management: "Weekly safety meetings, ongoing

everyday cleanup, haul your own trash away, provide temporary facilities, protect materials from theft, keep your tools locked up, do your own punch list, keep your own set of plans, do your 'as-builts' as you go, protect finished surfaces." Reiterating his points, Hedley states, "How subcontractors and suppliers can WOW general contractors is to be more pro-active and less re-active. Help project managers anticipate problems, get the job done properly, provide enough qualified trained field help, finish ahead of schedule, and suggest better ways to save money. To WOW a general contractor is easier than you think."

AGC Economist Suggests Materials Cost Calm Ending Soon

The Associated General Contractors of America is warning that the costs of construction materials and labor will increase at a faster clip in 2008 than over the past year and that the nonresidential construction sector will begin to feel the impact of recent trends in the industry. "The housing meltdown and the more recent credit market turmoil do have some spillover effects on nonresidential construction," says AGC chief economist Kenneth Simonson. "Retail, suburban office and local government construction are especially affected by the drop in homebuilding, home sales, and property values, respectively. Tighter lending standards and financial-firm layoffs will trim construction of offices and other income-producing properties, such as hotels and warehouses. ... At the same time, some materials costs are beginning to turn up again, and labor costs have started to accelerate." The 28 percent cumulative increase in the producer price index for construction inputs between December 2003 and August 2007 is more than double the increase of the consumer price index during that time. And while labor costs have increased at similar rates within the construction industry as compared to the private sector as a whole, wages are starting to rise. Up to now, the nonresidential sector has benefited from the greater availability of specialty trade workers due to the housing slowdown. "But wages have begun rising more steeply for specialty trade contractors, suggesting that the number of workers suitable to switch is close to exhaustion," says Simonson.

FUTURE SCHEDULE OF EVENTS.....

December 15, 2007	Annual Meeting/Christmas Party
October 4-7, 2008	NECA Convention/Chicago, IL
September 12-15, 2009	NECA Convention/Seattle, WA