



**THE
NATIONAL
MAINTENANCE
AGREEMENTS: *The First 40 years***



NATIONAL MAINTENANCE AGREEMENTS POLICY COMMITTEE, INC.

www.nmapc.org



*“Coming together is a beginning.
Keeping together is progress.
Working together is success.”*

-HENRY FORD



Introduction: The Invisible Engine

Electric utilities. Oil refineries. Steel mills. Automotive plants.

Unless you work in one of these facilities, you probably don't realize how much our country relies on them every single day. No major superpower could survive without the basic industrial services they provide. They employ millions of Americans and pump billions of dollars into the national economy; their innovations allow us to enjoy a standard of living that is the envy of the rest of the world. Each time you flip on a light switch or start your car, you have one of these businesses to thank for the privilege.

But have you ever wondered why these "backbone industries" are so consistently successful? How do they continue to meet our ever-growing demands for quality and service without missing a beat, even during tough economic times? Leadership and planning have a lot to do with it, of course. But we often overlook one of the most important factors in the success of modern American industry: the project labor agreement, or PLA.

The PLA is a mutually agreed-upon arrangement between labor unions and employers that sets out the terms and conditions of a particular job before work begins. Without a PLA in place, an employer must bargain separately with each union working on a project. If the skills of eight local unions are needed to get the job done, that means eight separate contracts. But a PLA eliminates this headache by streamlining the process and allowing an employer to bargain with the unions collectively, as a single unit. All of the unions agree upfront to the same work rules, thus standardizing terms and conditions for all.

One set of PLAs in particular, the National Maintenance Agreements (NMA), has been embraced by U.S. industries, thousands of contractors and fourteen building trades unions. It has also played a huge (if largely hidden) role in the development and maintenance of our nation's industrial infrastructure. Since its inception in 1971, more than two billion work hours have been completed under the terms of the NMA. In just a single three-year period – from 2007 to 2009 – NMA projects created an average of 40,000 full-time construction jobs per year. In 2008 alone, payments to workers on NMA projects averaged nearly \$2.5 billion.

As its name implies, the NMA is primarily used in the industrial maintenance and heavy manufacturing/construction sectors. To keep their sophisticated equipment in working order, utilities and large industrial facilities often call on one of the more than 2,000 signatory union contractors who utilize the NMA to get the job done right the first time. Entire

NMAPC Impartial Secretaries, 1971-Present



**JOSEPH
LA ROCCA**
1971-1986



**NOEL
BORCK**
1986-2006



**STEPHEN R.
LINDAUER**
2006-Present

electrical power units and boilers are frequently taken offline for retrofitting and upgrades, and a small army of skilled union workers is needed to erect scaffolding, weld tubes and pipes, install new wiring and perform numerous inspections. Manufacturing plants rely on NMA contractors to service their automated equipment and keep the assembly lines moving. It's complicated, highly technical work, and one wrong decision or misunderstanding can cost millions of dollars.

But there's more to the NMA than maintenance. The agreements are also used for numerous other activities, whether it's erecting and installing a 180-foot coker unit at an oil refinery, building new manufacturing facilities or creating a power generation station from the ground up.

Over the past four decades, the NMA has also played a significant role in strengthening the cooperative relationships between labor unions and management. The founders of the NMA were acutely aware of the long-term conflict and animosity that existed between the two factions. When the first Agreement was drafted in 1971, the founding fathers made sure that the guiding philosophy behind it was one of tripartite cooperation between the three major elements of any industrial maintenance or construction job: the end users, or clients (the companies that hire the contractors); the contractors (who employ the workers and plan and supervise the work); and the unions (who supply the skilled craftspeople to get the job done on time and on budget).

If you're going to use the NMA on a project, three-way communication and a strong emphasis on workplace safety is mandatory, not optional. The NMA provides a mechanism by which all three parties get together before work begins and hold a comprehensive conference to review the scope of work, run through the necessary safety procedures and ensure that everyone is on the same page.



Although it has had an enormous impact over the years, the NMA still remains the construction industry's best-kept secret, an invisible engine that keeps the country's economy growing, its industrial base running and its citizens working. Here is the story of how and why the NMA was created, and what it means for the construction industry and our country in the 21st century.

Part One: Beginnings

Although the first National Maintenance Agreement was signed in 1971, the history of the NMA actually begins a couple of years earlier with the creation of the National Erectors Association (NEA).

The Iron Workers International Union faced a big problem in the late 1960s. More and more jurisdictional disputes were being filed by the various building trades, as individual crafts sought to expand their scope of work and increase their share of the industrial construction pie. Each time one craft tried to claim work that had not been considered part of its traditional "territory," the craft which was already doing that work fought back tooth and nail to protect its own interests. At that time, jurisdictional disputes were heard by the National Joint Board, an arbitration panel made up of eight members, four each from the contractor and union communities.

Most of the other building trades were already working

hand-in-hand with counterpart employer associations made up of contractors that heavily employed members of a particular craft. When jurisdictional disputes arose, the building trades were able to join together with these associations and make a stronger case before the Joint Board than if they were working alone – labor and management were united, and there's always strength in numbers. But the Iron Workers didn't have a corresponding employer association. The union contractors they relied on for work were scattered around the U.S., disconnected. As Joseph La Rocca, the first executive vice president of the NEA, put it, "Most individual iron worker employers across the country were loners."

John Lyons Jr., the General President of the Iron Workers, knew that if his union was going to stay competitive, the companies that employed his workers were going to have to form an association so that the two entities could fight the onslaught of jurisdictional disputes together. Lyons appointed a special committee to reach out to contractors and get the ball rolling. In August 1969, the Iron Workers leadership and some of the biggest steel erectors in the country met in St. Louis, Missouri to strategize. The contractors eventually decided that rather than forming a single association, they would instead create a handful of new groups to represent employers in the major ironworking specialties. One of those groups was the National Erectors Association, made up of companies in the structural steel segment – mainly steel erectors and fabricators. Many of these companies also had a strong presence in the industrial maintenance field, using Iron Workers to perform repairs, refurbishments and upkeep on the large, sophisticated equipment found in steel mills, refineries, utilities and manufacturing plants.

The NEA was incorporated in 1969 and established its first headquarters in Washington, D.C. One of the first acts of the new group was to officially sign on to the National Joint Board so it could begin participating in the jurisdictional disputes process. However, the organization's mandate quickly grew to include other areas of concern to contractors and Iron Workers. Within months, they began discussing the possibility of writing a new project labor agreement specifically for pursuing industrial maintenance work.

The need for change

Like the creation of the NEA, the idea for a new maintenance PLA was in part a reaction to a different jurisdictional problem. In the early 1970s, the major U.S. steel producers began preparing to renegotiate the Basic

Steel Agreement with the Steelworkers Union. This in-house agreement, created in 1947, set the wage rates, benefits and work rules for large steel facilities across the country. Rumors began to swirl that the Steelworkers were going to attempt to rewrite the new agreement so that the producers could no longer bid out work, including industrial maintenance, to contractors, many of whom were NEA members who primarily employed Iron Workers. The strategy was obvious: by cutting out the contractors, the Steelworkers could take over the lucrative maintenance work.

This put the steel producers in a bind. Although they had traditionally used Iron Worker contractors for their maintenance needs, the building trade's wage and fringe packages were generally higher than the Steelworkers' in-house packages. On paper, at least, the argument could be made that eliminating the use of contractors would save money. In order to protect their traditional scope of work, the Iron Workers and the NEA needed a new argument, an incentive to convince the producers not to kick them out of the steel mills for good.

This is where the idea for a new PLA came in to play. Other maintenance PLAs were already in use, including the General President's Maintenance Agreement (GPMA). Unfortunately, it had many restrictive provisions that didn't mesh with the steel industry's needs. The GPMA was designed for large companies in need of long-term supplemental maintenance, and required owners to commit to provide a minimum of one year's work to the signatory contractor. However, most steel plant maintenance jobs, like rebuilding a blast furnace, only lasted a few months, so using the agreement often didn't make practical or financial sense from the steel producer's standpoint. In addition, producers were worried that if they signed a one-year maintenance agreement and the Steelworkers then managed to ban contractors in the new Basic Steel Agreement, they would be on the hook to pay for work that the contractors were legally prohibited from performing.

But instead of throwing their hands up in frustration, some in the NEA saw an opportunity. What if they could work with the Iron Workers to create a new maintenance PLA, one that was more attractive to steel producers? It would offer a predictable, streamlined process with pre-set rules for everything from overtime pay to holiday leave and work stoppages – and more importantly, eliminate the need for long, acrimonious negotiating sessions with the local union every time a new maintenance job came up. If done right, a new PLA might be enough to fight off the Steelworkers' jurisdictional grab and give steel producers an incentive to keep using Iron Worker contractors. Furthermore, a new maintenance PLA might open doors for NEA contractors in other industries as well, a welcome alternative to any company

wary of signing a long-term agreement.

One of the early champions for a new maintenance PLA was Dick McKissick, then the manager of labor relations for the American Bridge division of U.S. Steel. He won the support of the NEA Labor Advisory Committee and was asked to chair the negotiating team that would hammer out the new PLA with the Iron Workers. Jack C. Dakes, an industry veteran who worked for Bethlehem Steel at the time, was also named to the negotiating team. The still-to-be-written PLA was christened the National Maintenance Agreement.

The negotiators first approached Iron Workers General President John Lyons, who had been so instrumental in forming the NEA. "John and General Secretary Juel Drake immediately saw the potential," Dakes recalled. "In early 1971, after a couple of joint meetings with the Iron Workers Executive Board, they appointed an Iron Worker negotiating committee."

The two negotiating teams met on Capitol Hill in the winter of 1971. Right away, the NEA's initial optimism about the PLA was put to the test. "The meeting was very open, and many of the Iron Worker vice presidents voiced serious concerns about the concept," Dakes remembered. "At a critical point in the discussions, Joe Maloney, who at that

Since its inception in 1971, more than two billion work hours have been completed under the terms of the NMA.

time was the Iron Workers' legislative representative in Washington D.C., stood up and made a very positive speech about the need for this type of maintenance agreement. In my judgment, this was the turning point, and shortly thereafter the Iron Workers agreed to proceed with the discussions." The negotiations continued throughout the winter and early spring of 1971. Finally, on May 25, the very first National Maintenance Agreement (NMA) was signed between the NEA and the Iron Workers.

A new approach to maintenance

The NMA differed from other maintenance agreements in several significant ways. First and foremost, it was controlled jointly by management and labor, whereas the GPMA and another PLA, the Westinghouse Agreement, were unilaterally controlled by the Building Trades and Carpenters union,



respectively. This innovative labor-management partnership was soon formalized with the creation of the National Maintenance Agreements Policy Committee (NMAPC), an impartial body set up to administer the NMA, resolve conflicts and settle questions related to its use. Joseph La Rocca, the executive director of the NEA, became the first impartial secretary of the NMAPC as well, and continued in both positions until his retirement in 1986.

In essence, the NMAPC offers “one-stop shopping” for contractors and unions. When you become signatory to the NMA, you not only get to operate under its streamlined terms, but you’re also granted full and immediate access to the Committee’s extensive in-house support structure. Not sure how to interpret a certain provision of the Agreement? Call up one of our labor relation specialists. Jurisdictional

In essence, the NMAPC offers “one-stop shopping” for contractors and unions.

disputes are handled by a work dispute umpire, arbitrators are called in to handle the rare work disruptions that occur in clear contravention of the Agreement, and a special grievance review subcommittee is in place to settle all other disputes – all at little or no cost to signatories.

Safety is also an important part of the NMA. Pre-job conferences between the contractor and unions are mandatory so that prior to setting foot on the jobsite, everyone from the president of the company to the guy digging the ditch knows that the well-being of the workforce

is the number one priority.

The NMAPC has evolved over time. Today, its primary decision-making arm, the Labor-Management Committee, consists of 28 members made up of an equal number of representatives from labor and management. The labor side includes one member from each of the 14 participating international unions. The membership on the management side reflects the diversity of union construction, with representatives from large multi-national corporations as well as private specialty construction firms. Two representatives – one each from labor and management – preside as co-chairs, with the labor co-chair also serving as president of the NMAPC.

The creators of the NMA also followed through on their pledge to make the new Agreement less cumbersome and restrictive for owners. Gone were the long-term contractual requirements that other agreements mandated. The NMA was designed to be a portable, open-ended tool for using skilled union labor on crucial maintenance and industrial construction projects. Flexibility was also important; each participating union was allowed to modify certain parts of the NMA to better fit their industry, though they are still 99% similar in content; the fourteen separate Agreements are referred to collectively as the NMA. Eventually a flat-fee pay structure was introduced (in contrast to the penny-per-hour charges associated with other agreements), eliminating guesswork and allowing contractors to better estimate their budgets and bids. In other words, you only paid for the NMA when you needed it.

The advent of the NMA also meant that NEA members now had an identifiable product they could market to the

industrial community. The first sales pitch for the NMA in the early 1970s was, “Maintenance contractors save you money when you use them and cost you nothing when you don’t.” Because the NMA was so easy to use, contractors could, for the first time, present themselves as a credible and cost-saving alternative to the full-time maintenance crews employed by plants. This would turn out to be a winning formula, and as the first union that signed on to the Agreement, the Iron Workers reaped the initial benefits. But before long it became clear that the NMA would have a positive impact on all of the building trades. With its structural foundation in place, the NMA was ready to expand.

Part Two: Expansion

Although the NMA was born out of a mutual concern between Iron Workers and their contractors, it was by no means an exclusive club; the Agreement could be adopted by any building trades union and any contractor who utilized union labor. After all, Iron Workers weren’t the only ones performing industrial maintenance and repair. In November 1971, just a few months after the Iron Workers signed on, the Boilermakers came on board too. The following year saw five more trades adopt the NMA: the Carpenters, Operating Engineers, Laborers, Painters and the United Association (plumbers and pipefitters). Over the next three years, the Bricklayers, Cement Masons, Teamsters, Sheet Metal Workers and Insulators unions all signed the NMA too. It would take a few more years to convince the remaining two building trades, but eventually the Roofers and the Electrical Workers joined in the 1980s.

The building trades’ overwhelming support of the NMA gave contractors a huge momentum boost. Throughout the early 1970s, their goal was simple: get out the message, take the show on the road and convince as many owners as possible to begin using the National Maintenance Agreements. To assist in these activities, the Committee invested in a professional audio-visual slide presentation (the cutting edge of technology in those days) that summarized the benefits of the NMA and explained how it worked.

In April 1973, members of the NMAPC traveled to Michigan to meet with the Detroit User’s Council, a business

group made up of the major auto manufacturers, steel producers, utilities and other large industrial plants in the area. The stakes were high – the NMAPC knew that convincing these influential companies to use the NMA would be a huge step forward and help put the agreement on the map in a big way. The pressure was ratcheted up even further when the Committee members walked into the meeting and found not only forty industry representatives waiting for them, but also the representatives’ bankers! “While they seemed out of place, it was learned their presence was appropriate, since many of the companies would be taking out loans to finance their capital improvement programs,” Joe La Rocca recalled. “Indirectly, the banks had a stake in the success of the National Maintenance Agreements and they wanted to see, first hand, what the NMA program was all about.”

It was a huge test, and the NMA passed with flying colors. Faced with one of the toughest crowds imaginable, the Committee members made an impassioned case for using the Agreements in the large manufacturing plants. The meeting was so successful, in fact, that within six weeks, work began on two major projects in the Detroit area...both under the terms of the NMA.

The rapid success of the NMA did not go unnoticed. In 1974, just three years after the first agreement was signed, the NMAPC was invited to give a presentation before the prestigious National Business Roundtable in New York City. This proved to be one in a series of watershed moments for the Agreement in the 1970s. The exposure the NMAPC received from the event led to a cascade of invitations from local and regional business associations around the country. Everyone, it seemed, wanted to hear more about this upstart new maintenance agreement.

The success of the NMA in the early days was measured in several ways, but the most important metric was the number of work hours completed under the terms of the agreements. In 1973, a little more than two years after its creation, more than 7 million hours were worked under the NMA. The annual total jumped to over 10 million soon after and continued to skyrocket, topping out at more than 50 million in 1979 before the full impact of the recession hit and union contracting work entered a sharp but temporary decline.

Another important development occurred in 1975 with the publication of the NMAPC Book of Decisions. The



book was a collection of interpretations of various aspects of the Agreements, as rendered by the NMAPC's Labor-Management Committee. Although the Agreement was written in a relatively straightforward manner (one of the reasons for its success), inevitably disputes arose over how certain passages were interpreted by either labor or management in the field. The binding decisions handed down by the Committee constituted the "last word" on these disputes. Thus, the NMAPC Book of Decisions became a valuable part of the Agreement itself. It also helped to streamline the operations of the NMAPC; before the book, the Labor-Management Committee often found itself having to deal with a number of grievances centering on the same disputed language or section of the NMA. Rather than make the same ruling over and over again, the decisions were published both as a reference and as a way to cut down on the filing of unnecessary and time-consuming grievances. La Rocca quipped that the book proved to be an effective weapon against "chronic complainers and pot-stirrers," and more than 1,000 copies were sold in just six months – yet another indication of the popularity of the NMA. Today the book is still available to all NMA signatories as a free download on the NMAPC website at www.nmapc.org.

Time for an upgrade: **NMAPC 2.0**

The unprecedented growth of the NMA, while gratifying, came with one major negative side effect. The Agreement was being adopted and utilized by so many contractors and local unions that the related administrative costs, including the number of hours spent administering the Agreement, were going through the roof. Since its inception in 1971, the vast majority of the NMA's operational costs had been underwritten by the NEA; users of the NMA weren't charged anything. Technically, an NEA member company "paid" for the right to use the NMA through its annual dues payment to the Association, but hundreds of non-NEA contractors were using it as well, essentially getting a "free ride." During the first ten years of the NMA, the NEA had spent upwards of \$700,000 in support of the Agreements, and its staff was devoting an increasing amount of time to NMA issues – keeping track of the voluminous paperwork, collecting work hours, organizing conferences and meetings, etc. If something wasn't done relatively soon, contractors wondered if the NMA would become a victim of its own success. The fear was that as more companies began using it, a "tipping point" would inevitably be reached and the cost of running the NMAPC – coupled with the sheer volume of back-end administrative work – would overwhelm the NEA's staff (not

to mention its bank account), causing the Agreement to collapse of its own weight.

Throughout the late 1970s, signatory contractors and unions also grappled with a closely related problem: the future direction and viability of the NMAPC. As the Agreement grew in stature, the decisions that were made regarding how and when it could be used began to have an enormous influence on the union construction industry as a whole. It was truly a national Agreement by that point, and its implementation had far-reaching consequences. The unions were uneasy about the influence of the contractor-focused NEA, since it was the Agreement's principal financial source. Contractors, meanwhile, were skittish about the possibility that the unions might decide to withdraw from the NMA altogether and demand to use agreements under the unilateral control of the Building Trades Department. As influential as the NMA had become, its future appeared to be precarious.

Debate over the NMA's fate continued for several years. Finally, in 1979, the Committee decided to embark on a course of action that would alleviate the financial concerns as well as the uncertainty over the control of the Agreements: a motion was passed to legally incorporate the NMAPC and turn it into a stand-alone entity. To ensure its independence, a flat-rate administrative fee structure was also eventually created. The money generated by the fees – which would be paid by contractors who wished to use the NMA on a particular project – would cover the organization's administrative costs and fund marketing and promotional efforts. The NEA would no longer have to foot the bill, thus muting any concerns about potential undue influence. Incorporating the NMAPC also gave it certain legal protections, thus providing enhanced structure and stability through the appointment of a board of directors. Most importantly, though, the move meant that the NMAPC's impartiality would be preserved, and the unique tripartite structure and joint labor-management oversight of the Agreements would continue as well; everyone could count on a level playing field.

"We were growing up," Steve Lindauer, current Impartial Secretary and CEO of the NMAPC, said of the development. "The unions and the contractors recognized that the program needed to have a different structure in order to continue to grow and compete on a national level. It was time for a new strategy. Incorporating allowed us to become self-sustaining, hire more staff and keep the momentum and mission going."

Incorporation was a lengthy process. Two years after the initial decision was made, the final documents were signed in October 1981, ten years after the first NMA was signed. The NMAPC also had the honor of being the first group within

the construction industry to be formed under the auspices of the Labor-Management Cooperation Act of 1978, a federal law designed to improve cooperation between unions and employers.

Changing the flight plan

The early 1980s was a time of change, both positive and negative. Following on the heels of the NMAPC's incorporation, the Roofers signed the NMA in 1982, becoming the 13th building trades union to do so.

But the country was still in the middle of a crippling recession. In 1982 total work hours dipped below 30 million for the first time in six years. In 1983 more than 5,000 contractors in various industry sectors went out of business, topping the previous year's record of just over 4,900 contractor failures. The next several years saw a "one step forward, one step back" pattern, as work hours would rebound one year only to drop the next. However, despite the dire economic conditions, the general trend line was still positive, and work done under the NMA continued to grow. In 1988 work hours topped 50 million for the first time since 1978, and they would stay above that level for the next 16 years.

As if dealing with a lousy business climate wasn't bad enough, in 1985 the NMA had to face an even tougher challenge: an attempt by the Building and Construction Trades Department of the AFL-CIO to merge the NMA with their existing General Presidents Maintenance Agreement and create a single agreement for the industry. Despite the fact that the NMAPC had been incorporated several years earlier in order to maintain its impartiality, the Building Trades wanted to administer and control the NMA. The general presidents of all 13 NMA-signatory building trades unions were asked to make a choice – and it wasn't even close. Ten of the 13 unions came out in support of the NMA. They argued that the NMA and GPMA had existed side-by-side for 15 years and there was no need to change things now. As a result, the NMAPC remained an independent body under the joint control of labor and management.

Another major change occurred in 1986 when Joe La Rocca, who had been heading up both the NEA and the NMAPC since their inception, announced his retirement. It was truly the end of an era. The phrase "he did the job single-handedly" is frequently used as a compliment, but in La Rocca's case, it had the added benefit of actually being true. For many years La Rocca worked with a shoestring staff to keep both organizations running efficiently. When he took over the reins as the NEA's executive vice president in

1970, the organization had just \$11,000 in the bank and a debt of more than \$50,000 – plus he had the arduous task of uniting a fractured group of contractors who had never before belonged to a trade association and were content to continue acting as "lone wolves." Through his tireless efforts, La Rocca not only turned around the fortunes of the NEA, but also helped spearhead the creation of the NMA and, perhaps most importantly, changed the very culture of the steel erection and industrial maintenance industries. When he left in 1986, the NMA had been responsible for more than \$85 billion worth of work and more than 500 million cumulative work hours.

After an extensive search, the NMA chose as La Rocca's replacement Noel Borck, who had previously served as the

"When assessing labor risk on a project, there is nothing out there that provides the predictability and stability of the NMAPC and the NMA."

–Bob Hoover,
Management Co-Chairman

senior labor representative for Bechtel Construction, one of the largest industrial contractors in the country. It proved to be the beginning of a 20-year tenure, during which time Borck oversaw many vital changes to the NMAPC.

Also in 1986, the International Brotherhood of Electrical Workers signed on the NMA, becoming the 14th and final building trades union to do so.

Steeling for change

The 1980s was a particularly rough period for the U.S. steel industry. Once-dominant American companies were now facing fierce competition from overseas markets, and to make matters worse, much of their equipment was outdated, run-down and unable to keep up with the production levels of the Japanese and other countries. Ironically, by 1984, steel companies that had once provided millions of hours of work under the NMA now ranked last among work-hour producers. In order to stay competitive, a massive upgrade and modernization program for the U.S. steel industry was needed.

The NMAPC sprang into action in the mid-1980s by embarking on a major project that came to be known simply as the Steel Mill Modification. The goal was simple: help U.S. steel companies modernize their facilities and regain their competitiveness in the world steel markets.



James J. Willis: NMA Pioneer

James J. Willis (1929-2008) served as Labor Co-Chairman of the NMAPC from 1988-2000 and represented the Iron Workers on the committee. He started out as an apprentice

ironworker in 1945 at the age of just 16 and eventually rose to the rank of First General Vice President within the international union.

Jim was hugely influential within the NMAPC and helped the organization become what it is today. His steadfast commitment to fairness and cooperation set the tone for the entire committee. "In order to be a member of the [NMAPC] labor management committee, one has to be honest with one another and especially with himself," Jim once said. "If you're going to serve in an impartial role and make judgments upon your peers or superiors, you have to call the call the way it is.

"When you rack up over two and a half billion man hours and billions of dollars of work [like the NMAPC has], it's truly a credit to those people sitting on that committee," Jim added. "I call it 'my' committee lovingly, because it's the best committee in Washington."

When Jim passed away in 2008, the Board of Directors of NMAPC's sister organization, TAUC, voted unanimously to change the name of the group's annual safety excellence award to the James J. Willis Craftperson of the Year Award. The award honors a union worker who demonstrates unparalleled leadership and professionalism on the job, someone who goes above and beyond the call of duty – the very same qualities Jim exhibited throughout his life.

"I view him as an authentic leader who exemplified certain rare attributes," NMAPC Impartial Secretary Steve Lindauer said. "He pursued all that he did with passion, constantly led with his heart, and established enduring relationships. Those qualities live on today, not only at TAUC and Jim's union, the Iron Workers, but also in the NMA."

"U.S. steel companies were being challenged on the quality of their products," Lindauer recalled. "They were individually embarking on major capital investments in their plants and equipment to try and gain the market share they had lost. The NMAPC took a look at what was going on and said, 'Why don't we as an organization come up with a program that would not only help the steel industry achieve its goals and thrive in the future, but also provide work opportunities for our building trades crafts and contractors?'"

The result was the Steel Mill Modification, which worked this way: in return for agreeing to use the NMA on all their modernization and upgrade programs, participating U.S. steel companies would receive a number of added benefits, not the least of which was a 10% across-the-board reduction in labor wages and the ability to implement flexible scheduling of work hours. The result was that NMA contractors and the building trades were guaranteed an enormous amount of new work, while steel producers, in addition to receiving the benefits of the "regular" NMA, also got a much-needed cost break and work schedule flexibility in order to help them retool for the future. Four large producers – U.S. Steel, LTV Steel, Bethlehem Steel and Sharon Steel – were the first to agree to the Modification, which remained in place from 1988 until 1991.

"It was unprecedented," Lindauer said. "For the first time, the union construction industry essentially entered into an arrangement with an entire sector of private industry that resulted in the employment of union contractors and unions. Work skyrocketed, and hours increased significantly during the period the Modification was in effect. And another upside is that as a result of that partnership more than 20 years ago, the NMA still maintains a relationship with many of those steel companies, even though the names and players have changed. Many of them still perform their day-to-day maintenance work and modernization programs under the NMA.

"I believe the NMAPC turned a corner with the Modification," Lindauer added. "It really got people's attention, and it was a great way for our contractors and the building trades to showcase who they were and what they had to offer. The NMA was already quite successful, but after the Modification – after we had stepped up to help rescue the steel industry – it put us on a different level. We became more of a known commodity."

Part Three: Evolution

Buoyed by the Steel Mill Modification and a slowly rebounding economy, NMA work hours began to creep

upwards during the 1990s, eventually breaking the 70 million mark for the first time in the latter years of the decade. In 1993 a true milestone was reached when it was announced that one billion cumulative work hours had been completed under the NMA, representing over \$158 billion worth of total work.

The signature achievement of the NMAPC in the 1990s was the first major revision of the master NMA, a task that took several years and was finally completed in 1996. The Agreement was more than 20 years old, and the industry had changed a great deal, Lindauer recalled: “We were again in a ‘growing pains’ mode. Both management and labor had been using the NMA for a long time, and it was inevitable that changes needed to be made in order to ensure it remained workable and relevant as we approached the beginning of a new century.”

One of the most important revisions dealt with work stoppages, which unfortunately were becoming more prevalent. The drawbacks were obvious – a local union could singlehandedly bring a multi-million dollar project to a halt, enraging the owner. Contractors pressed for strong language in the Agreement regarding these disruptions, and their voice was heard: the revised NMA expressly forbid work stoppages of any kind – no if’s, and’s or but’s. Strikes, picketing, other stoppages, slow-downs or other disruptive activity was forbidden. Any employee who participated in or encouraged such activities would now be subject to disciplinary action, up to and including termination of employment. If a work stoppage happened, the NMA required the international union to step in and direct the local to comply with the Agreement. If that last-ditch effort failed, then the revised Agreement called for the appointment of a permanent arbitrator to resolve the situation, which could include the levying of significant fines.

For their part, the unions asked for, and received, another major revision establishing a clear-cut internal process for handling jurisdictional (or “work assignment”) disputes. This was extremely important, because if a union that utilized the NMA clashed with another union over who had the right to perform a certain piece of work, there was no real mechanism in place to adjudicate it; the Plan for the Settlement of Jurisdictional Disputes, a resolution system operated jointly by the Building Trades Department and a group of employer associations, refused to hear any work assignment dispute involving maintenance. In the end, the NMAPC created a “quick response” process for resolving work assignment disputes under the NMA through the use of an impartial umpire, usually a lawyer or other expert in labor relations. The umpire convenes a hearing with representatives of the unions and the contractor and then makes a final binding decision over the disputed work. Under the terms of the NMA, both sides are required to abide by the umpire’s decision.

The other major revision adopted by the NMAPC in 1996 was the approval of a formal addendum process that, for the first time, allowed the committee to create modifications to the agreement for specific projects or sites based on the particular needs of a contractor or owner. An employer now had the option of asking for special permission to alter the agreed-upon work schedule as laid out in the NMA in order to meet a tight deadline – for instance, implementing a “4-10” schedule with Friday as a straight-time make-up day. This meant the NMA was now more flexible than ever before, and employers and unions could use the Agreement under circumstances that would have been “deal breakers” prior to the change. The end result: more flexibility; more union jobs worked under the NMA.

“Procedures and protocol are extremely important to the NMAPC,” Lindauer noted. “We like to say we live and die by our procedures, because without them you have the potential for anarchy. By formalizing these changes in 1996, I think all of us recognized the need to engineer a new level of flexibility into the agreements, but at the same time make sure they continued to provide the predictability and stability that everyone had come to expect from them. It was a long, meticulous process,

“We didn’t think ‘zero injury’ was attainable or possible. It’s a reality now.”

—Brent Booker

NMAPC President and Labor Co-Chairman

but we succeeded. To my mind, the addendum process has turned out to be even more significant than the negotiators thought it would be. It has given the NMAPC – which, again, is equally weighted between labor and management – the ability to tailor the Agreement any way it sees fit on a case-by-case basis.”

Aiming for zero

Since the NEA and NMA were first created, workplace safety has been a top priority. Throughout the 1970s and 1980s, the NEA participated in numerous dialogues with the Occupational Safety and Health Administration (OSHA) about various safety issues and influenced the development of several major OSHA regulations. But the NMAPC took things to a new level at the beginning of the new millennium with the creation of the Zero Injury Safety Awards (ZISA). Since then ZISA has become synonymous with the highest achievement in industrial safety. NMA contractors, owners



The State Group Industrial (USA) Limited, Alcoa Inc. and the Southwestern Indiana Building Trades Council earned top honors at the 2010 ZISA Awards.

and union workers have consistently achieved safety records that were once considered to be nothing more than a pipe dream: zero recordable injuries on some of the largest and most complex industrial construction and maintenance projects in the country.

The evolution toward a zero injury safety culture began in the mid-1980s. Prior to that time, “Most people dealt with safety with their own customized approaches,” recalled Emmitt Nelson, the veteran safety consultant who pioneered the use of the zero injury concept. “The systems were all very personalized, and when you personalize something, you get as

many different versions as you have people contributing.” As an executive at Shell Oil with responsibility for contractor safety, Nelson says he fell into the same trap as his colleagues. “We would basically demand that workers be safe without regard to the interpersonal relationships that build cultures and help people honor and respect one another. Our attitude was, ‘You work safe or you’re going to be fired, and if you get injured, that’s your fault.’”

Things started to change when owner companies – many of which used the NMA on a regular basis – began to realize the true cost of contractor safety nonperformance, which often ran into the tens of millions of dollars annually. Owners who in the past had taken a hands-off approach to the safety standards of their contractors for various legal reasons now began to get more involved, realizing that the potential cost savings outweighed the risk of getting involved in tricky labor disputes. Leaders in the industrial construction and maintenance fields began studying the methods of those companies that managed, seemingly against all odds, to consistently complete large projects without a single employee injury.

Finally, in 1999, the NMAPC decided to start recognizing industrial projects that were completed with zero injuries as a way to emphasize the quality of union construction. Nelson, in conjunction with the NMAPC Safety and Health Subcommittee, drew up the guidelines for safety recognition. Soon thereafter, the Zero Injury Safety Awards were born.

“We didn’t think ‘zero injury’ was attainable or possible,”





Members of the NMAPC in 2000.

Brent Booker, president of the NMAPC, Inc. and director of the construction department at the Laborers International Union of North America, recalled in 2010. "It's a reality now. We've now done over 80 million man-hours under the NMA program with zero injuries, which I think is quite an accomplishment for all involved."

"I can remember when contractors and owners counted fatalities instead of recordable injuries," added Bob Hoover, vice president of Kvaerner NAC and Management Co-Chair of the NMAPC. But today, a paramount focus on safety "is just the way you have to do business," he adds. "If you can't be safe, if you can't develop a safety culture within your organization, if you can't lead safety within your organization, you're not going to be in business."

"Safety is an incredibly important aspect of what we do," Lindauer noted. "The owners demand it, the contractors expect it, and the family members of the workers who go out on that job site pray for it every day."

Blue-collar digital

As the first decade of the new millennium progressed, it was only natural that the NMAPC continued to evolve. "The NMA is a living document, and the NMAPC itself is a never-ending work-in-progress," Lindauer said. So in 2004, the organization jumped on board the digital highway and became the first project labor agreement in the country

to launch a comprehensive business-to-business website for its users. It was a quantum leap forward; for the first time, owners, contractors and labor unions could log in and conduct business in minutes that would normally have taken days or weeks in the pre-computer era of faxes, telegrams and snail mail. "In the old days, there was so much paperwork going back and forth between our headquarters, the contractors and the international unions, many organizations literally wore out their fax machines and had to buy new ones every year or so," Lindauer recalled. "They were just getting crushed with the paperwork, so the NMAPC stepped up."

With the new website in place, contractors could now notify unions electronically when requesting work under the NMA, and the unions could reply online instantaneously with a "yes" or "no." This was a huge relief for the unions, because it wasn't unusual for some crafts to receive hundreds of requests for work from contractors each week during construction boom times. The administrative support staff needed to keep up with all of the resulting paperwork resembled a small army. By migrating to an online web-based system, requests could be dealt with quickly and efficiently – literally with the click of a mouse button. Online payment of NMA fees was introduced as well, and contractors also used the website to file for site extensions requests (new work) and report their work hours. Customized home pages for each signatory contractor, owner and labor union were created, allowing each user to easily keep track of the dozens (if not more) of NMA jobs underway at any one time.

NMAPC Co-Chairs



BOB HOOVER
*Management Co-Chair,
Kvaerner NAC*



BRENT BOOKER
Labor Co-Chair, LIUNA

Association of Union Constructors (TAUC), but still maintained a close-knit relationship with the NMAPC. Legally, the two organizations are separate entities, but they share the same office space, and employees allocate their time between the two organizations. Also, all signatories to the NMA are automatically enrolled as regular members of TAUC.

It was fitting that in 2011, the fortieth anniversary of the Agreements, the NMAPC once again found itself hard at work on a new set of revisions. A lot had changed in the industry since 1996, and both labor and management realized it was time for the Agreement to evolve along with the marketplace. Many of the revisions were based on the need to increase flexibility on the jobsite – not just for customers, but contractors as well. For instance, the revised Agreement no longer requires that owners or contractors receive NMAPC approval prior to implementing a “4-10” work schedule. They can institute a 4-10 as the need arises, as long as they comply with the rules for doing so, which eliminates a lot of time and red tape. It helps everyone respond more quickly to unexpected changes and tight deadlines and keeps projects on schedule and on budget. A complete list of revisions can be found online at www.nmapc.org.

“Moving into the twenty-first century, an old 1996 model just wasn’t going to be able to keep up,” Lindauer said of the revisions, which were approved in the summer of 2011 and scheduled for implementation in 2012. “Our goal is to stay flexible and keep the NMA nimble and relevant. The Committee felt the Agreement as a whole was still very solid and sound. But we also recognized that it was incumbent upon us to look at it in the context of where our country and our industry are today.”

Looking ahead to the next four decades of the NMA, Lindauer is optimistic. “Everything moves more quickly now. We’re in a global economy, but without a solid industrial manufacturing base in the U.S., we’ll find ourselves in deep trouble. I’m confident we’re going to find a cost-effective way to maintain that base – and I’m equally confident that the NMA is going to be a big part of the solution, just as it has been for the past forty years.”

Conclusion: A New Era

The mid-2000s were a time of transition and optimism at the NMAPC. In 2006 Noel Borck retired as impartial secretary after twenty years. He was succeeded by Steve Lindauer, who had first started working for the Committee and the Association in the late 1980s.

As Lindauer took over the reins from Borck, another milestone was reached: the number of hours worked under the NMA exceeded two billion. To put that in perspective, it took more than 20 years for the first billion hours to be worked under the Agreement; that number was doubled in just over a decade, another tribute to the remarkable job done by the Committee, its signatory contractors and unions.

In 2007 the NEA formally changed its name to The

*“Individual commitment to a group effort –
that is what makes a team work,
a company work, a society work,
a civilization work.”*

-VINCE LOMBARDI



Timeline: Unions' Adoption of the NMA

Ironworkers	May 1971
Boilermakers	November 1971
Carpenters	April 1972
Operating Engineers.....	February 1972
Laborers	July 1972
Painters.....	August 1972
United Association	August 1972
Bricklayers	February 1973
Cement Masons	February 1973
Teamsters	October 1973
Sheet Metal Workers	August 1974
Asbestos/Insulators	April 1975
Roofers.....	September 1982
Electrical Workers.....	November 1986

THE NATIONAL MAINTENANCE AGREEMENTS

The National Maintenance Agreements Policy Committee, Inc.

1501 Lee Highway, Suite 202
Arlington, VA 22209-1109

T: 703.841.9707 | **F:** 703.524.3364



NATIONAL MAINTENANCE AGREEMENTS POLICY COMMITTEE, IS

www.nmapc.org

