

The Revised NMA: What you need to know

TAUC's sister organization, the National Maintenance Agreements Policy Committee Inc. (NMAPC), recently completed a newly revised version of the National Maintenance Agreements (NMA), one of the most widely used project labor agreements in the industrial maintenance and construction sectors. The revised NMA goes into effect on Jan. 1, 2012. David Acord, The Construction User executive editor recently sat down with TAUC CEO Steve Lindauer, who also serves impartial secretary and chief executive officer of the NMAPC, to discuss the revised Agreement; what's different about it; and how it will affect contractors and labor unions. Also, be sure to read our comprehensive summary of the NMA revisions immediately following this interview on Page 16.

Construction User: Why was the decision made to revise the NMA for the first time since 1996?

Steve Lindauer: The NMA has come a long way since its creation in 1971, and if we want it to continue to be successful and relevant, then it has to evolve and adapt along with the business needs of the marketplace. As you mentioned, it's been 15 years since the last round of revisions. During that time, a lot of things have changed for contractors, the signatory unions and our owner-clients. It was simply the right time for an update.

CU: What kinds of changes will we see in the revised NMA?

Lindauer: I'll talk about a couple, but I recommend that everyone go to www.nmapc.org/agreement and download a copy of the newly

revised NMA so they can study it for themselves. They'll also find a second document, a convenient summary of the changes, at the same address.

Many of the revisions were based on the need to increase flexibility on the jobsite — not just for our customers, but for contractors as well. The revised Agreement is going to be much easier to use. For instance, it no longer requires that owners or contractors receive NMAPC approval prior to implementing a "4-10" work schedule — that is, working four days a week at ten hours a day straight-time, with the ability to work Friday as a straight-time make-up day. They can now 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.

We're also eliminating the "me-too" provisions in the Agreement. In the past, if a contractor paid members of one union double-time wages in lieu of time-and-a-half due to the nature of their particular job, that contractor may have been faced with paying the other signatory trades the same rate, regardless of what they were doing. Or if there was a manpower shortage in the area and a contractor had to call in union workers from another region and pay them extra for travel and subsistence, all of the trades working on the job might have been entitled to receive the same payments, too. The only way around it was to formally request that the NMAPC suspend the "me-too" provisions on a case-by-case, craft-by-craft basis, but again, that meant more time and more red tape. By eliminating the

"me-too" requirements altogether, the union contractor working under the NMA only has to pay for the work he needs, when he needs it. That means he will be able to offer potential clients much more competitive and cost-effective bids and come out on the winning end more often — and that means more work for the unions. It's all about building market share and making sure our signatory contractors and craft workers stay busy.

"We changed the NMA because the needs of the marketplace changed. Labor understands that flexibility is key to the continued success of the union construction industry."

**– Brent Booker,
NMAPC President and
Labor Co-Chair**

CU: What role did the owner-clients — the end customers — play in the revision process?

Lindauer: The owners were not part of the direct revision process. However, we did solicit input from the NMAPC Owner Advisory Committee, and they

responded by offering a number of helpful recommendations. But at the end of the day, the Agreement is administered by the NMAPC, which is made up of an equal number of representatives from the participating unions and the contractor community, or what we call “management.” They were the ones who were responsible for making the final decisions.

CU: How did the revision process work?

Lindauer: Initial discussions began roughly two years ago. The signatory unions and contractors recognized that it was time to upgrade the Agreement so that union construction would continue to be seen by our current and potential clients as an attractive and competitive option. The NMAPC spent a lot of time gathering feedback and talking to both labor and management. Eventually we came up with a list of mutually agreed-upon items that needed to be changed.

“The revised NMA is an improved version of a time-tested tool to help management and labor secure a larger piece of the industrial construction pie.”
—*Bob Hoover, NMAPC Management Co-Chair*

I was very impressed by the leadership shown by the NMAPC co-chairs — Brent Booker from the Laborers and Bob Hoover of Kvaerner NAC. The revision process wasn’t the least bit contentious. There were disagreements, sure, but discussions moved along in a very business-like manner, methodical and well-organized. I keep using the word “process,” because that’s what it was. This wasn’t a thorny contract

negotiation, with both sides arguing across the table. This was about two groups of professionals coming together and figuring out a way to make the Agreement work better for everyone. The attitude was, “How can we make things run more smoothly? What’s working? What’s not working?” Having been involved in labor relations for 30 years, I have to say, it was a very refreshing approach!

CU: How do you see the revised NMA affecting both contractors and the unions?

Lindauer: It’s my hope that it will provide signatory contractors and unions with an opportunity to get more work, plain and simple. The revised Agreement is much more user-friendly. They’ll be able to point to it and tell clients, “Here’s what’s changed, here’s how it’s better, and here’s how the NMA will allow us to do the highest quality work for you as a value proposition.” And because we’ve streamlined so many internal processes in the Agreement, there’s going to be less paperwork and administrative duties for everyone involved, too.

CU: A lot of signatories are probably wondering how the Book of Decisions, the NMAPC’s official collection of Agreement interpretations, is going to be affected by the revisions.

Lindauer: A revised NMA means there will be a revised Book of Decisions, too. Certain bulletins and interpretations have been clarified or changed, while others have been deleted altogether to maintain consistency with the revised Agreement. The new Book of Decisions is available for download **free of charge** at the website I mentioned earlier, www.nmapc.org/agreement. I strongly

recommend that every signatory contractor and union rep download and review it. We’ve redesigned it for easier reading, and it’s now keyword searchable as well.

CU: Finally, what do contractors need to do to make sure they are in compliance with the revised Agreement?

Lindauer: The revised Agreement goes into effect on January 1, 2012. Our office will notify all signatory contractors about the changes via written letter by October 1 of this year. If a contractor hasn’t received a letter by that date, they need to contact the NMAPC immediately. Once they have the letter, they need to read it and the revised Agreement carefully, and then decide whether they are going to continue using the NMA or terminate their signatory status. If they want to continue to be a signatory, they don’t have to do anything; the revised Agreement comes into force on January 1. If they want to terminate, they will find specific instructions on the website.

CU: What if contractors have questions about the revised Agreement?

Lindauer: We want to make the transition as seamless as possible and minimize confusion. If contractors have questions after reading the Agreement and the introductory materials on the website, they should call us at 703.841.9707 and contact one of our industrial relations specialists, Dan Hogan (extension 119) or Mike Dorsey (extension 122). For questions related to the NMAPC website, they should contact Ben Cahoon (extension 118). ■

