



THE PIPELINE

News and Information about the Eastern Massachusetts Plumbing Industry • Winter, 2007

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"I'm a combination prison guard, father figure, priest, and drill instructor. I don't let anything get by."

**-Joe Conley
Retiring Training
Center Coordinator**

What happens after a project wraps?

-Plumbers and area trades maintain, as well as construct, buildings

Nearly every major area construction project bears the imprint of PHCC of Greater Boston contractors and Local No. 12 plumbers. And once buildings are erected, a rising number of Local No. 12 plumbers have been working to maintain them. Organizations such as hospitals, research labs, and universities have crews of Local 12 plumbers onsite to keep their often-complex plants and facilities operating and at peak efficiency.

The plumbers are part of the Area Trades Council, a consortium of five eastern Massachusetts construction unions whose members maintain buildings. Other trades include electricians, painters, carpenters, and operating engineers.

Among the benefits to organizations that work with the Area Trades Council is that they're able to get highly skilled workers along with the training, support, and resources of five labor unions, but they only have to negotiate and work with a single group. "It's one-stop shopping," says Harry Brett, Local No. 12 business agent. "One contract and one central plan cover all five unions." A contract that extends over a three-year period allows organizations to get a handle on their long-term budgets and provides consistency and continuity.

It may be one-stop shopping, but unlike the "wall-to-wall" workers who belong to the Service Employees International Union (SEIU), the members represented by the Area Trades Council maintain the identity of their individual crafts. They bring special-



CHILDREN'S HOSPITAL was among the first facilities in the Boston area to work with the Area Trades Council. Since 1972, plumbers from Local 12 as well as tradespeople from four other unions have been on site maintaining Children's buildings.

ized expertise, licensing, and certification to the organizations, and they can take advantage of the continuing education and other amenities offered by their locals.

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Joe Conley retires from Local 12's training center

Carter chosen as new coordinator

A major change is taking place at the Local 12 Training Facility, which for the last 12 years has been headed by Joe Conley. Conley, who is known throughout the industry for his dedication to plumbing training, is retiring. The new Training Coordinator is Rick Carter, a Local 12 member who has been a foreman for EM Duggan Company of Canton.

The training center is the cornerstone of Local No. 12. By offering classroom and hands-on instruction for apprentice students and ongoing training for journeyman, it provides Local 12 members with world-class skills and signatory contractors with a pool of highly talented workers. And for the past twelve years, Joe Conley has been the cornerstone of the training center. Conley will be retiring as training coordinator in early 2007. He plans to remain active in the industry.

Conley has been involved with education for much of his career. For ten years, he taught plumbing to high school students. He then worked in the field for Balco, Inc., a Local 12 signatory contractor in

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JOE CONLEY, shown with some apprentices at Local 12's training center.



BRIGHAM AND WOMEN'S. Local No. 12 plumbers have been providing on-site maintenance services at the Boston hospital as part of the Area Trades Council.

Local 12 plumbers maintain as well as build facilities

Continued from p. 1

Most members of Local No. 12 and the other construction trades bounce around from one project site to the next and lead something of a nomadic work life. The new opportunities and challenges have their pluses, but the constant changes can be stressful for workers and their families. Plumbers maintaining facilities, however, generally enjoy great stability. They know where they are going to be day-to-day—and year-to-year—and they have the assurance of steady income. Should they lose their position, they still have all the benefits of a Local 12 member and can pursue other job opportunities through the union.

The Area Trades Council dates back to the early 1970s when it formed to represent workers at Harvard University, Harvard Medical School, and Children's Hospital in Boston. The relationship with the three organizations continues today, but the council wasn't aggressive about bringing its concept to additional organizations until the late 1990s. Over the last few years, many more facilities have come on board, including the Moakley

Courthouse, Malden Mills, and Merck Research Labs.

"The Trades Council is looking at a lot of other organizations," says Business Agent George Donahue, who adds that negotiations can be involved and take a lot of time to develop. "It's an idea that makes a lot of sense for both the facilities and the workers. We're pleased to support the Council's efforts and look forward to more opportunities for our members."

Keeping them up and running

The Area Trades Council maintains some of the Boston area's finest facilities

- Beacon Capital Properties
- Brigham and Women's Hosp.
- Cambridge Inspectional Services
- Del-Jen at Hanscom AFB
- Children's Hospital
- Faulkner Hospital
- Harvard Medical School
- Harvard University
- Malden Mills Industries
- Marshall's Warehouse
- Merck Labs
- Moakley Courthouse
- Museum of Fine Arts
- New England Baptist Hosp.

Construction Institute works to promote industry

"Rather than reacting, we want to be proactive," says Joseph Dart, president of the Massachusetts Building and Construction Trades Council. That's one of the primary reasons the organization is developing The Construction Institute. The new initiative will conduct research to document the advantages and benefits that trade groups, locals, and signatory contractors (including Plumbers Local No. 12 and the PHCC of Greater Boston) bring to union construction projects in Massachusetts. It will also deliver the union story to the media and help combat the undue bad rap the industry sometimes incurs.

According to Dart, the group is hammering out the details and hopes to have The Construction Institute up and running by early 2007. The effort grew out of the Construction Safety Alliance, a highly successful Council-backed organization that brought the state's building trades and contractors together to work on and promote construction safety issues. In late 2005, council members decided to fold the Alliance into a broader endeavor. By using academic analysis, the Institute will highlight the union difference on key construction industry issues such as productivity, quality of work, benefits, and training, as well as safety.

To explore the feasibility of The Construction Institute and to help determine its direction, the Building Trades Council sought the input of faculty members from MIT, Boston University, Harvard, and Northeastern. Also, Mark Nelson, a union plumber and a graduate student in the Labor Studies program at UMass Amherst, compiled info about research done on construction and trade issues over the past five years. His conclu-

sion: There hadn't been much academic study, and the field was ripe for additional research.

Research will be only half of the Institute's mission, says Dart. "Public relations will be the second tier of the organization. We have a good story to tell, and we intend to tell it."

Hugh Kelleher, executive director of the PHCC of Greater Boston, agrees. "The union construction sector—and its contractors—are really not well understood, even within the larger construction industry," he says. "There are incredible stereotypes, and often a general misperception of the good work unions and contractors are able to accomplish when they work together."

Dart says that Kelleher and Local No. 12 Business Manager Kevin Cotter have been key players in getting the new organization off the ground, and he's grateful for their support. "With any new program, it's important to have strong advocates. Thanks to Hugh and Kevin, we've been able to get many others to buy into the plan."

Mary Vogel, current director of the Construction Safety Alliance, will assume the reins of The Construction Institute. She will be developing a research advisory panel and hiring a PR specialist to launch the program.

"This is groundbreaking, important work," Dart says. "It will be the first comprehensive, research-based construction institute in the nation. We look forward to advancing the union side of the industry."

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Construction materials costs: Through the roof

Because of concerns that the value of the copper used to create a penny would exceed one cent, the U.S. Mint began manufacturing the coins using copper-clad zinc in 1982. 24 years later, the price of copper has, in fact, risen dramatically. While there are no reports of speculators melting down pre-1982 pennies to sell scrap, the escalating prices of copper and other materials have caused havoc for plumbing contractors and others in the construction industry.

“I’ve never seen prices rise as fast as they have over the last two years,” says John Provencal, a senior vice president of sales at supplier F. W. Webb in Bedford, Massachusetts and a 38-year industry veteran. “Copper is up 90% this year alone.”

According to Provencal and others in the industry, many factors have contributed to the spike in prices, including high energy costs to manufacture and transport materials, a limited supply, and fierce global demand, especially from India and China. Copper and other construction materials have evolved into commodities and have become subject to the whims of a volatile market. The days of 90-day price guarantees from suppliers is over. In some cases, dumfounded contractors

have seen their projected material costs take a double-digit hike over the course of a few days.

Earlier this year, copper prices shot up to nearly \$4 per lb. While it has since moderated a bit, the numbers are still out of whack. To put it in perspective, Local No. 12 Business Agent George Donahue says that he purchased 10 feet of 2-inch, Type-M copper piping for some home repairs in 2000 for about \$25. The same piping today costs around \$80. Worse, according to Engineering News-Record, Boston has the highest average price for copper water tubing among major U.S. metro markets.

As a result, contractors have been seeing thefts of copper products at construction sites. In some cases, poachers are raiding sites on weekends and ripping out pipes that have already been installed.

What’s a contractor to do? Besides taking precautions to control inventory and deter theft, some are stockpiling materials as early in a project as possible. They’re also passing on the burden of rising prices by building material escalation clauses into their contracts. And some are exploring alternate materials, such as CPVC or other plastic pipe instead of copper and cast iron. According to Donahue, the jury is out on plas-

tics. “There are questions about quality and durability. And there are concerns about cancer-causing agents. There are reasons why we use copper.” The point may be moot anyway. Donahue says that developers have been petitioning the state plumbing board to issue code variances that would allow cheaper materials. To date, however, all requests have been denied.

Copper pipe isn’t the only material causing headaches for contractors. Prices for anything that contains oil derivatives or

metals have jumped, including boilers and water heaters. And general contractors have seen the prices of everything from lumber to nails also surge.

Where is it heading? F. W. Webb’s Provencal thinks escalating material costs have slowed the construction industry and caused a drag on the general economy. But, he believes that prices will eventually stabilize. “We need to regain some predictability. Then, once everyone gets over the sticker shock, things should be fine.”

The myth of high labor costs

As construction project costs rise, unions and union contractors are often targeted as scapegoats. The general public is often left with the impression that the rising costs of construction have to do with high labor costs. But that’s simply not true.

Higher construction costs—in both the union and non-union sector—have more to do with the rising costs of materials. (See related article, “Construction materials costs: Through the roof.”) Global demand, particularly from rapidly growing markets in India and China, have turned materials like copper, steel, and other materials into red-hot commodities.

Subject to the whims of the market, construction materials sometimes shoot up over the course of a week. For example, during a few months in 2006, copper prices rose 90%. That can wreak havoc with project budgets. Labor costs, on the other hand, are fixed and predictable. The costs of union labor have risen three to four percent annually, which is on par with the wages of the workforce at large. Because they have access to highly trained and skilled union crafts workers, productivity rates are higher on large jobs that use union workers. Higher produc-

tivity actually lowers the cost of a union job, in terms of time spent, and how long it takes to get a building open.

Still, the conventional wisdom, often fueled by the media, is that unions are pushing construction project costs over the edge. A Boston Herald article published on November 17, 2006, “Exec: Nonunion workers may build future Hub high-rises,” predicted that union construction could be phased out in Boston. The reporter based his story on the claim of an unnamed “top downtown construction executive.”

That kind of reporting distorts the facts and feeds into the knee-jerk reaction that unions are budget busters. The owners of big projects sometimes use the excuse of “high union wages” as a straw man. They know that they can’t control rising prices for materials, so they instead attack the labor side of the equation.

The union construction sector may have little control over rising materials costs. Instead, it makes its impact by concentrating on critical issues such as training, safety, quality of work, and productivity. It is simply inaccurate to say that rising construction costs are connected to workers’ wages—whether that worker is a union member or not.



Unisex lavs butt up against plumbing code

Remember the television show, “Ally McBeal?” The quirky legal dramedy was set in Boston, and the title character’s law office included a unisex bathroom. The show was taking poetic license, however, since the Commonwealth’s plumbing code requires separate toilet facilities for men and women. A popular restaurateur recently discovered his plans to build a real unisex washroom in Boston weren’t, um, legal.

Among the bustle of new development in the city’s Sea-

Appreciation Night brings industry together

The PHCC of Greater Boston held its bi-annual (every two years) Industry Appreciation Night in October and welcomed over 300 people affiliated with the plumbing industry for a night of food, fun, reminiscing, camaraderie, and congratulations.

The featured speaker at the event was newspaper columnist, radio commentator, and author Howie Carr. Honored with special awards were Joe Conley, retiring Local No. 12 Training Director, William “Bill” Callahan, past Plumbing Board Chairman, George Murphy, past Plumbing Board member, and Russell and Bettejane Manoog of the American Sanitary Plumbing Museum. A comedian provided entertainment, and guests vied for three trips that were raffle prizes.

A program book distributed at the event featured an article about the renovation of Boston’s Ritz-Carlton and the history and preservation of some of the city’s old buildings.

port district, Roger Berkowitz is opening a Legal’s Test Kitchen in June. Picking up on a recent trend found at eateries in San Francisco, New York City, Las Vegas, and elsewhere, Berkowitz wanted a communal lavatory at his new restaurant. When Tom Hannon, president of the PHCC of Greater Boston saw the plans, however, he raised a red flag. His shop, Commonwealth Plumbing Corp. is handling the plumbing for the project.

“The original design called for enclosed closets, not typical stalls,” Hannon says. “Men and women would have been together at the sinks. I thought it was kind of a crazy idea.” He says that the concept would have saved room and would have cut down on the number of lavatories. On the other hand, Hannon thought that mingling men and women in a bathroom at a place that serves liquor might have been asking for trouble.

Commonwealth had started roughing the plumbing according to the original plans at the direction of the general contractor when the state plumbing inspector determined that the unisex bathroom was against the state’s code. When the restaurant opened, it included separate facilities. But both bathrooms maintain the concept of individual closets. Communal sinks are gone altogether. Each closet includes its own sink, mirror, and hand dryer.

Will stodgy Massachusetts remove its ban on unisex bathrooms? That’s hard to predict. If many other states jump on the one-for-all bandwagon, it may be hard to maintain the status quo. But Hannon believes there would probably have to be some major changes on the state’s plumbing board to modify the code. “I don’t see it changing anytime soon,” he says.



Local 12 hosts regional organizing seminar

The UA’s Kirk Smith, along with John Stack, Local No. 12’s organizer, presented a two-day seminar about organizing in June for officers and staff members from the United Association’s Region One. About 80 people, including organizers and business managers from UA locals in New England, New York, New Jersey, and Delaware, as well as international representatives, attended the presentation to learn about industry trends, share success stories, and discuss ways to improve organizing activities.

Seminar topics included prevailing wage enforcement, expanding residential service, and working with area trades councils. Stack distributed a binder to all participants with samples of the Greater Boston signatory contractors directory, the Yellow Pages ad to promote residential service, “The Organizer” newsletter, and other materials and strategies used by the Eastern Massachusetts local to support its organizing efforts.

Business Manager Kevin Cotter also discussed Local 12’s small business entrepreneur program, which encourages Local 12 members to open their own shops and provides info and resources to help them begin the process.

Stack says that the seminar provided a great opportunity to share ideas and learn from one another. The group also enjoyed a dinner and harbor cruise aboard the Spirit of Boston.

Agreement reached

Local 12 and the PHCC of Greater Boston completed collective bargaining, and a new four-year wage and benefit agreement went into effect on September 1. In addition to the agreed hourly wage Journey-men in Local 12 now receive, they get benefits totaling \$20.22, which includes health care, pension, and a personal annuity fund. According to the terms of the agreement, the wage package will increase each year until 2010.

Conley to retire

Continued from p. 1

Boston, and began teaching night classes at Local 12's training center. In 1994, Local 12 hired Conley to direct the center.

As training director, Conley oversees about 32 teachers and 190 apprentice students annually. Over the course of a year, another 300 journeymen take classes in Local 12 courses including hazardous materials, OSHA, first aid, welding, and confined space. Conley says that the best part of the day is when the students and faculty begin arriving for the evening classes, and the center becomes a beehive of activity.

"My primary focus has been to work with the students," says Conley who adds that he's made it a point to learn every student's name and find out what's going on in their lives outside the center as well as what they're doing in the classrooms. "I'm a combination prison guard, father figure, priest, and drill instructor," he laughs. "I don't let anything get by."

During his twelve years as director, Conley has seen the training center evolve. Medical gas instruction, which Jack Fandel, Conley's predecessor, implemented, has become a critical program. It prepares Local 12 plumbers to install and maintain complex medical gas systems at the region's many hospitals and research labs and is the largest program of its kind at any UA local. Conley also oversaw the conversion of a classroom into a computer lab. Apprentices and journeymen learn computer basics, including word processing, CAD, and spreadsheet development.

The one accomplishment for which Conley is most proud is the low attrition rate among the apprentices. Over the last twelve years, the training center's dropout rate has been less than

1%. He's also proud of the staff members for their hard work to support apprentices. "The instructors and I don't just teach the mechanics of our trade," Conley says. "We help instill pride in apprentices, teach them to be responsible young men and women, and help them understand what makes organized labor so special."

Conley sits on many committees, including the Education Committee for the Board of Plumbing Examiners, and is one of the founding members of the Construction Institute. He is also active in the Training Directors Association. Conley has won many awards during his tenure as training director and is particularly honored that the Labor Management Construction Safety Alliance chose him for its Patrick Volpe and Edward Eagan Construction Safety Award. The organization has issued only three such awards.

Carter was selected as Conley's successor following an extensive process by Local 12 and the PHCC of Greater Boston. Local 12 and the PHCC operate the training facility together.

As the center's drill instructor/father figure, Conley has led by example. He will be missed when he retires, but the hundreds of students who passed through the Local's training center under his watch will carry on his legacy.

Local No. 12 election results

In December, Tom Orlando was elected President, Kevin Cotter was reelected Business Manager, and Harry Brett and George Donahue won reelection as Business Agents of Local No. 12..

Tim Fandel was elected Business Agent, succeeding Jack McGinness, who retired in January. The union plans to honor McGinness for his years of service at an event in January.

WELCOME

We are pleased to welcome the following signatory contractors

S & H Plumbing, Melrose
Sudden Service, Inc., Hudson

We are also pleased to welcome the following signatory contractors that were formerly with Local No. 138:

Ambient Temperature, Middleton
Bride & Grimes, Lawrence
A. J. Callahan and Son, Beverly Farms
Clemenzi Plumbing & Heating, Byfield
Harris Environmental Services, Andover
Interstate Engineering, Salem
JWS Services/Cape Ann Plumbing, Gloucester
FH Maroney, Inc., Haverhill
Northstar, Methuen
O'Connell Plumbing & Heating, Salem

UA convention a success

Every five years the United Association, the 300,000-member union that includes Local 12, holds a convention to elect national officers, review issues affecting its members and the plumbing and pipefitting industries, and vote on proposed changes to its constitution. This year, the UA held its 37th General Convention in Las Vegas with over 3500 delegates representing about 320 locals in the U.S. and Canada in attendance.

Kevin Cotter, Local 12's Business Manager and Secretary-Treasurer, led a contingent of members from Boston to the convention. Cotter served as the Co-Chair of the Jurisdiction Committee at the convention. Local 12 Business Agent Jack McGinness was on the Sargeant of Arms committee.

Delegates handily reelected the UA's general officers: William P. Hite, General President, Patrick R. Perno, General Secretary-Treasurer, and Stephen F. Kelly, Assistant General President. Among the items discussed



WILLIAM P. HITE was reelected General President of the United Association at its convention earlier this year.

at the convention were health care costs, opening up new markets, and strategic planning. The theme for the convention was "Building a Stronger Future."

The UA held its first convention in 1889 and elected Patrick J. Quinlan of Boston as its first General President. John Alpine of Boston also served as the organization's president from 1906 to 1919.

Local 12 membership has its benefits

—Local No. 12 members enjoy generous health care, pension, and annuity programs

With costs skyrocketing, employers scaling back their plans, and many folks trying to get by with little or no coverage, health care benefits have become a hot topic and a cause for major concern. Local 12 members, however, are eligible for a generous, collectively bargained, employer-funded medical plan that covers them and their families. Further, the health plan has a built-in safety net to ensure that members, who may experience occasional unemployment when they move from project to project and contractor to contractor, continue to receive coverage between work.

Since 2004, Harvard Pilgrim Health Care has been the organization's provider. Recently, US News and World Report, in conjunction with the National Committee for Quality Assurance, again named Harvard Pilgrim the nation's number-one health plan. Local 12's plan includes full prescription benefits and other features to provide the services members need and the peace of mind they deserve. All union plumbers who work at least 100 hours per month receive 100% coverage. Over and above the hourly wage they pay members, signatory contractors contribute about \$20 per hour into the Health & Welfare fund and employees' pension and annuity plans.

Interestingly, while most employer-sponsored plans have seen a spike in their health care plan premiums, Harvard Pilgrim's 2007 rates for Local 12 have gone down for the second consecutive year. Roger Gill, the union's Funds Administrator,

says the decrease, which is nearly unprecedented, is due to the overall health of the membership, Local 12's positive claim experience, and Harvard Pilgrim's managed care approach.

Unlike most health care plans, the Local 12 program uses an hour bank system that allows members to accrue coverage for times when they are out of work. Because it is collectively bargained, the plan is tied to and administered by Local 12. Health care benefits, therefore, are consistent and portable as members go to work for different contractors. "Unlike other employees, including some plumbers who work for non-union contractors, our members rely on their hour bank and don't have to worry about losing their health care because of unemployment," says Gill. "And because the plan offers coverage to members both pre- and post-Medicare, they don't have to worry about health care in retirement either."

Speaking of retirement, many employers have also been cutting traditional pension programs. Once the linchpin of retirement packages, pensions rewarded employees for their dedicated service with the promise of worry-free golden years. Now, employees are often left to cobble together their own retirement plans. But Local 12 members are eligible for both pension and annuity plans as part of the union's benefit program.

The defined benefit pension fund guarantees members a monthly benefit during retirement; Local 12's defined contribution annuity plan, which is similar to a 401K, gives members the ability to choose from many investment vehicles and develop their own customized portfolio. Members vest immediately in the annuity plan and are fully vested in the pension program after five years of employment.

"Given today's pressures, it can be a challenge to sustain benefits," Gill says. "But we're committed to the programs. It's who we are and what we're about. We want our members to have health care and retire with dignity."

Welcome

Former Local No. 138 communities now part of Local No. 12:

Amesbury	Marblehead
Andover	Merrimac
Beverly	Methuen
Boxford	Middleton
Byfield	Newbury
Danvers	Newburyport
Essex	N. Andover
Georgetown	Peabody
Gloucester	Rockport
Groveland	Rowley
Hamilton	Salem
Haverhill	Salisbury
Ipswich	Topsfield
Lawrence	Wenham
Manchester	W. Newbury

New Hampshire towns:

Atkinson	Plaistow
Danville	Salem
Hampstead	Windham
Kingston	

Local 138 merges with Local 12

Thirty Massachusetts cities and towns north of Boston plus an additional seven communities in southern New Hampshire are now part of Local No. 12. Effective June 1, Plumbers and Pipefitters Local 138, which had been based in Salem, merged with Local No. 12 and Boston Pipefitters Local 537. The merger also included ten signatory contractors.

"With a larger contractor base, Local 12 is now better positioned to compete for union work in the area of the former Local 138," says Kevin Cotter, business manager for Local 12. "Also, members who live north of Boston now have a larger territory in which to work and greater opportunities."

Local 138 brought about 120 plumbers and gasfitters to Local 12. An additional 200 pipefitters moved to Local 537. Tony Russo, the business manager for 138, retired when the Local merged.

"We welcome the contractors from north of Boston into our organization, and look forward to working with them," says Hugh Kelleher, executive director of the PHCC of Greater Boston. "They will help make our organization stronger, and we can offer them our resources. We're excited about the possibilities."

As an example of the merger's expanded opportunities, Hingham-based Commonwealth Plumbing has been working on a renovation project for the high school in Salem, Massachusetts.

THE PIPELINE

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