1501 Lee Highway, Suite 202 • Arlington, Virginia 22209-1145 T: 703.841.9707 • F: 703.524.3364 • www.nmapc.org

Stephen R. Lindauer Impartial Secretary/CEO

The NMAPC "Yellow Card" Advantage

Below is a brief description of the benefits and advantages afforded owners, contractors, and construction managers that use the NMAPC "Yellow Card" system.

There are two types of "Yellow Card" designation, the "Yellow Card" site and the "Yellow Card" project. The "Yellow Card" site is a designation that can only be used by owners, but the "Yellow Card" project designation can be used by owners, contractors, or construction managers.

So, what is a NMAPC "Yellow Card" site? Simply put, an owner is agreeing to do all of their industrial work at a given facility or site under the terms of the NMA in return for various benefits and assurances afforded them under the NMAPC program.

The actual yellow card (Below) is simply bid specification language to include for projects, or ongoing maintenance activities, at an owner's facilities. However, being covered as a "Yellow Card" site entails much more than just following a bid procedure.

SUGGESTED LANGUAGE FOR INCLUSION IN "CONDITIONS TO BID," DOCUMENTS BY CUSTOMERS DESIROUS OF HAVING INDUSTRIAL CONSTRUCTION, MAINTENANCE, REPAIR, REPLACEMENT, RENOVATION, AND MODERNIZATION WORK PERFORMED UNDER THE TERMS OF THE NATIONAL MAINTENANCE AGREEMENTS

The below (above) described work shall be performed under the terms of the National Maintenance Agreements (NMA) and/or under similar <u>national</u> agreements deemed compatible by the National Maintenance Agreements Policy Committee, Inc. (NMAPC). (See NMAPC Bulletin No. V-1)

Contractors bidding the below (above) described work shall have applied for said Agreements and must be in possession of them with permission for their use by the affected International Union(s), through approved site extension requests <u>prior to commencing work</u>. Contractors not direct-hiring craftworkers, but acting as agents of the Owner are required to execute an NMAPC Construction Manager Letter of Understanding prior to awarding work to any subcontractor(s). Contractors are required to furnish a copy of site extension approval(s) granted by the International Union(s) <u>prior to commencing work</u>. Site extension requests must be filed online at <u>www.nmapc.org</u>.

Successful Contractors must conduct Pre-job Conferences as stipulated in Article I - Recognition, and assign work to the appropriate Crafts according to the recognized and traditional jurisdiction.

This company's participation in the NMAPC Program is predicated on the principles espoused by the National Maintenance Agreements Policy Committee, Inc., which include economy, efficiency, and harmonious labor relations. Failure to man the work by any Craft shall be at the risk of losing future work at this plant facility.



1501 Lee Highway, Suite 202 • Arlington, Virginia 22209-1145 T: 703.841.9707 • F: 703.524.3364 • www.nmapc.org

Stephen R. Lindauer Impartial Secretary/CE0

As a designated "Yellow Card" site an owner is granted certain privileges, if you will, under the NMAPC program. For one, an owner can expect more interaction with the Committee. This would include on-site seminars on the use of the NMA's and ongoing guidance on NMA related Labor Relations issues, not just for the owner, but for your contractors as well.

Also, an owner is provided extra protection relative to any potential job action that might occur at their facility. If designated a "Yellow Card" site, in the unlikely event that a job disruption occurs the owner will receive the following extra protections: 1) Once the NMAPC administrative office is notified of the incident in writing, a hearing will be held in Washington, D.C. within 24 hours to determine if there has in fact been a violation of the Agreement; 2) A decision will be rendered by the NMAPC's permanent arbitrator within 3 hours of the hearing; 3) If it is found that an illegal job disruption has taken place, fines will be levied against any and all crafts participating in the job disruption; 4) Any fines levied will be **retroactive** to the beginning of the job action, and the fines would be \$15,000 for the first shift and \$50,000 per each additional shift, **per craft, payable to the owner**. While these fines may not be of epic proportions to a large owner, they are a huge amount to local unions, and have proven to be a deterrent from any job action that might occur.

If making an entire site "Yellow Card" is simply not feasible, or if contractors and construction managers desire the benefits of the "Yellow Card" system, consideration should be given to requesting the "Yellow Card" project designation. Using the "Yellow Card" designation for certain projects affords an owner, contractor, or construction manager many of the same benefits and protections that the designation as a "Yellow Card" site would, but covers only a certain scope of work instead of an entire facility. The only distinct difference in protection between a site and a project designation is the fine amount. The fines levied for a "Yellow Card" project are \$10,000 for the first shift, and \$20,000 per each additional shift, per craft, payable to the party requesting the "Yellow Card" project designation.

The "Yellow Card" designation is something that benefits all three parties that participate in the NMAPC program. The crafts are guaranteed work at a given facility; contractors benefit from continuity of work, and owners get added protection and more engagement from the NMAPC.

Also, keep in mind that this designation is of no cost to the owner, and of no additional cost to NMA signatory contractors, it simply requires a commitment from the company to perform maintenance work under the NMAPC Program.

If you are interested in having your facilities, or projects, designated as "Yellow Card", please contact our office directly so that we can address your request in an expeditious and professional manner.