BENCHMARKS

2022 YEAR IN REVIEW





PRESIDENT'S MESSAGE

DCA President Kevin Parker Puts Passion into Processes

Underground Infrastructure recently spoke with Mears executive and DCA President Kevin Parker about the progress the organization made on its safety management system template and operator qualification integrity process during 2022. The publication also asked about the group's priorities for 2023. Here are excerpts from the conversation.

UI: You've been very focused on safety and quality management systems. Before we get into details, could you provide a little context to explain what these are and why they matter?

Parker: About seven years ago, the American Petroleum Institute (API) came out with API 1173, which is a safety management system for pipelines. It incorporates everything from worker and public safety to the integrity and safety of the pipeline asset, from the planning stages of the project through construction, commissioning, and maintaining the asset.

I saw years ago that this was a path that the pipeline industry really should go. That's the same time the DCA formed a committee and we put together the pipeline safety management systems (PSMS) template, published two years ago, with the goal that DCA contractors who did not have management systems could use this template and build their own. This has been a five or six-year effort, and the DCA is leading the way on this from a pipeline contractors' perspective.

UI: Has this been a major focus for you as DCA president?

Parker: Yes, really this year I focused a lot on PSMS. We've been holding PSMS panel discussions jointly with the American Gas Association (AGA) at the spring DCA & AGA Workshop for several years. Earlier this year, API drafted a contractor's guideline for PSMS using the DCA template. They then approached the DCA and over the next couple of months we worked together to help finalize it. In November, API published the PSMS contractor guideline, which is available on their website. Now we've started working together to develop a set of tools that contractors can use to help integrate and assess where they are on their PSMS journey.

UI: What kind of tools?

Parker: The tools that we're talking about developing are guidance documents and templates that a contractor can use to help with their management systems, and then suggestions on how they can integrate them into their operations and ways that they can evaluate their progress on that journey.

UI: You've also been very involved in developing DCA's Operator Qualification Integrity Process, or OQIP.

Parker: Our goal is to have a kind of 80-20 rule for operator qualifications and improve the integrity of OQ along the way. We have three pilot programs, in Michigan, Washington state, and New Mexico. We've had the state regulators sitting at the table with us developing this, and we're very close to that being wrapped up.

UI: What do you mean by an 80/20 rule for operator qualifications?

Parker: There are half a dozen or more OQ evaluation programs out there, and each pipeline company utilizes a different OQ program to evaluate its employees and its contractors. When I switch from one client to the next, I've got to switch to another OQ program. Our employees get tested on the same tasks over and over.

The OQIP program was developed with the goal of having a common 80% set of tasks that most of the operators would accept, and then the 20% would be specific to that client company. OQIP is intended to make operator qualification better with more integrity while also reducing the amount of redundant testing our people must do.



Kevin Parker

Kevin T. Parker, Vice President - Health, Safety & Environment of Mears Holding LLC, Rosebush, Michigan. His term as DCA president concluded at the association's 2023 annual convention in February in Miami Beach, Florida, where Raymond Swerdfeger, President of K.R. Swerdfeger Construction LLC, Pueblo West, Colorado, assumed the DCA presidency.

DCA MISSION

DCA Advocacy Program

Quality contractors and associates working together to deliver superior value to the natural gas and the underground utility industry.

In 2012, DCA initiated a federal advocacy program to advance the interests of the association in the halls of Congress and before federal regulatory agencies. DCA engaged the services of Wyman Associates, a government relations firm based in Falls Church, Virginia, to establish an ongoing presence on Capitol Hill and in front of several administrative branch agencies. In addition, the association's Government Relations committee works to expand gas distribution construction markets through existing and pending energy legislation, regulatory actions addressing pipeline safety, and initiatives to prevent underground facility damage during excavation activities. DCA is now an active member of several coalitions and working groups, including:

■ Common Ground Alliance (CGA)

The CGA is a community of all stakeholders in underground facility damage prevention, including operators of gas and hazardous liquid pipelines; water, electric, telecommunications, and other utility systems; excavators; facility locators and one-call systems; and federal, state, and local government representatives. Collectively, the CGA promotes shared responsibility in damage prevention through development of best practices, increased communication, and utilization of effective technologies.

■ Energy Equipment Infrastructure Alliance (EEIA)

EEIA consists of construction organizations and the business community working together to support federal and state legislation that promotes and facilitates the extraction, development, and transportation of shale gas and other energy sources. EEIA efforts include natural gas pipeline permitting reform, streamlining liquefied natural gas (LNG) exports, and policy surrounding energy production on federal land.

■ Pipeline Construction SMS Coalition

DCA is leading an industry effort to promote safety management systems (SMS) in the pipeline industry. Pipeline SMS is a cyclical approach to pipeline safety that requires buy-in from senior management, top-to-bottom understanding of a company's safety program, and dedication to strive for continuous improvement. SMS is a focus of several pipeline operator associations, including the American Gas Association (AGA), American Pipeline Institute (API), Interstate Natural Gas Association of America (INGAA), and the American Public Gas Association (APGA).

■ Construction Industry Safety Coalition (CISC)

The CISC comprises 25 trade associations representing virtually every construction trade, task, and activity, including small, medium, and large contractors; general contractors; subcontractors; and union and nonunion contractors. The coalition works to encourage sound legislative and regulatory policy, overseen by the OSHA, on issues with intricacies unique to the construction industry.

■ Construction Industry Drivers Coalition (CIDC)

The CIDC is an industry coalition for 15 excavation and transportation construction associations working to mitigate impacts of the hours-of-service (HOS) regulations overseen by the Federal Motor Carriers Safety
Administration (FMCSA). Intended to address driver fatigue in the long-haul trucking industry, HOS regulations extend to the construction industry without any measurable safety benefit.

■ Pipeline Hazardous Materials Safety Administration (PHMSA) Damage Prevention State Grant Review Team

Consisting of state pipeline inspectors, representatives of the gas and hazardous liquid pipeline industries, excavators, and public interest organizations, the review team meets annually to evaluate, discuss, and provide feedback to PHMSA on state damage prevention grant applications.

COMMUNICATIONS

DCA Online: <u>www.dcaweb.org</u>, <u>www.dcaletsgettowork.com</u>, <u>www.dcatrenchless.com</u>, <u>www.dcagovrelations.com</u>, <u>www.dcabesafe.com</u>, <u>www.oquip.org</u>

The DCA website is a state-of-the-art tool that gives access to DCA publications, members, and facts at the click of a mouse. It provides members with password protected access to news, committee updates, and association newsletters, as well as to wage rates for the three labor unions with which DCA has agreements. The website has been enhanced to include five auxiliary microsites related to the association's committees. The microsites provide education, training and jobseeker/recruitment tools, and opportunities aimed at getting people back to work in a richly rewarding industry, all from a single, user-friendly location.





DCA News

DCA News is a bi-monthly publication that keeps members up to date on the latest in industry and regulatory news. Topics include legislation and government regulations, association activities and meetings, industry issues, and safety updates. DCA News also provides a forum for company and personnel news.



DCA Directory

Through our industry partner Gulf Energy Information, DCA publishes a nationwide membership directory each year that lists all companies with their officers and specialties. A "Who's Who" in utility construction, the DCA directory is distributed to members, prospective members, utility companies, equipment manufacturers, vendors, suppliers, labor representatives, and government officials.



DCA e-News

DCA members receive latebreaking industry news and information about regulatory matters, equipment developments, and upcoming meetings through the monthly DCA e-News, which provides direct links to resources.

Benchmarks

The 2022 edition of DCA *Benchmarks* offers a concise and meaningful look into DCA's current operations, leadership, and organizational outlook, as well as its future initiatives. If you have any questions about DCA or its activities, please contact us at 972.680.0261 or info@dcaweb.org. We look forward to hearing from you.

Acknowledgements

DCA would like to acknowledge the tireless efforts of its volunteers and leaders. Without the expertise, resources, and talents of those who support DCA, the accomplishments and activities that occurred in 2022 would not have been possible. We are excited about 2023 and look forward to working with you to make it another year of progress and achievement.

DCA OUTREACH

Since its inception in 1961, the Distribution Contractors Association (DCA) has been committed to progress. DCA members remain at the cutting edge of a constantly changing and vibrant industry. This year, as in years past, DCA members will be at the forefront of technology, equipment, and safety.

DCA-Dale R. Michels Endowed Scholarship

DCA founded the DCA-Dale R. Michels Endowed Scholarship in 1998 to encourage students considering careers in construction. Over the years, the annual distribution has grown from \$5,000 to \$15,000. For the 2023-24 academic year and beyond, the amount distributed to deserving candidates will be based on a portion of the association's auction and investment income proceeds and is estimated to be over \$100,000.



Curtis H. Allen Scholarship

The Curtis H. Allen Scholarship was created by Bentonite Performance Minerals (BPM) in honor of Curtis H. Allen. BPM contributes \$2,500 annually to the fund, an amount matched by DCA. For the 2023-24 academic year and beyond, the amount distributed to deserving candidates will be based on a portion of the association's auction and investment income proceeds and is estimated to be over \$30,000.

DCA-Lyons' Grant Program

The DCA-Lyons' Grant Program honors the memory of DCA Past President and Honorary Member Bob Lyons, who was known for his commitment to community service, education, charitable causes, and the association. Lyons was instrumental in establishing the DCA annual auction in 1991, which to date has raised over \$11 million for the scholarship program, Safety Congress, and association administrative expenses. The grant program was established by Jan Lyons, Bob Lyon's widow and a strong supporter of DCA, with a five-year pledge of \$25,000 from the Lyons Family Foundation. While there are no specific grant requirements, it is expected that candidates be strong emerging and/or established community leaders recognized for their personal service and advocacy. Grants are directed to individuals or organizations that do not receive significant financial assistance from governmental or large charitable groups. In Bob Lyon's words, "It's all about those that have been blessed with the understanding of what it is to give back." An additional \$5,000 from the auction is added annually to the fund.





James R. Upton Scholarship

In memory of DCA former Managing Director James R. Upton, the DCA Board of Directors annually distributes \$3,000 to provide scholarship opportunities for students of the Cherokee Nation in Tahlequah, Oklahoma. Two annual scholarships are awarded to graduates of Sequoyah High School in Tahlequah. The recipients are selected by and based on criteria established by the Cherokee Nation.

Safety Director of the Year Award

The Safety Director of the Year Award recognizes the achievements of a safety director whose initiatives and programs have enhanced the overall safety program of a member's company. Award recipients also participate in DCA's Safety Congress. The annual award includes a \$1,000 cash prize. The 2022 recipient was Joe Searl of Michels Utility Services Inc.







Safety Person of the Year Award

The Safety Person of the Year Award is given to an individual who has gone beyond the call of duty in any area of company service, such as a lifesaving event or safety-related cost reduction.. The recipient can be employed at any level in the company. Honorees receive a plaque and a \$1,000 cash prize. In 2022 Jacob Beauchamp of InfraSource LLC and Marie Boyll of Mears Group Inc. tied for the award.

Arthur T. Everham Safety Award

Named in honor of an industry safety pioneer and DCA past president, the Arthur T. Everham Safety Award, Artis presented every year at the annual convention to companies with exemplary safety records and practices in various categories. The award is highly coveted as recipients are recognized and honored by competitors.

In 2022, a DCA committee of safety professionals updated the award qualifications updated by to reflect the progress in the industry. Qualifications now include:: the number of OSHA lost workday cases; number of OSHA restricted duty days; number of fatalities; the presence of a documented safety system or SMS; the use of a drug-testing program; and a formal process for determining incident root causes.

For 2022, the award categories are:



Under 200,000 hours

First Place - (a four-way tie)

Atlas Trenchless LLC, Rockville, Minnesota.
Brotherton Pipeline Inc., Gold Hill, Oregon.
Hanging H Companies, Burlington,
Washington.
R&R Pipeline, Newark Inc., Ohio.

Second Place

201,000 - 700,000 hours

First Place

Blackeagle Energy Services, Berthoud, Colorado.

Second Place

AGI Construction, Smithfield, Rhode Island.

701,000 - 1.7 million hours

First Place

Michels Utility Services Inc., Brownsville,
Wisconsin

Second Place

Vector Force Development, Westminster, Colorado.

Over 1.7 million hours

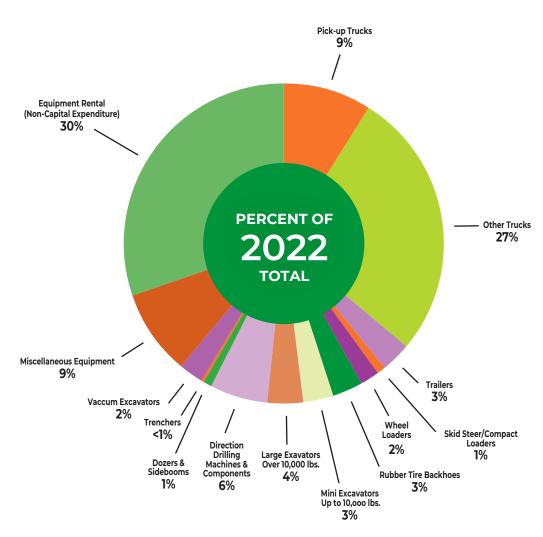
First Place

ARB Inc., Lake Forest, California

Second Place

Q3 Contracting Inc., Little Canada,
Minnesota

EQUIPMENT SURVEY





MEETINGS

The DCA holds annual major meetings to discuss issues vital to the association and the industry, as well as smaller committee meetings throughout the year.

ANNUAL CONVENTION

(February or March)

The Annual Convention is held in a warm weather location in the U.S. or internationally and is designed for members and their spouses/guests. At this annual meeting of the membership, DCA holds elections for the Board of Directors. A key feature of the convention is the annual auction, which has grown over the years and is the primary fundraiser for the operations of the DCA. The week-long event, which is supported through the generous sponsorship of our associate members, features business sessions with first-rate speakers, networking events, and local activities. Recipients of the scholarships and the Arthur T. Everham Safety Award are announced at the Convention. The final board meeting of the outgoing president and the first board meeting of the new president are held at the Convention. A Leadership Council meeting is held, as are meetings of the committees. The general meeting of the membership is the DCA Town Hall, where leadership provides an update on association proceedings and where the members can dialog with leadership.

DCA & AGA UTILITY CONTRACTOR WORKSHOP (March or April)

The DCA and American Gas Association (AGA) partner to produce a workshop aimed at increasing communication and cooperation between gas distribution utilities and the contractors who work for them. The event attracts about 130-140 attendees representing gas utilities, contractors, manufacturers, labor unions, industry experts, and federal

SAFETY CONGRESS

(March or April)

DCA's Annual Safety Congress is becoming a "must-attend" event for safety professionals each year. The two-day event attracts safety professionals from across the country and industry to discuss different challenges and problems utility contractors face, from creative training ideas to managing a safety culture within your company. The Safety Director of the Year and the Safety Person of the Year are awarded at the Congress.

MID YEAR MEETING

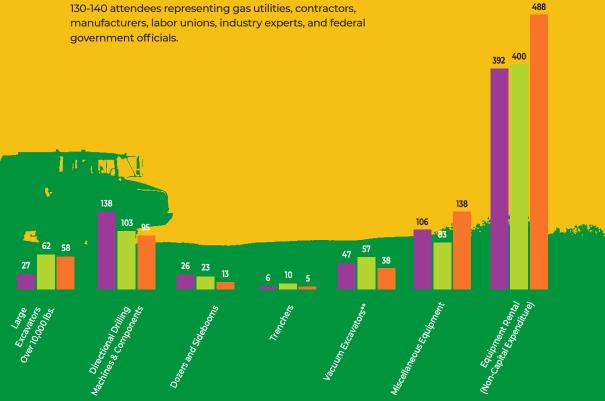
(July)

The Mid Year Meeting has grown over the years from a summer board meeting to a family networking event with business session speakers, committee meetings, a board meeting, a Leadership Council meeting, and the DCA Town Hall. Each year many activities are planned with DCA member families in mind.

FALL MEETING

(October or November)

The Fall Meeting is a members-only event with a board meeting, Leadership Council meeting, committee meetings, and a networking social event. The Executive Finance Committee meets at this event to review the operations of the staff.



DCA 2022 FINANCIALS

	2022	2021
Meetings:		
Convention Registration	\$498,305	\$514,440
Convention Sponsorship***	158,315	
Mid Year Registration **	290,255	
Other Meetings	210,800	124,300
Total Meetings	\$1,157,675	\$638,740
Member Dues:		
Contractor Member	\$359,000	\$245,833
Less: Contributions Credit	(7,500)	(27,031)
Associate Member	226,375	144,000
Total Member Dues	\$577,875	\$362,802
DCA Auction*	\$581,245	\$579,040
Other Income:		
I.U.O.E. Industry Fund	\$8,299	\$11,290
Management Fees	261,688	171,814
Grants	1,525,000	1,400,000
Net Unrealized Gain (Loss) On Investments	(704,784)	285,092
Interest	77,143	100,631
Total Other Income	\$1,167,346	\$1,968,827
Total Revenue	\$3,484,141	\$3,549,409
Expense:		
Convention	\$1,256,266	\$1,098,706
Mid Year Meeting **	\$270,256	
Other Meetings	\$192,475	\$112,966
General & Administrative	1,671,763	1,672,902
Scholarships	137,600	137,700
Special Projects	513,488	329,745
Loss on Disposal of Equipment		
Total Expense	\$4,041,848	\$3,352,019
Excess Revenue Over Expenses:	\$(557,707)	\$197.390
Assets:	\$5,196,237	\$5,080,908
Liabilities:	\$1,555,610	\$1,057,574
Member Equity:	\$3,640,627	\$4,023,334

^{*}Auction Income Supplements Annual Meeting Sponsorship 2021 Mid Year Meetings Canceled due to Pandemic ***2021 Convention Sponsorship waived due to Pandemic

INDUSTRY TRUSTS & FUNDS

\$827,351 \$680,873 \$292,780

Total Contributions

Total Contributions

Total Contributions

LiUNA/DCA Cooperation Trust

National Distribution Pipeline Industry Communications & Productivity Fund Distribution Contractors Industry
Advancement Fund

LiUNA!

A joint labor-management cooperative trust was established in December 1990, under the provisions of the Taft-Hartley Act, between DCA and the Laborers' International Union of North America to:

- Improve communications.
- Expand work opportunities.
- Promote safe, efficient working conditions.
- Sponsor seminars, conferences, and meetings concerning the industry.
- Facilitate a network for the exchange of information.
- Resolve problems.
- Advance mutual interests relating to the industry.

A Board of Trustees appointed from labor and management governs the trust. The executive vice president of DCA serves as trust executive director. Trustee meetings are conducted on an annual basis.

The LiUNA Cooperation Trust of DCA provides the association with financial support to use forpublications, the annual convention, and industry relations.

Annual financial audits are prepared by AFairchild, PC, Carrollton, Texas



DCA and the United Association reached an agreement in November 1990 to establish a joint labor management cooperative trust to:

- Improve communications and the collective bargaining relationship between labor and management.
- Study ways of eliminating potential problems that reduce competitiveness and inhibit the economic development of the distribution pipeline industry.
- Engage in public relations and public education programs.
- Research and develop programs to improve the distribution pipeline industry.

The executive vice president of DCA serves as executive director of the trust to govern the fund. The NDPIC & PF provides funding for DCA publications, the annual convention, and industry relations. Gary A. Pasternak, Cartmell, Pasternak & Associates, PC, Carrollton, Texas, is the administrator of trust collections.

Annual financial audits are prepared by AFairchild, PC, Carrollton, Texas



The DCA and the International Union of Operating Engineers reached an agreement in June 1999 to establish an industry advancement fund. The fund is designed to advance the interests of the distribution construction industry by:

- Establishing good public relations and market development.
- Engaging in public relations and public education programs.
- Negotiating fair and equitable collective bargaining agreements with representatives of employees engaged in the industry.
- Encouraging and developing industry safety standards.
- Providing educational opportunities for those engaged in, or connected with, the industry.
- Encouraging the use of union contractors for the construction of all distribution pipelines.
- Improving communications between labor and management.

Annual financial audits are prepared by AFairchild, PC. Carrollton. Texas



MEMBERSHIP

DCA MEMBERSHIP

All members can participate in DCA committees by contributing and discussing ideas in a collaborative forum. All members provide timely payment of membership dues and contribute to the association's finances through sponsorship of events, labor trusts, auction proceeds and support of association events.

CONTRACTOR MEMBERS

Any contracting firm engaged in the construction and maintenance of distribution pipelines and underground utilities that has established a reputation for skill, integrity, and responsibility, may apply for contractor membership in the association.

ASSOCIATE MEMBERS

Any individual, firm or corporation engaged in the business of manufacturing or selling equipment, materials, supplies, insurance, or other services for the construction or maintenance of gas distribution and other pipelines, horizontal directional drilling, and underground utilities may apply for associate membership.

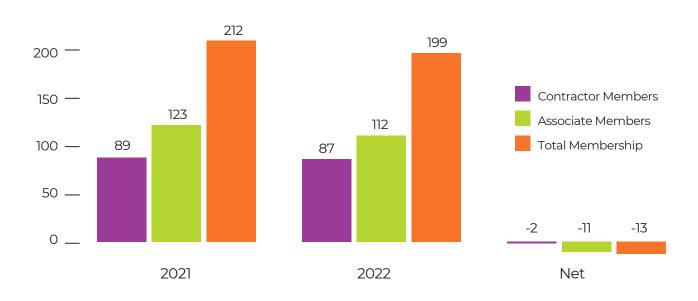
INDUSTRY MEMBERS

An individual who is retired from a member company, regularly employed as a consultant, an employee, officer, director, or elected official of any corporation or governmental unit engaged in the distribution industry, and not deemed eligible for contractor or associate membership by the Board of Directors, can apply. An industry member may also be a widow/widower of a deceased member, or a current or former officer or employee of affiliated associations as selected by the Board of Directors. The Board of Directors may establish or change the procedure to be followed in approving such applications.

HONORARY MEMBERS

Any individual who has performed distinguished service for the DCA or the distribution construction industry is eligible for nomination and election as an Honorary Member. Nominees must receive a three-fourths majority vote of the Board of Directors. Directors who are the current representatives of the same company as the nominated individual or corporation shall recuse themselves from the voting on that Honorary Member nominee. Honorary Members and their spouse/guest shall be exempt from meeting registration fees at association meetings.

2022 MEMBERSHIP SUMMARY



LEADERSHIP

DCA LEADERSHIP STRUCTURE

The Distribution Contractors Association (DCA) is a membership-based trade organization with a Board of Directors, leadership council, standing committees, working committees, and special committees comprised of grants and trusts that plan, execute and manage its business.

BOARD OF DIRECTORS

The affairs and management of the association shall be conducted by a Board of Directors composed of:

- Ten contractor members (elected by contractor members).
- · Immediate past president.
- Past president director (appointed by the past presidents).
- Director at large (appointed by the Nominating Committee).
- Two associate member directors (elected by associate members).
- Executive vice president (serves as chief operating officer)

LEADERSHIP COUNCIL

The Leadership Council is made up of the elected chairs and vice chairs of each of the committees, the president and vice president of the board, and the executive vice president. The purpose of the Leadership Council is to coordinate the strategic direction of the DCA as directed by the Board of Directors. Each committee chair and vice chair will lead their committees in the tactical implementation of the strategic plan.

WORKING COMMITTEES

The DCA Working Committees meet several times a year. Their mission is to work on initiatives to improve the operations and membership value of the organization.

The Working Committees include:

- · Government Relations Committee.
- · Membership Committee.
- · Safety/Risk Management Committee.
- · Trenchless Committee.
- · Workforce Development Committee.

STANDING COMMITTEES

The DCA Standing Committees meet as needed for a specific purpose and not an ongoing project.

They are:

- · Associate Member Nominating Committee.
- Convention Planning Committee.
- · Executive Committee.
- · Executive Finance Committee.
- Contractor Member Nominating Committee.
- · Future Leaders Committee.
- · Recognition Committee.
- · Strategic Vision Committee.

SPECIAL COMMITTEES

Special committees oversee DCA's scholarships and grants. They are:

- DCA-Dale R. Michels Endowed Scholarship Committee.
- DCA-Curtis H. Allen Scholarship Committee.
- DCA-Lyons' Family Grant Committee.
- James R. Upton Scholarship Committee.

TRUSTS AND FUNDS

- DCA Advancement Fund

 International Union of Operating Engineers (IUOE).
- · IUOE National Training Fund.
- Laborers Employers Benefit Plan Collection Trust (LEBPCT).
- LMCT/DCA Trust Laborers' International Union of N.A. (LiUNA).
- National Distribution Pipeline Industry Communications and Productivity Fund (NDPIC&PF) – United Association (UA).

LABOR COMMITTEE

The Labor Committee serves DCA in negotiating collective bargaining agreements with three labor unions: United Association (UA), Laborers' International Union of North American (LiUNA), and International Union of Operating Engineers (IUOE). The committee serves independently of the Board of Directors and does not report to the Board or leadership of DCA.

WORKING COMMITTEE CHARTERS

TRENCHLESS

LEADERSHIP

Vice-chair – Nathan Eastway, Gabe's Construction Co. Inc.

Vice-chair – Alan Goodman, HammerHead Trenchless

MISSION STATEMENT

The Trenchless committee shall be a forum to identify, discuss, and work toward resolutions of member issues and needs related to trenchless construction. To educate and promote the use of trenchless technology to contractors, customers, and governing agencies by sharing safe, environmentally friendly, state of the art technology and best practices for underground infrastructure installation worldwide.

2022 ACHIEVEMENTS

- Informative member panels and speakers at the 2022 Convention, Summer Meeting, and Fall Meeting:
 - Panel presentation on engineering issues. Rob Tumbleson (ECI Contracting), Dan Carson (Carson Corporation), John Bentley (InfraSource), and Chad Davis (Miller Pipeline).
 - Auger boring advancements. Corey Lee (Vermeer MV Solutions).
 - Auger boring advancements. Javen Moore (American Augers).
- · Began collaborative initiatives:
 - · Industry collaboration on HDD standards.
 - · NASTT/DCA collaboration.
 - · Gas Pipeline Advisory Committee.
 - · HDD Association.

2023 GOALS and INITIATIVES

- Identify and pursue tangible and quantifiable actions that benefit Contractor and Associate DCA members:
 - · Resume efforts to engage in state agency educational meetings.
 - Maintain efforts to engage in state and federal lobbying.
 - Work with operator/owner groups outside of currently regulated entities to elevate the quality and care of nonassociation (DCA, PCCA, DPI, CGA, HDDA, etc.) contractors.
 - Bring new technologies, opportunities, and ideas for discussion, e.g., electrification, carbon capture, drilling fluid management, tooling, etc.
 - Continue to reinforce the holistic "trenchless" aspect of this committee.
 - Collaborate with NASTT to include DCA representation on NASTT committee to redevelop the HDD Good Practices course.
 - Collaborate with AGA to include DCA representation at the AGA Trenchless workshop.
 - Maintain the DCA trenchless microsite for HDD and other trenchless technologies.

SAFETY/ RISK MANAGEMENT

LEADERSHIP

Vice-chair – Randy Bunch, Aaron Enterprises Inc.

Vice-chair – Caleb Scheve, Price Gregory International Inc.

MISSION STATEMENT

Review safety related information provided by DCA members/associates and hold open discussions at meetings on safe jobsite practices. Oversee the Arthur T. Everham Safety Award, assist with the Safety Director and Safety Person of the Year awards, and the annual Safety Congress.

2022 ACHIEVEMENTS

- Revised and updated the Arthur T. Everham Safety Award questionnaire.
- Maintained the four categories of the Arthur T. Everham Safety Award.
- Maintained 40% participation of member contractors from 2021 to 2022.
- Attracted 60 registrants to the Safety Congress held in Austin, Texas.
- Fielded four nominees for the DCA Safety Director of the Year Award and three nominees for the Safety Person of the Year Award.

2023 GOALS and INITIATIVES

- Promote the 2023 DCA Safety Congress to new and existing members and associates.
- Promote the DCA and encourage attendance and participation for all events.
- Continue promoting the Arthur T.
 Everham award with higher participation from members.
- Develop recognition program for foreman safety performance.
- Continue promoting submission of safety statistics with higher participation from members.
- Promote the development of innovative safety practices.
- Continue to host high quality speakers that will benefit all attendees.
- Continue growth by fostering safety/ risk mitigation within the DCA functions.

■ WORKFORCE DEVELOPMENT

LEADERSHIP

Vice-chair – Stephanie Krabbe, InfraSource LLC Vice-chair – Matt Dvorak, Groebner

MISSION STATEMENT

Utilize DCA resources, relationships, and membership to execute multiple initiatives that help promote, recruit, and retain the best possible talent for DCA contractor and associate members.

2022 ACHIEVEMENTS

- Completed the BuildWitt phase two project, creating videos that highlight eight different roles within the industry. Created a set of marketing collateral materials rolled out to the participating contractor and associate members.
- Participated in the American School Counselor Association national meeting in Austin, Texas.
- Facilitated a work force development panel discussion at the annual DCA/ AGA conference.
- Promoted local SkillsUSA involvement and updated the DCA Skills USA.
- Continued dialog and Board participation with Center for Energy Workforce Development (CEWD).
- Created a leadership development curriculum specifically for the DCA and will plan the first active session in 2023.

2023 GOALS and INITIATIVES

- Introduce the second BuildWitt video series to the entire DCA membership.
- Facilitate a workforce development panel discussion at the March DCA & AGA Workshop
- Have more contractors engage SkillsUSA at the local level and create a one-page description of how to best take advantage of participating in the annual SkillsUSA event.
- Facilitate a leadership development conference.
- Participate in the annual SkillsUSA event.
- Participate in the annual CEWD meeting and continue to develop our participation in their organization.
- Create a sub-committee to coordinate member attendance at career fairs.

MEMBERSHIP

LEADERSHIP

Vice-chair – Mike Aydt, MP Technologies LLC Vice-chair – Brad Everett, Caterpillar Inc.

MISSION STATEMENT

Actively solicit and evaluate potential DCA contractor and associate members and make recommendations on member programs and awards. Additionally, work to assure new members are integrated into the association and are getting value from their membership and attendance at the conferences.

2022 ACHIEVEMENTS

Membership:

- Maintained DCA membership.
 - Contractor membership (2020) 93 (2021) 89 (2022) 87 net -2.
 - Associate membership (2020) 135 (2021) 123 (2022) 112 net -11.

DCA members participation:

- Mid-Year Meeting attendance.
 2018 = 267; 2019 = 231; (2020 and 2021 cancelled); (2022) 258.
- Fall Board Meeting attendance.
 2019 = 180; 2020 (virtual) 75; 2021 = 123; 2022 = 105.
- Annual Convention attendance.
 2020 = 568; 2021 = 404; 2022 = 424.
- Annual Convention auction results. 2020 = \$996,565; 2021=\$570,040; 2022= \$606,455.

Equipment survey results and participation:

- 2021 results = \$1,241,311,950, Participation, 50%
- 2022 Results \$1,616,075,518. Participation 44%

2023 GOALS and INITIATIVES

- Increase member levels; restore membership to pre-pandemic levels.
- Continue to show value to our members by encouraging them to engage within the association.
- Increase participation/attendance of contractor members at all DCA breakout meetings.
- Prioritize, evaluate, and implement initiatives set by the strategic Vision Committee.
- Make a concerted effort to attract more contractor members

■ GOVERNMENT RELATIONS

LEADERSHIP

Vice-chair – Andy Miller, Alex E. Paris Contracting Co. Inc. Vice-chair – Brad Burris, National Equipment Dealers

MISSION STATEMENT

Target specific regulatory and legislative items and report their findings through the Legislative Watch section of the *DCA News* and DCA website. Present to the Board of Directors those issues we believe our members would benefit from through advocacy for or against.

2022 ACHIEVEMENTS

- Promoted potential demonstration projects expected after enactment of the Infrastructure Investment and Jobs Act (IIJA), which included some \$20 billion for carbon capture, use, and storage (CCUS) efforts and projects intended to increase use of hydrogen as a future fuel source.
- Successfully opposed harmful provisions previously included in the Inflation Reduction Act (IRA) that were included in previous ("Build Back · Better") legislation.
- Helped secure language in the IRA that will incentivize investment in CCUS, hydrogen, and other clean energy projects that require pipeline infrastructure.
- Worked as a member of the Gas Bans Coalition
- Continue to successfully enact "fuel choice" legislation in several states and to defeat harmful legislation at the state level that would restrict access to natural gas through banning natural gas and/or mandatory electrification.
- Worked as a member of the Energy Access.
- Group (EAG). EAG is a coalition of organizations involved in natural gas energy development and transportation involved in pro-energy initiatives with a focus on natural gas and related infrastructure.
- Continued strong support of the Energy Equipment and Infrastructure
 Alliance (EEIA) on a variety of efforts to rebut ongoing hostility toward the natural gas and pipeline industry.

 Participated in an industry event sponsored by the Association of Equipment Manufacturers (AEM) to showcase construction technologies and practices in a construction environment to government and industry representatives, including several members of OSHA.

2023 GOALS and INITIATIVES

- Support CCUS and hydrogen efforts related to the IIJA and ensure that pipeline infrastructure remains a big part of the nation's ongoing transition to cleaner energy sources.
- Continue to successfully enact fuel choice legislation and defeat harmful legislation at the state level that would restrict access to natural gas through banning natural gas or mandatory electrification.
- Lead the pipeline construction industry on a variety of issues related to federal pipeline safety reauthorization legislation.
- Participate in a successful Celebration of Construction event on the National Mall, a multi-day event sponsored by several trade associations to showcase natural gas distribution construction technologies and practices.
- Promote and lead the excavation construction industry in encouraging participation in Common Ground Alliance's (CGA) Damage · Prevention Institute, which will establish effective damage prevention metrics applicable to all stakeholders in the process.
- Hold in-person Washington fly-in event to educate lawmakers and congressional staff on issues of importance of the gas distribution construction industry, particularly pipeline safety reauthorization.

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CONTRACTOR MEMBERS

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OFFICERS & DIRECTORS

Executive Vice President Letter

The Great Comeack

In our business, we know that coming back from a shutdown isn't easy, even when you have a good start-up plan in place. That makes our progress during the uncertainty of the pandemic all the more impressive.

With business as usual put on hold, staff and members kept moving toward our strategic vision. It's fair to say we hardly missed a beat when it came to helping the industry navigate tough issues and evolving pressures, including environmental, workforce development, and safety challenges.

By 2022, we were back to meeting in person. Zoom filled the gap through a couple of difficult, work-from-home years, I have to say it's no substitute for productive face-to-face gatherings. There's nothing like being together to collaborate, share concerns, elicit input, and even blow off steam and have fun. As a result of last year's Convention, meetings, the joint workshop with the American Gas Association (AGA), and other events, I think we've moved forward more confidently than ever. We've covered a lot of ground on a wide range of important areas, and, with the support of our new Strategic Vision Committee, the future looks even more promising.

Let's look at some of our accomplishments one by one.

A Framework for Others

A holistic approach to reducing hazards and incidents, pipeline safety management systems (PSMS) are driving safety and continuous improvement across the pipeline industry. The DCA contributes significantly to this important movement, both as a member of the Pipeline SMS Implementation Team and as a leader in PSMS development and documentation. In fact, when the American Petroleum Institute (API) drafted its contractor's guideline for PSMS, they used the template created by a DCA task force as its framework. The DCA template is scalable and flexible, allowing contractors to adjust their PSMS to their unique requirements, yet it provides a model for consistency and standardization.

Now we're onto the next step, working with API to develop the tools contractors need to integrate their PSMS into day-to-day operations and to evaluate how effective their PSMS efforts are.

We're also partnering with AGA on PSMS efforts. AGA hopes to launch its PSMS within three years.

Consistent Performance Standards

The lack of a universal approach to operator qualifications means there is no standardized way for pipeline companies to evaluate a contractor and their employees. From the contractor perspective, the problem is that each time employees work for a different operator they must undergo another round of testing.

For several years, DCA has been involved in developing an Operator Qualification Integrity Process (OQIP). OQIP is intended to increase operator qualification compliance, improve pipeline safety, promote accountability around core competencies, and ensure compliance with federal and state regulations.

Three natural gas operators along with their contractors, service providers, and regulators are currently piloting OQIP programs in New Mexico, Washington, and Michigan. Although the pandemic delayed certain activities, things are back on track. During 2022, pilot participants provided regular updates on their programs, including the release of white papers available on the OQIP website. All of the pilots are progressing well and yielding valuable data that will improve the program as a whole.

Not Your Grandfather's Workforce

There's perhaps no better proof of a graying work crew than this: Estimates

are that young workers will represent the vast majority — as much as 75% — of the total workforce by 2025. That has implications for recruiting, training, retention, and rewards, and with 235,000 construction jobs up for grabs, the industry has to be strategic if they want to get things right.

Workforce development efforts have been a mainstay activity for DCA for years, and the pace picked up even more in 2022. Between BuildWitt promotional videos — the association's capstone project in this area — participating in SkillsUSA shows and our own Workforce Summit, co-sponsoring the Center for Energy Workforce Development's (CEWD) EnergyCareers 2022, and panel discussions on the importance of "age-old" issues — onboarding, career-pathing, monitoring engagement, and more —DCA is attacking this challenge from every angle and continually searching for new ideas.

Hiring and keeping good employees is just part of the workforce equation, of course. The industry also has to identify early- and mid-career individuals who have leadership potential, then help them hone their skills, encourage relationship-building with peers, and create opportunities for advancement.

Those are among the key activities in the new DCA Future Leaders program, which launched in 2022. Intended to support the next generation of leadership within DCA member companies and prepare those businesses for greater growth, the Future Leaders program is also expected to build a more diverse membership.

What We're All About

Membership is the heart of the DCA. The only way we can continue to be a vibrant organization is with active and engaged members, which is why recruitment and retention are so important to us.

It's no surprise that those who participate more fully in our programming — who embrace the value of everything the DCA has to offer — renew their membership year after year while those who simply pay their dues then sit back don't come back. In fact, our Strategic Vision Committee discovered that of the 40 members who joined and then dropped out during the pandemic, 36 had never participated in any DCA events.

We're not content, of course, to let them go: they have as much to offer us as we do for them. That's why the Membership Committee is working to re-engage lapsed members via its reinstatement project.

While it's too early to report results from this initiative, we do know that efforts to both create a path toward membership and motivate members to become more actively involved are paying off.

An Industry Catalyst

While the mission of any association is to help members improve their business, our members see the value of improving the industry as a crucial way to accomplish this goal. DCA is more focused than ever in promoting the value of the association to the membership and the industry at large. We are truly a catalyst for change in the natural gas and underground construction industry.

Rob Darden

Executive Vice President







101 W. Renner Rd. Suite 460 Richardson, TX 75082 (972) 680-0261 (Phone) (972) 680-0461 (Fax) info@dcaweb.org www.dcaweb.org