

NDA Board Meeting

July 31, 2011

Sheraton Myrtle Beach Convention Center

Peggy McGee called the meeting to order at 8:02 AM EST

In Attendance:

Peggy McGee, Dan Dunn, Mike Tiani, Larry Gibel, David Neibert, Dennis Duty, Frank Vilella, Rob Caho,

Chapter:

Steve Wright, Tom Connelly, Eamen Connelly, Jay Boland

Dan Dunn made a motion to approve and Rob Caho seconded to approve the April board minutes. Motion approved.

Financial Report:

Jim Howe could not be in attendance but did send a financial report. Jackie Symons reported that Jim reviewed the P&L and balance sheet covering the first half of 2011. He reported that despite the soft economy, NDA financials appear to be as strong as can be expected. Income streams are at or above prior year levels. The jump in membership income is welcome; however, the degree of success of the annual meeting will be a major factor in the overall year's performance. Expenses, excluding any timing issues on receiving invoices, are in line with NDA's annual budget.

Administrators Report:

Jackie reported that solicitation for Articles and Ads began in the July NDA News for the fall issue of *Drill Bits*. Deadline for submissions is September 20. Jackie encouraged the board members to ask their PR departments to send it photos with captions for the Marketplace section, press releases for the Bits-N-Pieces section and feature articles.

Web Site

It was also mentioned that we could use more information from NDA chapters for the website as well as the board was reminded to not to forget to list your used equipment and job openings on the NDA website and encourage your colleagues to do the same.

NDA averaged 7,017 visits to the website each month for the past 6 months and J&M is working on the logistics for on-line training courses for the NDA website to come up with the most cost-effective and easy-to-use system.

SEDC

At SEDC in April NDA was asked to once again hold a 3 hour training class but was asked if we could add something more than training. Rob Caho feels that if NDA does hold the training session he would like to see more attendance from NDA. Peggy asked those in attendance who thought they may be attending in April 2012. Rob Caho from Diedrich, Jay Boland from Mobile Drill, Dave Neibert from CME and Dennis Duty from Baroid plan to be in attendance. The board decided to not hold a board meeting during SEDC.

ACTION ITEM: Tabled who will be the lead of the NDA training program during SEDC until the October board meeting.

Rob Caho made a motion, Frank Vilella seconded, to promote NDA during a hospitality event at SEDC, motion passed.

ACTION ITEM: J&M will be in contact with SEDC in early 2012 about holding a hospitality event.

Annual Meeting:**Exhibitors:**

We currently have 18 confirmed exhibitors and Wayne Burinda from Boart recently gave a verbal commitment.

Presenters:

There are currently 12 confirmed presenters.

Center Rock has requested to make a presentation on their CR Rock Xtreme RX0. Jackie distributed what he recently emailed.

ACTION ITEM: Jackie will contact Center Rock to ask them to talk about hammer drilling and new technology, and not promote Center Rock's equipment.

Rob Caho and Dan Dunn will jointly do the safety presentation. Dan will be covering MSHA/OSHA and Rob will have a Power Point showing different drill sites (anonymous) and the whole group will look at the slides and discuss what is wrong at the drill site and then incorporate the TST's.

ACTION ITEM: Rob Caho would like everyone to send in pictures of drill sites that can be used.

TABLED: Steve Wright would like NDA to consider developing a health and safety plan.

ACTION ITEM:

Peggy and Jackie will work out the day's time frame.

Outdoor Demo's

Jackie reported that we do not have any confirmed demos. Peggy McGee mentioned that she contacted Tim Cotter from USDOT, FMCSAE (Federal Motor Carrier) who will be talking about CSA 2010 and mentioned that the Pennsylvania State Police (PSP) may be interested in an outdoor demo. Peggy asked if Tom Connelly or Mike Tiani if they could bring a truck or trailer mounted rig that they can use for the "inspection". Pennsylvania State Police (PSP) will be discussing roadside inspection during his presentation on Thursday which will show trip logs on power point and discuss hours of service, etc.

ACTION ITEM: Jackie will follow up with USDOT, FMCSAE (Federal Motor Carrier) and Pennsylvania State Police (PSP)

ACTION ITEM: Dan Dunn requested that we check into the cost of recording outdoor demos to put on the website.

ACTION ITEM: Peggy McGee will contact the PA State Police (PSP) if they would have a problem if we filmed their "roadside inspection".

Entertainment:

Peggy and Jackie discussed holding a Casino night after the President's dinner to encourage more attendance at the convention, dinner, and hoping that attendees would stay a little longer at the dinner. It could also be used as a fund raiser for NDA. CME is sponsoring the entertainment for the convention and the cost of the gaming tables will be \$975. The entertainment company provides play money in \$1000 denomination.

The board decided that:

- \$10 would be equal to \$1000 in play money.
- Each person will receive \$1000 in play money when they turn in their dinner ticket.

- There will be a ticket booth for people to purchase additional money or slot machine tokens as well as people walking around selling additional money or tokens.
- When the two hours is up, the dealer gives everyone Door Prize Tickets to use for Chinese Auction*.
- J&M will send out a request for Chinese Auction items.

*Door prizes that are donated will be put out on tables with a container in front of each one. Individuals put one half of their door prize ticket in the container and keep the other one. They can put ALL their tickets in one container or split up their tickets in many different containers.

Ranger consulting will sponsor three slot machines at \$75 each.

ACTION ITEM: Jackie will contact entertainment company about how you receive tokens for the slot machines.

Sponsorships:

Jackie mentioned that we could use a couple of additional sponsors.

Could use another cocktail sponsor - we are estimating the cocktail hour to be about \$2200.

We could use one more break sponsor (breaks are estimated to be about \$2000 and we have \$1500). The \$2000 estimate does not include SSI breaks.

Invoice Mike Tiani for a \$500 break sponsor.

Golf Outing:

Jackie reported we have only 3 confirmed golfers at this point. The board would like a separate invitation to encourage golfers.

2012 Convention

After discussion it was agreed to hold the 2012 convention in Nashville, Tennessee.

ACTION ITEM: J&M to price out properties on Music Row, possibly even a property at the airport. Also to be sure we can obtain free airport transportation if not a venue at the airport. The board also decided not to have any outdoor demos so that we can hold the event near or in downtown Nashville.

SSI

Currently we have 4 paid attendees and 4 who paid and did not attend the spring SSI course.

DCDMA

Frank Villella recently spoke with Mike Rose from Glastonbury Gage and reported that the pricing for gages have not changed from the quote from a year ago. Gage order from Boart Longyear \$16,000 and order for Tube Technologies, \$2,000, on spending Boart pending, gave quote for \$10,000. Frank abandoned the idea of standardizing. **ACTION**

ITEM: Send another request for recalibrating gages again.

ACTION ITEM: Frank has requested that a survey will be included in every *Drill Bits*, in order to find out who has gages and if they may be need to be recertified. Dave Neibert would like to see the final copy before going into *Drill Bits*.

Membership

Rob mentioned his committee met two or three times, Jim Howe, Warren McCann and himself. They reviewed the current dues structures and they feel that NDA dues structure is too high.

The committee recommendation is:

Not to touch manufacturing dues pricing for a year.

Plan is to change regular membership/consultant(s) so that every office would join at \$200 and that would include one person at their office. The membership dues for every additional person at their office would be \$50.

The committee is hopeful that this change would increase membership, encourage more members to become involved, more members for committees.

Larry Gibel mentioned based on membership this year, if we reduced the membership rate as the committee is suggesting (\$200), we would need 310 individuals join to be where we are at now. If we changed the membership rate to \$250 we would still need 155 new members at \$50 each to be where we are at now financially. This topic was

TABLED

SAFETY

Dan Dunn mentioned we are continuing with the TST's and that members may have noticed a change in the last 4 TST's. Lenny Rexrode has presented us some JSA's that he has been using. We are continuing to grow the list of TST's and are currently at 100. Dan would like to continue increasing the TST's with new sources for topics. Dan continues to solicit help on obtaining topics as his new job does not allow as much time for volunteering.

The new DOT DVD hasn't gone any further, basically because of Dan's job situation. Dan has talked with Rob Caho who chairman of NGWA Safety Committee, and he also talked to Kathy Butcher, from NGWA, and both advised Rob CAHO that NGWA would definitely like to be involved. Dan has been pessimistic about this, but since the DVD hasn't moved forward he asked the board if they would like to share the DVD with NGWA. Dan needs help in creating the final product. NDA has already paid \$4500 and will need to pay another \$4500 shortly to Storytellers. The second revision of the script has been reviewed by NGWA and mentioned he is not sure if he should redistribute the script again or just go with what we have and get involved again with Cleveland and start filming. The main hold up has been not being able to get an update on CSA2010. Dan feels that this new DVD could be sold to any drilling contractor and some manufacturers. We can inform companies what the law is and provide them with this tool to show their employees. This will help NDA raise additional funds as well as helping our industry.

Dan still needs input on who is going to be the driver and whose rig we will be using on the DVD. These individuals will need dedicated time to do the shooting and filming. The board feels that they would like an NDA member do that. Larry Gibel advised the board that since he lives in the Cleveland area he has no problem with using his rig and people to do this for the filming. Dan mentioned we need a truck mounted drill specific to our industry and to include service equipment 550 truck or water truck or trailer.

ACTION ITEM

J&M will forward the script to the full board for them to review and return their comments by August 15th.

MISC.

Peggy mentioned that she has sent out 6 emails since May and received no response (except from Dan). They were on different topics – Auger Fest – OSHA Training Experience – Speakers for annual convention, etc. It seems as though when an email isn't sent directly to an individual that board members are not responding. She stressed that she would encourage all board members to please hit "reply" and at least let us know that you received the email.

Insurance

For the benefit of a few new people in the room, Mike Tiani explained the benefits of having an NDA insurance captive and pointed out that it would be a program designed specifically for drilling contractors and that the NDA would get some benefit from it by receiving a small percentage of annual premium. He has been working with Jay O'Dice (International Captive Alliance Group, ICAG) for many years trying to get this started for the NDA – Jay is the administrator of the current CSDA rent-a-captive and, because Mike had an issue with obtaining the needed re-insurance for the NDA captive (generally needed a committed 3 million in premium), the CSDA agreed to put drilling

contractors into a sub-cell of theirs until there was enough premium generated for NDA to start their own (currently there are three drilling contractors in this cell). ICAG is now close to being sold and the CSDA is saying that the new administrator will continue to run it in a similar manner plus they plan to offer first dollar coverage to small contractors which Mike believes is a good thing. The CSDA would like the NDA to have a long term relationship with their captive which would help them grow to a size that may allow them to have their own full captive rather than the present rent-a captive. All we would need to do now is sign a reciprocal agreement with them. Mike again talked a bit about how much he liked the captive atmosphere and cited specific claims he had and how well they were handled verses how he felt they would have been handled by typical commercial carriers.

A considerable amount of discussion followed and Larry Gibel made a motion to not sign a reciprocal agreement with the CSDA, it was seconded by Dave Neibert and all were in favor of the motion to not sign –Motion APPROVED

Drilling Certification

Larry Gibel reported that NDA has established a series of tests, based on our Drillers Manual. NDA took three of the tests out of that manual and made them available on Red Vector. The tests are: Ground Water, Safety, and Monitor Well Drilling. Tom Ruda, who co-authored the Drillers Manual, is retired now and he brought up starting a certification program.

Larry started a discussion as to what type of a product NDA would like to offer our members. Larry feels designing and holding a certification based on the manual is very doable. He mentioned that we need to use modern teaching methods as most students do not lend themselves to just being handed a book. He feels we need to take manual and develop a series of power points, establish an outline, lesson plans and develop a simple book to follow and develop it around the exams. This would be needed in case the instructor gets ill, someone could step in and teach the class. This should be fairly simple to develop with the help of J&M. If this is something the board wants to do he is willing to assist Tom Ruda.

The board would like to see NDA set a minimum standard for the instructor of the Drillers Certification and that the certification would be an NDA class and therefore another benefit of membership. The individual would be certified by NDA but at this point we don't believe any states will recognize the certification. Dan Dunn reported that North Carolina is the only state that recognizes our classes that are offered on Red Vector.

Peggy McGee reported that just recently we have had two requests that contractors had drillers that needed to take our Masters Drillers Certification class. Larry also said that throughout the years we have put the SSI course on 5 or 6 times and many of the attendees are from out of the country as they want knowledge that can be obtained from our instructors and our manual whether it is part of a certification from a state or not.

Larry feels the class should be a five day course with a test given on the last day to be sure that the materials are being covered. Many of those in attendance feel that five days is too long to have an employee gone when it is not certified or required by any state. It was discussed to hold a one day course and have the students take the test at the end of the day as they feel the course is for the individuals who already have the training or experience. Another suggestion was to hold a class similar to SSI, two days reviewing different areas of the manual and a test in the morning of the third day.

TABLED until next board meeting

Next board meeting will be Wednesday, October 5 at the annual meeting.

The meeting was adjourned at 2:00 PM, EST