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ROC 2034 plan aims to lift up all members of the community



The city of Rochester created a 15-year plan with internal and external stakeholders known as Rochester 2034 addressing the following themes: positioning Rochester for growth; connecting land use and transportation; placemaking; and social and economic equity.

By VELVET SPICER

In 2019, the city of Rochester, working with numerous internal and external stakeholders, put together a comprehensive plan, a nearly 500-page document that addresses six initiative areas that was designed to enable the region to realize its full potential.

Rochester 2034 is a 15-year plan that outlines the principles that will shape Rochester's growth for the

next decade and a half. Rochester 2034 includes 20 action plans, with a total of 88 goals and 517 strategies. It's a blueprint to guide efforts to create more jobs, safer and more vibrant neighborhoods and better educational opportunities.

And what better way to celebrate Rochester's 200th birthday in 2034 than with an outline for growth?

"As we're positioning Rochester for growth, with the renewed interest in urban living and revitalizing cities, we are no longer managing decline

in Rochester. There seems to be an overall sense of stability and we're seeing pockets of growth in Rochester," said Dorraine Kirkmire, manager of the city's Office of Planning.

Kirkmire was one of four presenters last month for Placemaking 101: Shaping the Places We Share series' "Moving Rochester 2034 Forward" presentation hosted by the Community Design Center. Kirkmire said ROC 2034 is intended to help us be

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O'Connell Electric prepares for a leadership transition

By KEVIN OKLOBZIJA

When Victor Salerno left his accounting job in 1971 to oversee the finances of O'Connell Electric Co., he brought with him a personal expectation.

He didn't intend to use this role as the company's vice president as a stepping stone to bigger and better elsewhere. But he did expect to rise within O'Connell.

"I always wanted to be president of this company," Salerno said recently.

After 50 years with the Victor-based, full-service electrical contractor, that is quite possibly the only goal he hasn't achieved.

From establishing a foundation within the firm for long-term fiscal security to roaring past his target benchmark of a quarter billion dollars in annual sales revenue, Salerno has guided O'Connell to lofty heights in the field. The nationally prominent company — established by Jack O'Connell in 1911 — has become the perpetual No. 1 among electrical contractors in the Rochester Business Journal's annual Book of Lists.

"This has been," Salerno said, "a wonderful experience for me."

Even if he never became president. He actually skipped that step, leapfrogging from executive vice president to chief executive officer in 2006 when Walter Parkes retired and became chairman.

Changes at the top

And now comes another transition, with Salerno, 76, set to become co-chair and pass the torch of leadership to Parkes' son Tom, the current president and chief operating officer.

Over the next 15 months, Salerno will fully implement the succession plan, preparing for his retirement while ushering in a newly appointed quartet of vice presidents — Michael

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Questions arise on local impact of DOL's ruling on standards for employees, independent contractors

By ANDREA DECKERT

Area experts are mixed on whether a final rule set last week by the U.S. Department of Labor that clarifies the standard for employee versus independent contractor status could impact local businesses at this time.

They also question whether the new rule will remain in effect when a new federal administration takes office next week.

The DOL announced the final rule under the Fair Labor and Standards Act on Jan. 6. It is slated to go into effect March 8.

According to the final rule, individuals are employees if they are economically dependent on the employer. They are independent contractors if they are in business for themselves

and not economically dependent on someone else's business.

"This rule brings long-needed clarity for American workers and employers," said U.S. Secretary of Labor Eugene Scalia in a statement.

"Sharpening the test to determine who is an independent contractor under the Fair Labor Standards Act makes it easier to identify employees covered by the Act, while recognizing and respecting the entrepreneurial spirit of workers who choose to pursue the freedom associated with being an independent contractor."

Proponents of the measure say it streamlines and clarifies the test to identify independent contractors and reduces worker misclassification and litigation, while increasing efficiency, job satisfaction and flexibility.

In contrast, the measure has been criticized by labor advocates as making it easier for companies to deprive workers of the benefits of full-time employees.

"This is something we are watching closely," said Michael Trabold, director of compliance at Paychex Inc.



Trabold

Trabold has received a number of calls from clients on the topic. The change could have economic benefits to employers, which is especially relevant as the economy continues to face challenges from the COVID-19 pandemic, he said.

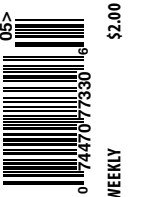
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ial benefits to many users. Against these benefits, Facebook use also gives rise to real costs as demonstrated by the important research of Professor Alcott and his colleagues. In

addition, recent events in the United States and elsewhere show that Facebook can easily be exploited by demagogues to rapidly spread fake news. So, considering all these factors, are

the net benefits of Facebook, and more generally social media, positive? We do not know for sure, but what we can say now is that it is certainly not axiomatic that these net

benefits are positive.

Batabyal is the Arthur J. Gosnell professor of economics in the Rochester Institute of Technology but these views are his own.

O'CONNELL

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Parkes, Don Coon, Joe Leggo and Brian Rittenhouse — to complement the leadership team of Tom Parkes, executive vice president Susan Parkes-McNally, EVP of operations Joe Pellerite and chief financial officer Jeff Gould.

“There has been a deliberate building of the leadership structure with an eye to the future,” Salerno said. “My goal is to leave this company in the strongest position it’s ever been in, and when Tom retires in 20 years or 10 years, he’s going to do the same.”

The firm’s rise over the past five decades has been remarkable. When Salerno arrived, leaving his job at the CPA firm of Haskins & Sells to join O’Connell, the company had 35 employees and revenue of around \$2 million. Today there are about 820 O’Connell employees across the state, and annual revenue is pushing \$400 million.

Not bad considering that new vice president hired in 1971 at the age of 26 knew little about the electrical contracting business.

“I’m not an engineer, I have trouble changing lightbulbs,” Salerno said with a smile. “I’m not the handiest, but I know handy people.”

He also knows business finance, which is just what Walter Parkes needed. Parkes bought the company in 1968 from the founder, Jack O’Connell, and three years later brought Salerno on board to ensure a path to financial stability.

“Walt was a gunslinger,” Salerno said. “He’d take on any project, and I’d balance everything in and make sure we didn’t overdo it.”

Learning experience

They learned one difficult lesson the path to prominence, however. In the early 1980s, O’Connell Electric bid on two state prison projects.

“They were huge jobs, way bigger than anything we’d ever taken on,” Salerno said.

Huge to the tune of \$4.5 million and 100 workers on each job.

When the bids were secured, champagne corks were popped. The firm envisioned a nice little score from each job.

“We won one bid by \$1,800 and the next month won the next bid by \$30,000,” Salerno said. “But come to find out, nobody had the right price for the jobs.”

They had badly underbid the projects.

“We came very close to going bankrupt,” Salerno said. “We blew through our line of credit (of \$1.5 million). Walt and I are checking our bank accounts; how much do we have to put in if we have to?”

Nonetheless O’Connell Electric finished both jobs, and the early completion bonuses softened the blow. Still, they lost nearly \$1 million.

“It was the best thing that happened to us,” Salerno said. “We learned from it, we improved our processes, and we found out who our friends are.”

Thus, when Salerno speaks to business students or young entrepreneurs, he always has sound advice:

“When you get your first big check, don’t go out and buy a new Escalade,” he said. “Put it aside, save it, use it to invest in



Photo provided

Tom Parkes (left) is taking over leadership of O’Connell Electric from Victor Salerno (right) who has been with the firm for 50 years.

the company but don’t squander it. Someday you’re going to need it.”

Olympic-sized job

Of course, some risks have made the job fun. Like when Walter bid on the electrical work for the 1980 Lake Placid Winter Olympics.

“We had to run a power line from a road to the summit of Whiteface Mountain,” Salerno recalled. “It was quite a job but we got it done and made money.”

They also ended up with the opportunity to buy tickets for Olympic events and ended up watching the greatest sporting event of the 20th century, the Miracle on Ice hockey game between the United States and Soviet Union.

“We did the electrical at all the venues, and we bought a bunch of tickets that Walt wanted to give to customers, so we got this hockey game,” Salerno said. “We didn’t know it would be Russia-USA but it worked out. It was fabulous.”

Walter also went a little beyond the company’s comfort zone on a lighting job at the Greater Rochester International Airport. It ended up opening new avenues — or runways — for revenue.

“I said, ‘Walt, we’ve never done anything like this,’” Salerno said. “He took the risk, we did it, we did well, and since then we’ve done a huge amount of airport work.”

Walking a tightrope

The craziest work the firm has done didn’t even require a bid. Tom Parkes secured a partnership with Nik Wallenda to install the cabling for the aerial daredevil’s walk across Niagara Falls in 2012, the Grand Canyon in 2013 and the Chicago River in 2014.

“Our guys are always up for a chal-

lenge,” Parkes, 64, said. “Pretty much the same crew did all three of those jobs.”

Said Salerno: “We did have an opportunity to go to Nicaragua (for Wallenda’s tightrope walk across the Masaya Volcano last spring), but when they said everyone had to have kidnapping insurance, we shied away from it.”

Most work is more traditional, however, like the 4.2 million-square-foot Amazon project in Syracuse, the Syracuse University dome, the Roaring Brook Wind Farm or the Grand Island Bridge.

Tom Parkes has been with the company ever since his father bought it, although not necessarily in an official role. He was sweeping floors as a teenager and pretty much never left, growing up in the business world as O’Connell Electric prospered.

A master electrician, he’s a fourth-generation electrical worker and his sons, Steven and Michael, also work for O’Connell.

“I’ve been sweeping floors to playing electrician to going through the apprentice program to superintendent, I’ve done it all,” Parkes said.

That’s why he doesn’t envision much change in how O’Connell operates, although there will be a turnover with some of the workforce.

“We have a lot of people getting a lot of gray hair here so they’re going to be retiring, so I think the business could be a little different in 10 years when everybody retires,” he said. “Hopefully we can get everybody on the bus and everybody understands the business we’re chasing. I think we have great respect here within the field and the offices, so I really don’t see any problem.”

Not for sale

Other firms certainly respect

O’Connell, and with that reputation comes offers to sell. Bigger firms are looking to enhance their own standing while at the same time eliminating competition. There is, however, no For Sale sign.

“I want this company to prosper well into the future, I never wanted to see us sell,” Salerno said. “We get contacted constantly by major companies across the country but we’re not for sale. If we were all greedy SOBs, we could sell it and get a huge, huge amount of money. But I want it to go on. Our chairman Walter Parkes would like to see it go on, and I want to honor his request.”

Salerno and the Parkes family also continue to honor another request: that the company always be O’Connell Electric.

Back in 1969, Walter Parkes bid on a job with the New York State Department of Transportation. He had the winning bid, but he couldn’t meet the state’s bond requirement. Just a year into Parkes’ ownership, O’Connell Electric didn’t have the financial stability that the state required.

“So Jack O’Connell says, ‘Let’s go to Albany and meet with them,’” Salerno said.

Even at the former owner’s urging, DOT officials weren’t going to give Parkes the job.

“So Jack reaches in his pocket,” Salerno said, “and pulls out his bank passbook with maybe \$600,000 in it and says, ‘If I give you this to hold as security, will they get the job?’”

“Sure, no problem.”

O’Connell’s only request in return for his favor: Don’t change the name of the company.

“My father still gets pretty emotional talking about it,” Tom Parkes said.

While O’Connell Electric operates from a position of strength, the leadership team knows that dedication to excellence can never waver.

“We get in trouble if we start taking things for granted, and we don’t — believe me we don’t — take things for granted,” Salerno. “I don’t care how strong we are, we’ll try our best to get the next job.”

Salerno will shift into retirement with that same mindset. He’ll continue to support the community in various board positions, including at St. Anne’s Community and his alma mater of St. John Fisher College.

The Parkes family is equally committed to the community through philanthropic endeavors. The Walter and Carmina Parkes Family Foundation was established a quarter century ago and the Mary M. Parkes Center for Asthma, Allergy & Pulmonary Care at the University of Rochester Medical Center honors the memory of their daughter.

Salerno isn’t saying goodbye to the firm, however.

“It’s been a wonderful team effort for almost 50 years,” he said. “I’m not running away, I’m not moving to Florida, we’ll be here to help as much as necessary, but I think we’re in a great position to move forward under Tom’s leadership.”

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