

**Written Comments Received for
June 28, 2013, Judicial Council Meeting**

Name and Title	Affiliation	Topic	Date of Receipt	Page Nos.
1. Mr. Richard Markuson	On behalf of the Western Electrical Contractors Association, Air Conditioning Trade Association, and the Plumbing-Heating-Cooling Contractors Association of California	Project Labor Agreement for the San Diego Courthouse Construction	June 18	3-5
2. Ms. Jodi Nagel, Chairwoman	Associated Builders and Contractors of California	Project Labor Agreement for the San Diego Courthouse Construction	June 18	6-7
3. Mr. Eric Christen, Executive Director	Coalition for Fair Employment in Construction	Project Labor Agreement for the San Diego Courthouse Construction	June 19	8-25
4. Ms. Nicole Goehring, Government Affairs Director	Associated Builders and Contractors of California	Project Labor Agreement for the San Diego Courthouse Construction	June 25	26-30

Name and Title	Affiliation	Topic	Date of Receipt	Page Nos.
5. Mr. Michael Ferreira, President	California Federation of Interpreters	Recommendations on language access and federal requirements for interpreting services	June 26	31-33
6. Mr. Ray Van der Nat, attorney	State Building & Construction Trades Council of California	Project Labor Agreement for the San Diego Courthouse Construction	June 27	34-57
7. Mr. Robbie Hunter, President	State Building & Construction Trades Council of California	Project Labor Agreement for the San Diego Courthouse Construction	June 27	58-96
8. Mr. Tony Krvaric	On his own behalf	Project Labor Agreement for the San Diego Courthouse Construction	June 27	97



June 18, 2013

Honorable Tani Cantil-Sakauye
Chief Justice
Supreme Court of California
350 McAllister Street
San Francisco, CA 94102

Re: AOC PLA Decision – San Diego Courthouse Construction

Dear Chief Justice Cantil-Sakauye:

On behalf of the Western Electrical Contractors Association (WECA), Air Conditioning Trade Association (ACTA) and Plumbing-Heating-Cooling Contractors Association of California (CA PHCC) I write in opposition to what appears to be a **staff decision** to order Rudolph & Sletten Inc. to enter into a PLA with the State Building and Construction Trades Council, for construction work associated with the new San Diego Central Courthouse project.

It is unclear to what degree the members of the AOC and Facilities Working Group were informed of and participated in this decision. The few documents that we have obtained about the decision suggest that political pressure was applied and because the project was well along in its final planning stages, AOC staff pressured Rudolph & Sletten to quickly agree to the PLA with scant information provided to you and the other members of the AOC.

If our understanding is correct then we strongly urge you to reject this exclusionary and potentially costly PLA and allow this project to be built with fair and open competition. Furthermore, we urge you to direct the AOC staff from pursuing similar “backroom deals” with special interests.

We understand that this issue may to be discussed at your June Judicial Committee meeting and it is here that we ask you to allow all aspects of a PLA to be fully discussed.

According to the most recent workforce participation survey conducted by the Department of Labor's Bureau of Labor Statistics (BLS) the 85% of the California construction workforce has agreed with their employer to work in a collaborative manner – without a collective bargaining agreement and a union intermediary. In San Diego the unionization rate is even lower. A PLA will keep some of the largest subcontractors in America, who are based in San Diego, from bidding on this project at all thus guaranteeing a higher cost to you.

Pacific Advocacy Group
419 Nasca Way
Sacramento California 95831
916 538 2360

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In the correspondence between AOC staff and the Building Trades the model PLA that will be used is the one used on the new Courthouse in Long Beach. This PLA requires any subcontractor signing it to do the following:

- All workers must be hired through a union hiring hall thus forcing a non-union contractor to lose control of their workforce. A non-union contractor will only be allowed to use 5 of his/her own workers (core employees) with the rest coming from the union.
- All workers must pay union dues and/or fees to work on the project even though they are not union members. This could run into the thousands of dollars for a worker depending on the trade, money that worker would otherwise be able to use for food, car payments, educational expenses, etc.
- All contractors would be forced to pay into union health, welfare, and pension plans despite already having benefit packages set up for their workers. This requires the contractor to either pay dual benefits which puts them at a competitive disadvantage in the bid process, or dis-enroll their workers from their existing benefits programs and re-enroll in a union program. What possibly public benefit is there from forcing a covered employee to change his/her health plan for the duration of a construction job just to satisfy a special interest group? And while the covered worker will qualify for health benefits after a short period, the pension payments made too the union plan is essentially wasted because the worker will never become vested in the union plan.
- All apprentices must come from union apprenticeship programs despite the existence of many state and federally approved unilateral programs in the San Diego Region.

It is for these reasons and others that many contractors simply will not bid a project covered by a PLA, which is the un-stated reason the SBCTC wants them placed on projects in the first place. Without the competitive bid pressure that these companies would otherwise provide to this project's bid process, costs can escalate significantly.

We believe this “back room” agreement has not been properly vetted or discussed. The AOC staff's rationale explaining the need for this agreement is lacking at best. Therefore we recommend the following:

- Allow all sides to present their perspective on PLAs.
- Allow for ample public participation from Judicial and Facility Working Group Committee members.
- Make an informed decision on this controversial agreement.

AOC PLA Decision – San Diego Courthouse Construction

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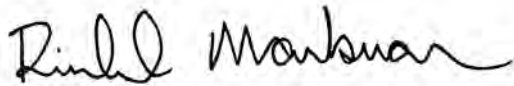
- At the very least this project could be bid with and without a PLA so that you may see for yourself just what a PLA does to costs.

Hundreds of millions of taxpayer dollars are being committed to this project in a city that just last June voted 58% to 42% to ban PLAs on city funded projects.

This is not, in our opinion, a decision that should be made in haste by staff and forced upon a construction community at the last minute. While the objective of the AOC is to have the new courthouse completed on-time and on-budget, we are very concerned that the process has been skewed for political purposes and ultimately ill-serves the AOC, the public, the taxpayers of California and ultimately, judicial integrity.

Thank you for your consideration.

Sincerely

A handwritten signature in black ink that reads "Richard Markuson". The signature is written in a cursive style with a large, stylized initial "R".

Richard Markuson



June 18, 2013

Steve Jahr, Administrative Director of the Courts
554 Golden Gate Avenue
San Francisco, CA 94102-3688

Dear Director Jahr:

Associated Builders and Contractors (ABC) is a national trade association representing 22,000 members from more than 19,000 construction and industry-related firms. Founded on the merit shop philosophy, ABC helps members win work and deliver that work safely, ethically and profitably for the betterment of the communities in which they work.

ABC California, comprised of five local ABC California chapters as part of 72 ABC chapters nationwide, encourages government officials to procure public works through fair and open competition by ensuring a level playing field for all qualified contractors and their skilled employees, regardless of union affiliation. Experience demonstrates this approach helps government agencies provide taxpayers with the best possible construction product at the best possible price. ABC California's craft and apprentice training programs are recognized by the California Department of Industrial Relations and cover a wide variety of skilled trades including: electrical, plumbing, sheet metal, HVAC, painters, laborers, carpenters, heavy equipment operators, mobile crane and welding.

Associated Builders and Contractors California is troubled by the Project Labor Agreement (PLA) you have encouraged the contractor to enter into with the State Building and Construction Trades Council for the construction of the \$586M Central Courthouse Construction in San Diego. Project Labor Agreements (PLAs) discriminate against 84% of California workers that are nonunion. Additionally, PLA's can add up to 18% onto project construction costs for the taxpayer. On the \$586 Million Dollar San Diego Courthouse construction project, costs could be increased by \$105 Million.

The increased costs due to the PLA come at a time when the Court Facilities Working Group recently announced changes to the project due to funding and budget constraints. The new courthouse project for downtown San Diego will proceed without simultaneous construction of a tunnel connecting it to the Central Jail. Specifications for the tunnel would have driven up the tunnel cost to an estimated \$25 million, and the working group decided it was too costly. "Given our current program funding limits, we appreciate the court's willingness to scale back this project's costs," said Justice Jeffrey Johnson, chair of the working group's cost-reduction subcommittee and Associate Justice of the Court of Appeal, Second Appellate District, in Los Angeles.

ABC is opposed to PLAs because these agreements restrict competition, increase costs for the taxpayer, discriminate against non-union employees and place merit shop contractors at a significant competitive

Associated Builders and Contractors of California
P.O. Box 80718 Bakersfield, CA 93380-0718
www.abc-cal.org

disadvantage. PLAs are anti-competitive agreements that stop open and fair bidding on taxpayer-funded projects.

ABC California believes in increasing opportunities for all workers regardless of their affiliation. A PLA on the San Diego Central Courthouse will limit California workers eligible to work on the courthouse, including the nearly 1,000 apprentices currently enrolled in ABC's apprenticeship training programs.

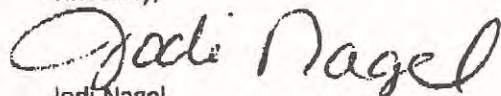
Before any decision is made to move forward with the use of a Project Labor Agreement on the San Diego Central Courthouse Construction or on any future courthouse construction in the state, ABC California respectfully asks that your PLA educational session during the June AOC Council meeting include PLA proponents and opponents on the agenda for an open discussion.

ABC California would also like to meet with you immediately to ask for a Fair and Open Competition policy to ensure the following:

The Administrative Office of the Courts shall not, in any contract for the construction or maintenance of California Court Construction, require that a contractor, subcontractor, material supplier, or carrier engaged in the construction or maintenance of the project, execute or otherwise become party to any project labor agreement, collective bargaining agreement, community benefit agreement, pre-hire agreement, or other agreement with employees, their representatives, or any labor organization as a condition of bidding, negotiating, being awarded, or performing work.

Thank you for your prompt consideration of this request. Please contact Nicole Goehring at nicole@abcnocal.org or 209-482-1697 with any questions.

Sincerely,



Jodi Nagel
Chairwoman ABC of California

CC: Chief Justice Tani G. Cantil-Sakauye, Judicial Council
Justice Brad Hill, Chair of the Court Facilities Working Group
Jody Patel, Chief of Staff
Curt Soderlund, Chief Administrative Officer
Curt Child, Chief Operating Officer

From: [CFEC](#)
To: [Judicial Council](#)
Subject: Why Are You Inflating the Costs of the San Diego Central Courthouse Project?
Date: Wednesday, June 19, 2013 3:45:48 PM
Attachments: [SD Central Courthouse PLA Documents.pdf](#)

Judicial Council Member:

My name is Eric Christen and I am the Executive Director of the Coalition for Fair Employment in Construction (CFEC). CFEC was created 13 years ago to protect open competition in the California construction market by opposing what are known as Project Labor Agreements (PLAs). PLAs are nothing but backroom deals cut with Big Labor special interests that seek to exclude the 85% of the construction market that is union-free. What does such an agreement have to do with you?

As you can see from the attached documents, the State Building and Construction Trades Council has convinced the staff for the Administrative Office of the Courts to negotiate a costly PLA exclusively with them for construction of your new \$500+ million San Diego courthouse. Contractors were excluded from the negotiations, even though they will have to sign the agreement as a condition of working on the project. I am writing you this letter to inform you what a costly decision this is for the AOC and the taxpayers of California.

We assume this deal was not made because the unions overwhelmed the AOC with the sheer intellectual power of its arguments as to why the courts must require their contractors to sign a PLA (resulting in increasing the cost by at least 13-15%). We also doubt it was based on the fact that more than a dozen prominent non-union contractors in San Diego had planned to participate in bidding as subcontractors (including two of the largest electrical contractors in America) who had been asked to bid by the firm you have chosen to be the general contractor on the project (Rudolph & Sletten)-and who will now *not* be bidding the project. And we find it hard to believe a PLA was picked for this project in a town that has voted overwhelmingly to ban them.

We don't know the details because this scheme was arranged behind closed doors. We had to submit a request for public records and wait a few weeks to get the documents proving true the rumors that a PLA was in the works.

We still don't have a copy of the PLA – apparently the terms and conditions that unions obtained to get a monopoly on this publicly-funded project is a big secret. Is this how public agencies are supposed to operate?

Based on what AOC's Steven Jahr told the San Diego UT newspaper we know it is based on the Long Beach courthouse PLA, which means it will be a standard PLA. What does this mean? It requires contractors to get some or all of their trade workers through the union hiring hall dispatching system, thus as a practical matter showing favoritism to contractors already bound to labor agreements with unions, over non-union contractors with a permanent independent employee workforce on their payrolls. It requires contractors to make fringe benefit payments to union-affiliated trust funds, thus as a practical matter showing favoritism to contractors already bound to agreements with union-affiliated benefit trusts, over non-union contractors with their own company benefit programs. And it will explicitly exclude non-union apprentices who happen to be in state and federally approved programs. Are you

aware of any of these outrageous requirements?

It appears you were. The AOC Judicial Council was informed, based on previous committee meeting minutes, of what was going on, but didn't bother to put discussion of the PLA on the last meeting agenda. We suspect the Judicial Council didn't want the public to know what was happening, perhaps because everyone knows a PLA will cut bid competition and increase costs on a project that has already suffered significant budget cuts.

Another factor may have provoked some unease about public exposure: voters in San Diego County have repeatedly approved ballot measures that prohibit local governments from requiring contractors to sign Project Labor Agreements. As you can see from the enclosed news article, San Diegans most recently voted to ban PLAs in June of last year by a margin of 58% to 42%. And what does the citizenry of San Diego get from the AOC? A PLA thrown back in their faces. Remarkable.

Thanks to our public records act request and the information we attained through it we have exposed the issue to the media. In the enclosed news article that ran in the UT Mr. Jahr gives what are at best incoherent and at worse deceitful rationales as to why the PLA was needed. Enclosed is my deconstruction of each as well.

Going forward.

We would like to seek a meeting with the Judicial Council to explain precisely what a PLA is, why it is harmful to workers, and how it will inflate costs on this project and future projects, we assume, that the AOC will now be targeting for a PLA. We will be emailing, mailing, and calling each member of the Judicial and Facilities Committees to press our case and save you from your staff.

In the meantime, we will persist in informing the legislature, the news media, and the public, using all means available, about how their judicial system mismanages activities funded by the public. As we have amply demonstrated in the past we are not only capable of this but we are quite effective at it.

A Project Labor Agreement is contrary to the idea that governments should seek policies that provide for the best quality construction at the best price. We ask that common sense prevails and that this Project Labor Agreement be abandoned.

We look forward to your response.

Sincerely,

Eric Christen
Executive Director
Coalition for Fair Employment in Construction
[\(858\) 431-6337](tel:(858)431-6337)
ericdchristen@gmail.com
www.opencompca.com

Point-by-Point Deconstruction of Steven Jahr's Email to the AOC Judicial Committee Members Regarding the Necessity of a Project Labor Agreement for the Central Courthouse Project in San Diego

Members of the Judicial Council:

On May 8, 2013, a mere 41 days ago, at 11:54am, you received an email from Steven Jahr regarding the Central Courthouse project for San Diego. The email was apparently intended to inform you, after the fact, that a highly controversial "agreement" had been reached between the selected contractor for this project (Rudolph & Sletten, Inc.) and the State Building and Construction Trades Council of California (trade unions). This "agreement" is what is referred to as a Project Labor Agreement or "PLA".

PLAs are the most radical, contentious, and divisive issue facing the California construction industry, as I explained in my cover letter to you. The intent of this document is to offer you a point-by-point refutation and deconstruction of the email Mr. Jahr sent you.

His email is vague, after-the-fact, and insulting. It is insulting in that it is so misleading and incomplete that it can only be assumed that the sole intent of the letter was to provide you with the most minimal amount of information possible so that zero to little discussion would take place on something that is so controversial, and something that will dramatically impact the cost of this project. In this regard, and thanks to our discovery of this and other documents through a Public Records Act request, he has not succeeded.

To the email from Mr. Jahr (enclosed) with my response in red to each point he made:

Members of the Judicial Council

I want to make you aware of a pending announcement by the State Building and Construction Trades Council of California regarding a Project Labor Agreement (PLA) with our selected contractor (Rudolph and Sletten, Inc.) for construction of the new Central Courthouse project for San Diego, the state's largest courthouse construction project. On a project of this magnitude this is the first time you are hearing about this radical departure from the way you normally build courthouses. It appears the only reason you are hearing about it at all is because the unions were about to send out some announcement bragging about their monopoly agreement.

The Trades Council has expressed continued interest to the AOC about entering into such an agreement on this project. I would imagine they have expressed interest. They are quite interested in eliminating their non-union competitors and gaining exclusive bargaining rights over this half a billion dollar project. If I "expressed interest" in saving you money by removing the threat of union strikes by creating an agreement that made it all but impossible for unions to work on this project, would staff give me the time of day?

Following negotiations regarding potential terms and conditions of a PLA between Rudolph and Sletten and the Trades Council, (with input from the AOC), we concluded that this approach was beneficial. Who "negotiated" this? What was the empirical data that was used that allowed staff to conclude that the most radical and divisive issue facing the construction industry today was worth undertaking?

I requested that the contractor enter into a PLA with the Trades Council to ensure

certainty and timeliness as well as reduce variables in a construction project of this magnitude. In logic this is what is referred to as the Fallacy of Presumption. What other projects of yours have had “certainty” and “timeliness” issues? What other projects with similar size and scope (of which there have been many in San Diego alone) have had these issues? What does “reduce variables in a construction project” even mean? Again, where is the well laid out rationale that explains why such a radical way of doing business is being undertaken?

This will be the first state courthouse project on which a PLA is signed. This is simply not true and is actually contradicted later in the email to you.

I should emphasize that we are considering this PLA to be a pilot effort that the Court Facilities Working Group and AOC will continuously evaluate for costs and benefits going forward, about which I will keep the Judicial Council apprised. Again, what were the criteria that were laid out that showed this radical new way of doing business was even needed? Exactly what problems was this solution looking to solve?

As you know, the new 71-courtroom facility is badly needed because of serious seismic and security issues and other significant functional problems. At \$586 million for the total project (of which \$544 million is construction), any delay can be costly. Again we have this “delay” straw man argument being raised. What “delay” is he referring to? What other similar projects have been “delayed”? Did the unions threaten to delay this project? How so? If in fact it was implied that delays could occur were the unions thus enabled by having a PLA given to them?

The Court Facilities Working Group and the AOC have worked with all parties, including the Legislature, the Department of Finance, County, and City to keep the project moving forward. To that end, the PLA is being put in place to ensure that this momentum continues by preventing potential expensive delays and related costs. Again we have this threat of “delays” and now “related costs” thrown out there with no context provided. What is staff precisely referring to? A \$400 million federal court was just completed blocks away from where this project will be built. There were no “delays” and no “cost increases”. A \$1 billion airport expansion is underway currently a mile away from this project and there have been no “delays” or “cost increases” on that project. In fact within a one mile radius of downtown San Diego there is \$3 billion in major construction projects underway and not one has a PLA on it. What is staff talking about?

We realize there are some who criticize PLAs. Perhaps the understatement of the year if not the decade. Who criticizes PLAs? Why would anyone criticize something that “reduces delays and costs”? What are the main reasons these groups oppose PLAs? Were committee members aware that the critics of these “agreements” include the citizens of San Diego who find them so offensive that just 12 months ago they banned their use on city-funded projects by a margin of 58%-42% by approving Proposition A? This lopsided outcome occurred despite unions spending \$2 million trying to convince voters that PLAs would “reduce costs” and prevent “delays.” Has staff informed you that in San Diego County alone “critics” of PLAs have passed 5 PLA bans? Who are these “critics”? What are their arguments against PLAs, arguments that every time they are put before voters are approved overwhelmingly?

We have examined those criticisms and believe for this project there is an overall benefit.

Again, what are the criticisms? What, specifically, did you use to conclude that those “criticisms” were invalid and that a PLA was justified?

We have been advised that a number of collective bargaining agreements for involved trades will come up for renewal within the construction window for this job. The terms of the PLA ensure that the construction process will be uninterrupted by those renewal anniversaries. Ah, so now we get to the gist of the argument for a PLA! Big labor special interests approach AOC staff and ask them if they want to buy some insurance. AOC staff says, well, we haven’t needed it in the past so why would we need it now? Big labor lets them know that all kinds of terrible things could happen (however false the threat is) if this generous offer they are making is not rewarded.

The agreement precludes strikes and would prevent delays caused by shortages of qualified workers in the relevant trades. First, threatening to hold up a project unless demands are met is extortion. Second, PLAs prevent no such thing. Strikes have occurred on numerous PLA projects. Third, if PLAs did prevent strikes and work stoppages why would approximately 20% of every PLA be dedicated to dealing with these instances when and if they do occur? Collective bargaining agreements come up for renewal all the time and 99% of all construction projects in California continue on with no PLA.

It will also streamline management of the project. We believe the PLA will be cost-effective. Again, what are these assumptions based on? What facts? What empirical data? More than \$500 million is being put at risk here using a delivery system that multiple studies and anecdotal evidence have shown will add at least 13-15% to your costs, yet this vaguely worded email is the only rationale you have been given as to why this PLA is a good idea?

It will apply to most, but not all, of the bid packages—those smaller than \$125,000 at all bid tiers will be exempt. Why? Why would such a good idea not be good enough for the entire project? Is staff implying here that with a hiring goal of 30% local, small, minority, and emerging construction businesses a PLA would make that harder? Why? Is it because, according to the Bureau of Labor Statistics, the San Diego construction market, like the California and U.S. market as a whole, is 85% non-union? If that is the case and that is why a PLA is not going to be applying to bids under \$125,000, why would they apply a PLA to any portion of the project knowing that they will preclude non-union firms from bidding?

Additionally, the PLA provides that the project has a built-in local participation goal of 30 percent for San Diego trades. Notice how this is a goal. There is no penalty associated with not meeting the goal. Secondly, the number itself (30%) is absurd. A project like this in a region that is relatively geographically isolated and self contained would normally be made up of at least 70% local hires (San Diego County residents). It appears unions are already building in low expectations knowing that a PLA will all but force workers to be shipped in from other parts of the state and country.

(The Long Beach project, through Long Beach Judicial Partners, LLC, also is operating under a PLA. As mentioned above, staff has just contradicted itself. Earlier in this email they told you there were no other PLAs. What else have they missed in their rush to reward Big Labor’s extortion?

Examples of other projects with PLA in San Diego include Petco Field and the San Diego Convention Center.) Petco Park had a PLA placed on it 13 years ago because unions threatened to delay the project on environmental grounds by filing hundreds of pages of documents if the owner did not “agree” to a PLA. The San Diego Convention Center PLA is now in court and will likely be thrown out due to it violating the aforementioned Prop. A. Are these really the two best examples that staff has for you? If so here are just a few of the current projects underway in San Diego that did not require a PLA:

- \$1.5 billion+ San Diego Community College District’s Prop S & N construction bonds
- \$1 billion San Diego International Airport Lindberg Field renovation
- \$1 billion Palomar Medical Center
- \$450 million Replacement Hospital project at Camp Pendleton
- \$368 million San Diego Federal Courthouse
- \$220 million Proton Cancer Treatment Center
- \$190 million San Diego Downtown Library

Packages for subcontractor prequalification are now being disseminated by the contractor. Indeed they are and there is no mention of a PLA. So bidders are being asked to consider bidding for a project that they have no idea a PLA will be placed on. We have already identified 12 bidders who would bid this project without a PLA but who would not bid it with a PLA. Two of these subcontractors are two of the largest electrical subcontractors in the world. They are both based in San Diego with a local workforce who could man this project. They also happen to both be non-union. It is these two companies this PLA is targeted towards.

The AOC along with the contractor are taking steps to do outreach to local, small, emerging, and minority businesses, as well as the Disabled Veterans Business Enterprise Program to encourage them to bid on portions of the project. Did staff conduct a survey or ask these businesses what they thought of a PLA or how it would impact their ability to bid this project? If not, why not?

The project is scheduled for a fall bond sale with a construction start date by the end of December 2013.

There will be a further briefing on the PLA approach at an educational session during the June council meeting. The first time you will hold any kind of discussion on this radical new way of doing business will be after the “agreement” with Big Labor has already been reached. Really? Who operates like this? \$500+ million in taxpayer money is at stake and this is what your paid staff has given you? It is breathtaking. It will be fought.

Steve

From: Jahr, Steven

Sent: Wednesday, May 08, 2013 11:54 AM

To: AOC JC Members Only

Cc: Bocchicchio, Michael; Byrd, Donald; Capozzi, Anthony; Castellanos, Stephan; Chang, Steven; Cooper, Hon. Candace D.; Davis, Keith D.; Feng, Hon. Samuel; Foiles, Robert D.; Fowler-Bradley, Melissa; Highberger, William; Hill, Brad; Hirschfeld, Burt; Ignacio, Donna; Jacobs-May, Hon. Jamie A.; Johnson, Jeffrey W.; Lucas, Hon. Patricia M.; Magnusson, Chris; Masunaga, Laura; Miessner, Leslie; Nash, Stephen H.; Olivas, Noema; Orozco, Hon. Gary R.; Power, David; Quinn, Kelly; Robinson, Akilah; Romero-Soles, Linda; Ruano, Teresa; Spikes, Larry; Stinson, Kevin; Toppenberg, Val; Trentacosta, Robert J.; Warwick, Thomas; Willoughby, Lee

Subject: San Diego Central Courthouse Project

Members of the Judicial Council:

I want to make you aware of a pending announcement by the State Building and Construction Trades Council of California regarding a Project Labor Agreement (PLA) with our selected contractor (Rudolph and Sletten, Inc.) for construction of the new Central Courthouse project for San Diego, the state's largest courthouse construction project. The Trades Council has expressed continued interest to the AOC about entering into such an agreement on this project. Following negotiations regarding potential terms and conditions of a PLA between Rudolph and Sletten and the Trades Council, (with input from the AOC), we concluded that this approach was beneficial. I requested that the contractor enter into a PLA with the Trades Council to ensure certainty and timeliness as well as reduce variables in a construction project of this magnitude. This will be the first state courthouse project on which a PLA is signed. I should emphasize that we are considering this PLA to be a pilot effort that the Court Facilities Working Group and AOC will continuously evaluate for costs and benefits going forward, about which I will keep the Judicial Council apprised.

As you know, the new 71-courtroom facility is badly needed because of serious seismic and security issues and other significant functional problems. At \$586 million for the total project (of which \$544 million is construction), any delay can be costly. The Court Facilities Working Group and the AOC have worked with all parties, including the Legislature, the Department of Finance, County, and City to keep the project moving forward. To that end, the PLA is being put in place to ensure that this momentum continues by preventing potential expensive delays and related costs.

We realize there are some who criticize PLAs. We have examined those criticisms and believe for this project there is an overall benefit. We have been advised that a number of collective bargaining agreements for involved trades will come up for renewal within the construction window for this job. The terms of the PLA ensure that the construction process will be uninterrupted by those renewal anniversaries. The agreement precludes strikes and would prevent delays caused by shortages of qualified workers in the relevant trades. It will also streamline management of the project. We believe the PLA will be cost-effective. It will apply to most, but not all, of the bid packages—those smaller than \$125,000 at all bid tiers will be exempt. Additionally, the PLA provides that the project has a built-in local participation goal of 30 percent for San Diego trades. (The Long Beach project, through Long Beach Judicial Partners, LLC, also is operating under a PLA. Examples of other projects with PLA in San Diego include Petco Field and the San Diego Convention Center.)

Packages for subcontractor prequalification are now being disseminated by the contractor. The AOC along with the contractor are taking steps to do outreach to local, small, emerging, and minority businesses, as well as the Disabled Veterans Business Enterprise Program to encourage them to bid on portions of the project. The project is scheduled for a fall bond sale with a construction start date by the end of December 2013.

There will be a further briefing on the PLA approach at an educational session during the June council meeting.

Steve



Judicial Council of California
ADMINISTRATIVE OFFICE OF THE COURTS
JUDICIAL AND COURT OPERATIONS SERVICES DIVISION
455 Golden Gate Avenue • San Francisco, California 94102-3688
Telephone 415-865-4200 • Fax 415-865-4205 • TDD 415-865-4272

MEMORANDUM

Date

March 22, 2013

Action Requested

Review with Justice Hill

To

Curt Child
Chief Operating Officer

Deadline:

March 22, 2013

From

Ray Polidoro, Manager
Judicial Branch Capital Program Office

Contact

[REDACTED]
[REDACTED]
[REDACTED]

Subject

New San Diego Central Courthouse
RE: Project Labor Agreement

cc: Lee Willoughby, Director
Kelly Quinn, Assistant Director
Gisele Corrie, Finance Manager
Clifford Ham, Principal Architect
Jim Peterson, Associate PM

The State Building and Construction Trades Council has asked the Administrative Office of the Courts to consider using a Project Labor Agreement (PLA) on the construction for the New San Diego Central Courthouse Project (the Project). The working drawing phase of the Project is currently 90% completed and bidding is scheduled to begin upon budget authorization for fiscal year 2013/2014. The JBCP is requesting that Justice Hill, as chair of the Court Facilities Working Group, review the use of a PLA on the Project. The following provides a definition and some background on PLAs:

A Project Labor Agreement (PLA), is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project. PLAs are used on both public and private projects, and their specific provisions may be tailored by the signatory parties to meet the needs of a particular project.

There is variation among the provisions in PLAs, but generally they contain two key components. The first involves how labor disputes will be handled. Contractors who are party to PLAs agree not to lock out workers from worksites. In turn, the construction trade unions agree to not strike or disrupt the

construction. Both parties consent to a process where disputes are resolved without labor disruptions, usually under some form of accelerated arbitration.

The second core component found with PLAs involves who will be hired and the conditions of their employment. Signatories to these agreements recognize labor unions as the exclusive bargaining representative for all project workers. Most PLAs require workers on the project to pay union dues, regardless of their membership status, and that contractors make payments on behalf of all their workers to union-affiliated fringe benefit trust funds during the course of the project.

In the debate over the use of PLAs, one of the most prominent areas of disagreement is whether these agreements affect construction costs. Proponents argue that PLAs save public dollars because contractors with highly skilled workers are more likely to participate in construction projects, resulting in higher worker productivity and fewer change orders. Proponents also contend that special provisions in PLAs enhance job site cooperation and ensure quick and effective resolution of labor disputes that would otherwise result in delays that could either increase costs or create disruptions.

Opponents argue that PLAs increase costs. They claim that the requirements imposed by PLAs discourage nonunion contractors from bidding on projects and subcontractors from participating. This reduced competition could result in overall higher bids. Opponents also claim that the work condition rules required in PLAs increase labor costs and that these are passed onto the projects owner.

The New Long Beach Courthouse employed a PLA between Clark Construction and the Los Angeles/Orange Counties Building and Construction Trades Council. Also, the upcoming San Diego Convention Center is utilizing a PLA for the construction of their \$500 million expansion project.

Rudolph and Sletten, the CM@Risk for the Project, has done several PLAs and as a result can leverage their knowledge and relationships in structuring favorable terms for a PLA to contain costs.



Judicial Council of California

ADMINISTRATIVE OFFICE OF THE COURTS

JUDICIAL AND COURT OPERATIONS SERVICES DIVISION

455 Golden Gate Avenue • San Francisco, California 94102-3688

Telephone 415-865-4200 • Fax 415-865-4205 • TDD 415-865-4272

TANI G. CANTIL-SAKAUYE
Chief Justice of California
Chair of the Judicial Council

STEVEN JAHR
Administrative Director of the Courts

CURTIS L. CHILD
Chief Operating Officer

April 4, 2013

Mr. Dan Dolinar
Executive Vice President, Chief of Operations
Rudolph and Sletten
1600 Seaport Boulevard, Suite 350
Redwood City, California 94063-5575

Dear Mr. Dolinar:

This letter follows up on recent discussions regarding the incorporation of a Project Labor Agreement (PLA) into the Administrative Office of the Courts (AOC) contract with Rudolph & Sletten (R&S) on the San Diego New Central Courthouse Project (San Diego Project). We request R&S review this letter and take all necessary action to implement the steps indicated herein.

Given the short time frame, the following tasks must move forward simultaneously.

1. Negotiations with the Trades Council

- a. The Court Facilities Working Group Executive Committee provided direction to AOC staff to amend the R&S agreement to require R&S to negotiate a PLA specific to the San Diego Project and to be signatory to the agreement with the trades.
- b. R&S and AOC will jointly participate in the negotiations with the State Building and Construction Trades Council of California (Trades Council).

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- c. Representatives of the Trades Council will participate in the negotiations. Other unions may also participate in the negotiations.
- d. Although the AOC is sensitive to the Trades Council's expectations, the AOC and R&S will negotiate favorable PLA terms to minimize the potential for any construction cost increase.
- e. The negotiations and execution of a PLA by Rudolph & Sletten and the trades must not delay bidding on the San Diego Project. If an agreement between the parties is not reached by April 30, 2013, a PLA will not be required on this project.

2. Model PLA

- a. The AOC would like to use the PLA associated with the AOC/P3 Courthouse project in Long Beach (Long Beach PLA) as the model for the negotiations for the San Diego Project PLA.

3. Amending the AOC / R&S Contract

- a. If the PLA negotiations are successful, only R&S and the trades will be party to the PLA. For the PLA to become effective, though, all of R&S's trade contractors over a minimum contract amount will be required to execute a letter of assent, agreeing to be bound by the PLA.
- b. The AOC will prepare necessary revisions to the current AOC / R&S Agreement to incorporate the PLA.
- c. Incorporating a PLA into the AOC / R&S Contract, will not increase the Guaranteed Maximum Price (GMAX) for the San Diego Project.
- d. It is preferable to have a joint administrative committee to monitor the PLA. However, if negotiations of the PLA require a project labor coordinator, R&S shall be responsible to hire and pay for a person or entity to be a PLA coordinator, the expense of which shall be part of the GMAX.
- e. The PLA will have to be part of R&S's prequalification packages that R&S plans to send to its trade contractors in the beginning of May 2013.

Mr. Dan Dolinar

April 4, 2013

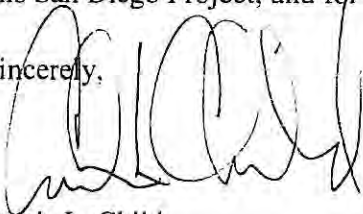
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4. Next Steps

- a. The AOC's legal counsel, Phil Henderson, and R&S's legal counsel, Paul Aherne, will collaborate on procedural and strategic matters.
- b. The AOC has contacted representatives of the Trades Council and set up the first negotiation session to be in Sacramento at the State Building and Construction Trade Council office at 1225 8th Street, Suite 375, Sacramento, CA 95814 on April 12, 2013, 9:00am to 12:00pm and any additional sessions to be determined.
- c. The single point of contact for the AOC regarding the PLA will be Ray Polidoro. Paul Aherne will be the single point of contact for R&S for the PLA.

Thank you for R&S's continued cooperation to incorporate a PLA into R&S's contract and into this San Diego Project, and for R&S's continued professional advice on this matter.

Sincerely,



Curtis L. Child
Chief Operating Officer

CC/RP/no

cc: Hon. Robert J. Trentacosta, Presiding Judge, Superior Court of San Diego County
Hon. David J. Danielson, Assistant Presiding Judge, Superior Court of San Diego County
Hon. Kenneth K. So, Judge, Superior Court of San Diego County
Mr. Michael M. Roddy, Court Executive Officer, Superior Court of San Diego County
Mr. Joe Hook, Vice President, Rudolph & Sletten
Ms. Ann Poppen, Preconstruction Executive, Rudolph & Sletten
Ms. Ming Yim, Director of Facilities, Superior Court of San Diego County
Mr. Lee Willoughby, Director, Administrative Office of the Courts (AOC), Judicial Branch
Capital Program Office
Mr. James Mullen, Senior Manager, AOC Judicial Branch Capital Program Office
Mr. Raymond Polidoro, Manager, AOC Judicial Branch Capital Program Office
Ms. Leslie Miessner, Supervising Attorney, AOC Judicial Council and Court Leadership
Services Division, Legal Services Office
Mr. Phil Henderson, Attorney at Law, Orbach, Huff & Suarez, LLP

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TANI G. CANTIL-SAKAUYE
Chief Justice of California
Chair of the Judicial Council

STEVEN JAHIR
Administrative Director of the Courts

CURTIS L. CHILD
Chief Operating Officer

April 5, 2013

Mr. Robbie Hunter
President
State Building and Construction Trades Council of California
1225 8th Street, Suite 375
Sacramento, California 95814

Dear Mr. Hunter:

This letter is to confirm that the Administrative Office of the Courts (AOC) has agreed to meet with you and Ray Van Der Naught, the attorney for the State Building and Construction Trades Council (Council), at the Council's office on April 12, 2013 from 9 a.m. to noon for the purpose of negotiating a Project Labor Agreement (PLA) for the San Diego New Central Courthouse Project (San Diego Project).

I plan to attend the initial part of the meeting, but will then hand off to the AOC representatives: Ray Polidoro, Manager, AOC Judicial Branch Capital Program Office; and Phil Henderson, the AOC's outside counsel. Rudolph & Sletten (R&S), the construction manager at risk for the San Diego Project, will have the following representatives at the meeting: Dan Dolinar, Executive Vice President and Chief of Operations; and Paul Aherne, Senior Vice President and General Counsel. We have also invited Michael Walton from the Construction Employers' Association, but we do not yet know whether he will be available to attend the meeting.

Please be aware that the AOC has an April 30, 2013 deadline for execution of a PLA so that bidding on the San Diego Project will not be delayed. Therefore, we hope that the parties will conclude negotiations within two weeks of the April 12 meeting.

Mr. Robbie Hunter

April 5, 2013

Page 2

I look forward to seeing you on April 12 and to fruitful discussions among the Council, R&S, and the AOC.

Sincerely,



FOR: Curtis L. Child
Chief Operating Officer

CC/LGM/

cc: Hon. Robert J. Trentacosta, Presiding Judge, Superior Court of San Diego County
Hon. David J. Danielsen, Assistant Presiding Judge, Superior Court of San Diego County
Hon. Kenneth K. So, Judge, Superior Court of San Diego County
Mr. Michael M. Roddy, Court Executive Officer, Superior Court of San Diego County
Mr. Dan Dolinar, Executive Vice President and Chief of Operations, Rudolph & Sletten
Mr. Paul Aherne, Senior Vice President and General Counsel, Rudolph & Sletten
Mr. Ming Yim, Director of Facilities, Superior Court of San Diego County
Mr. Lee Willoughby, Director, Administrative Office of the Courts (AOC), Judicial Branch
Capital Program Office
Mr. James Mullen, Senior Manager, AOC Judicial Branch Capital Program Office
Mr. Raymond Polidoro, Manager, AOC Judicial Branch Capital Program Office
Ms. Leslie Miessner, Supervising Attorney, AOC Judicial Council and Court Leadership
Services Division, Legal Services Office
Mr. Phil Henderson, Attorney at Law, Orbach, Huff & Suarez, LLP

Mr. Robbie Hunter

April 5, 2013

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bcc: Hon. Brad Hill, Chair, Court Facilities Working Group
Kelly Quinn, Assistant Director, AOC Judicial Branch Capital Program Office
Gisele Corrie, Financial Manager, AOC Judicial Branch Capital Program Office
Jim Peterson, Associate Project Manager, AOC Judicial Branch Capital Program Office
Clifford Ham, Principal Architect, AOC Judicial Branch Capital Program Office



Courthouse to be built under labor pact

By: Christopher Cadelago - June 7, 2013

SACRAMENTO — California judicial officials quietly brokered a union-friendly pact to govern construction of a new \$586 million courthouse in downtown San Diego, marking the first time the state has turned to a "project-labor agreement" at the onset of building a major court facility.

The deal is between contractor Rudolph and Sletten Inc. and the State Building and Construction Trades Council of California.

"I requested that the contractor enter into a PLA with the Trades Council to ensure certainty and timeliness as well as reduce variables in a construction project of this magnitude," state courts director Steven Jahr wrote in an email obtained by U-T Watchdog. "This will be the first state courthouse project on which a PLA is signed."

The bargain comes a year after 58 percent of San Diego voters prohibited city officials from requiring such pacts on projects funded by city government. The local ballot measure does not apply to state projects.

Details of the pact are not yet available, as an official public announcement has not been made.

Project-labor agreements typically outline standards for wages, local hiring and health care coverage for workers, and require workers on projects to pay union dues whether they are members or not. Critics say the deals inflate project costs, at the expense of taxpayers.

Jahr described the agreement for the new 71-courtroom facility as a "pilot effort" that administrators "will continuously evaluate for costs and benefits going forward."

Jahr said he recognized the labor-friendly agreements have their critics.

"We have examined those criticisms and believe for this project there is an overall benefit," Jahr wrote.

A March 22 memorandum prepared by the judicial council acknowledged that one prominent area of disagreement is whether the labor agreements drive up construction costs.

Opponents say the requirements discourage nonunion contractors from bidding and subcontractors from participating on projects. They further contend that reduced competition results in higher bids, and that work condition rules increase labor costs that are then passed down to owners, in this case the state government and taxpayers.

Proponents say the deals create quality local jobs and improve workmanship.

Court officials say the San Diego project is critical and a PLA will keep it on track, precluding strikes and preventing delays caused by shortages of qualified workers in the relevant trades.

They say the old courthouse has serious seismic and security issues, and other significant functional problems. The \$586 million price tag for the new building at Union and C streets includes \$544 million for construction and any delays could be costly, officials said. Court administrators says they are working with the Legislature, Department of Finance, county and city to keep the project moving forward.

"To that end, the PLA is being put in place to ensure that this momentum continues by preventing potential expensive delays and related costs," Jahr wrote.

Eric Christen, executive director of the Coalition for Fair Employment in Construction, said he was offended by the state acquiescing to union requests in a city that has already weighed in on the topic.

"It's not exactly something that San Diegans have not been educated on and (don't) have an opinion about," he said.

Christen noted the project comes amid strained state courts budgets "and yet they are doing something here with a PLA that will do nothing but add costs," he said, calling it a "breathtaking exercise."

The San Diego City Attorney's Office confirmed the local ban does not apply to the state's court project.

Court officials said the deal would apply to most, but not all of the subcontractor bid packages, exempting those smaller than \$125,000. The job has a built-in local participation goal of 30 percent for trades in San Diego.

Officials with the State Building and Construction Trades Council of California in Sacramento and San Diego did not return messages seeking comment. Nor did the firm Rudolph and Sletten, Inc.

A courthouse project in Long Beach is currently operating under a project-labor agreement, although it was put in place in later stages and does not cover the entire effort.

In San Diego, where construction of Petco Park was carried out under a similar bargain, the planned expansion of the Convention Center has become the latest showdown between labor and business-backed groups. The expansion was put on ice pending litigation over the project's financing plan. A PLA is possible despite Proposition A because it would be agreed upon by the contractor, as opposed to required by the city.

Jahr said he expects further briefings on the PLA approach at an educational session during the judicial council's meeting later this month.

Meanwhile, he said, the court administration and the contractor are taking steps to do outreach to local, small, emerging and minority businesses, as well as the Disabled Veterans Business Enterprise Program to encourage them to bid on portions of the courts project. The courthouse is scheduled for a fall bond sale with a construction start date planned for the end of December.



June 26, 2013

To: Steve Jahr, Administrative Director of the Courts, Chief Justice Tani G. Cantil-Sakauye, Judicial Council and members of the Judicial Council of California, Justice Brad Hill, Chair of the Court Facilities Working Group and members of the Court Facilities Working Group

From: Nicole Goehring, Government Affairs Director

Re: Two attachments for distribution to the above parties and inclusion in the public record for the Judicial Council of California June 28 Meeting

-
- 1) AOC request letter from ABC of California
 - 2) Project Labor Agreement Talking Points – California Courthouse Construction
 - 3) Please contact me at 925-960-8513 or nicole@abcnorcal.org with any questions.



June 18, 2013

Steve Jahr, Administrative Director of the Courts
554 Golden Gate Avenue
San Francisco, CA 94102-3688

Dear Director Jahr:

Associated Builders and Contractors (ABC) is a national trade association representing 22,000 members from more than 19,000 construction and industry-related firms. Founded on the merit shop philosophy, ABC helps members win work and deliver that work safely, ethically and profitably for the betterment of the communities in which they work.

ABC California, comprised of five local ABC California chapters as part of 72 ABC chapters nationwide, encourages government officials to procure public works through fair and open competition by ensuring a level playing field for all qualified contractors and their skilled employees, regardless of union affiliation. Experience demonstrates this approach helps government agencies provide taxpayers with the best possible construction product at the best possible price. ABC California's craft and apprentice training programs are recognized by the California Department of Industrial Relations and cover a wide variety of skilled trades including: electrical, plumbing, sheet metal, HVAC, painters, laborers, carpenters, heavy equipment operators, mobile crane and welding.

Associated Builders and Contractors California is troubled by the Project Labor Agreement (PLA) you have encouraged the contractor to enter into with the State Building and Construction Trades Council for the construction of the \$586M Central Courthouse Construction in San Diego. Project Labor Agreements (PLAs) discriminate against 84% of California workers that are nonunion. Additionally, PLA's can add up to 18% onto project construction costs for the taxpayer. On the \$586 Million Dollar San Diego Courthouse construction project, costs could be increased by \$105 Million.

The increased costs due to the PLA come at a time when the Court Facilities Working Group recently announced changes to the project due to funding and budget constraints. The new courthouse project for downtown San Diego will proceed without simultaneous construction of a tunnel connecting it to the Central Jail. Specifications for the tunnel would have driven up the tunnel cost to an estimated \$25 million, and the working group decided it was too costly. "Given our current program funding limits, we appreciate the court's willingness to scale back this project's costs," said Justice Jeffrey Johnson, chair of the working group's cost-reduction subcommittee and Associate Justice of the Court of Appeal, Second Appellate District, in Los Angeles.

ABC is opposed to PLAs because these agreements restrict competition, increase costs for the taxpayer, discriminate against non-union employees and place merit shop contractors at a significant competitive

Associated Builders and Contractors of California
P.O. Box 80718 Bakersfield, CA 93380-0718
www.abc-cal.org

disadvantage. PLAs are anti-competitive agreements that stop open and fair bidding on taxpayer-funded projects.

ABC California believes in increasing opportunities for all workers regardless of their affiliation. A PLA on the San Diego Central Courthouse will limit California workers eligible to work on the courthouse, including the nearly 1,000 apprentices currently enrolled in ABC's apprenticeship training programs.

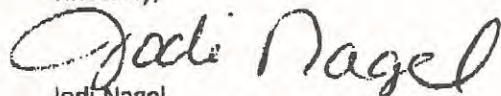
Before any decision is made to move forward with the use of a Project Labor Agreement on the San Diego Central Courthouse Construction or on any future courthouse construction in the state, ABC California respectfully asks that your PLA educational session during the June AOC Council meeting include PLA proponents and opponents on the agenda for an open discussion.

ABC California would also like to meet with you immediately to ask for a Fair and Open Competition policy to ensure the following:

The Administrative Office of the Courts shall not, in any contract for the construction or maintenance of California Court Construction, require that a contractor, subcontractor, material supplier, or carrier engaged in the construction or maintenance of the project, execute or otherwise become party to any project labor agreement, collective bargaining agreement, community benefit agreement, pre-hire agreement, or other agreement with employees, their representatives, or any labor organization as a condition of bidding, negotiating, being awarded, or performing work.

Thank you for your prompt consideration of this request. Please contact Nicole Goehring at nicole@abcnocal.org or 209-482-1697 with any questions.

Sincerely,



Jodi Nagel
Chairwoman ABC of California

CC: Chief Justice Tani G. Cantil-Sakauye, Judicial Council
Justice Brad Hill, Chair of the Court Facilities Working Group
Jody Patel, Chief of Staff
Curt Soderlund, Chief Administrative Officer
Curt Child, Chief Operating Officer

What Is A PLA?



Project Labor Agreements (PLAs) are a special interest kickback scheme that ends open, fair and competitive bidding on public work projects denying the vast majority of local contractors and small business owners the opportunity to bid on work. PLAs impose discriminatory mandates on small business ensuring that projects are awarded to only vendors preferred by big labor unions.

PLAs: Bad for Workers. Bad for Taxpayers.

PLAs deny nearly 84% of California's construction workforce the ability to work on public work projects reducing competition and significantly driving up costs to taxpayers. With government budgets stretched to the breaking point and essential services being cut, it is critical that taxpayers get the best quality work at the best price. Always. PLAs put special interests ahead of the public interest by restricting the bidding process to ONLY contractors backed by big labor unions – denying others the opportunity to do a better job at a better price.

A Project Labor Agreement on California courthouse construction, for instance, means more taxpayer dollars will be spent on higher construction costs. Under this scenario, four courthouses will be built for the price of five.

Under the PLA:

- Workers must pay costly union dues, even if the employee is not a union member. These dues can cost \$1100!
- All workers must be hired through a union hiring hall. This discriminates against younger and non-union workers. Companies are often forced to lay off proven, productive workers to hire strangers picked by the union bosses.
- All employees must contribute to union health, welfare and pension plans, regardless of whether or not the workers already have their own plans. Union plans also require long vesting periods making it unlikely that the non-union worker will see the benefit of their contributions.
- All apprentices must come from state approved *union* programs, discriminating against thousands of apprentices in state approved merit shop programs.

Contractor Mandates

- Contractors are not allowed to negotiate the PLA. Only union representatives are allowed at the negotiating table with the owner.
- Proven, innovative, flexible and effective work rules are junked for a new set of mandates imposed by the PLA.
- PLAs use only union job classifications.
- PLAs force union arbitration and grievance procedures on all contractors.

*Few contractors will alter their operations or impose union requirements on their employees in order to be awarded a bid. Many **union** contractors will not expose their employees to work rules and new jurisdictions they had no hand in negotiating. Because of these provisions, PLAs reduce competition and drive up costs for taxpayers and contractors.*

PLA Facts

- In September 2009, nationally known pollster Frank Luntz surveyed Americans about taxpayer funded bidding procedures. 88.5% said they preferred a “fair, open, and competitive bidding process.” 12% felt that unions should have the exclusive right to the work.

Americans overwhelmingly reject PLAs

- California taxpayers want their projects built by the best contractors at the best price and want the Judicial Council to choose the construction firm that offers the best value. The record clearly shows PLAs harm all of these goals.

“Project Labor Agreements unnecessarily inflate the costs of taxpayer-funded construction and discourage the economic growth and job creation so desperately needed in California at this time. All governments in California could help ensure the best quality construction at the best price for taxpayers by prohibiting Project Labor Agreements on their taxpayer-funded construction.” *Jon Coupal, President, Howard Jarvis Taxpayers Association*

“From Boston's Big Dig to the San Francisco airport, if it's a project with egregious cost overruns, a project labor agreement is probably involved.” *Wall Street Journal – June 14, 2010*

“PLAs are a form of political bid-rigging that robs taxpayers even in good economic times. They deserve to be outlawed.” *Wall Street Journal – July 19, 2011*

“California school construction costs taxpayers 13-15% more when built under Project Labor Agreements.” *Measuring the Costs of Project Labor Agreements on School Construction in California – National University July, 2011*

- Recently, there was a 30% reduction in bidders on the City of Brentwood Civic Center bid under a PLA and only one local contractor on the winning bid list. 25 general contractors went through the pre-qualification process. 20 prequalified. On the day of the actual bid, the total number of contractors bidding the work suddenly dropped almost 50% to 11! Less competition + less bids = higher costs to taxpayers.
- In the Oakland Unified School District a construction bond was passed for \$300 million in order to rehab and modernized old schools. Bids went out for a rehab project which received EIGHT bids. The lowest responsible bidder came in at \$1.8 million – which happened to be from a merit shop contractor. After the bids came in, the district decided to re-bid the contracts for the rehab project, as a PLA had been placed on all work. The result was another bid and this time there were only THREE bids with the lowest coming in at \$2.2 million dollars. The project's cost skyrocketed 24%, which is typical. IRONY - the district had to close down 13 schools due to budget cuts. The savings to the district for each closure was about \$437,000 or the cost of ending competitive bidding.
- An audit conducted by Contractor and Compliance Monitoring Inc., found violations by 16 contractors working on a \$150 million Los Angeles Unified School District high school under construction in San Fernando. The school was built under a PLA. The alleged violations include failure to pay prevailing wages and inadequate supervision. Several of the contractors had expired or suspended licenses.
- The San Diego Unified School District placed a PLA on its construction bond July 2009, and the first project to go out to bid under the PLA had 66% less bids than a similar project without a PLA attached to it. Worse yet, the bid was 35% over budget. The job was awarded to a bidder from Los Angeles despite big labor claims that a PLA would result in more “local hires.”
- Two contractors recently bid the 2010 Discovery Bay Asphalt Rubber Cape Seal job in Contra Costa County, one with a PLA and one without a PLA – PLA bid was from Southern California contractor and 17% over engineer's estimate.
- Family Law Center in Contra Costa County—all five prospective non-union bidders dropped out; low bid was 19 percent over the estimate calculated before there was a PLA.



June 26, 2013

Chief Justice Tani Cantil-Sakauye
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Chief Justice Cantil-Sakauye,

In a letter dated May 22, 2013 to the Judicial Council, the Administrative Office of the Courts and the Los Angeles Superior Court, the US Department of Justice reports preliminary findings in their investigation into discriminatory practices affecting Limited English Proficient (LEP) court users in the state's judicial system and makes recommendations for voluntary compliance. Within the letter are described California judicial branch policies and practices that are inconsistent with Title VI of the Civil Rights Act of 1964 and its implementing regulations related to language access for LEP court users.

The policies and practices identified by the DOJ affect not only Los Angeles courts, but are applied statewide and impact all courts, resulting in the denial of interpreters where they are needed – whether in the courtroom itself, or in events ancillary to the hearing – thereby leaving LEP court users unable to participate or enjoy equal access to the courts and all that they offer. In other states, these practices have been deemed clear violations of Title VI of the Civil Rights Act of 1964, Executive Order 13166, and the Safe Streets Act.

In light of the DOJ's investigation and recommendations, the California Federation of Interpreters (CFI) urges court administrators and the Judicial Council to take immediate steps toward a statewide language access program that provides competent, qualified interpreters to all LEP court users in all case types. We ask that the Judicial Council take immediate action consistent with the DOJ recommendations, and utilize existing resources to address these fundamental access barriers that LEP court users face every day in courtrooms throughout the state. CFI also respectfully requests a meeting with Chief Justice Cantil-Sakauye and AOC leadership to discuss the next appropriate steps toward rectifying the present situation.

The leadership of CFI is prepared and eager to work with the Council and the trial courts to meet this challenge. Our members are the experts in applied linguistics who bridge the language gap daily. As the representative of more than 900 interpreters working in 52 languages across the state, CFI has a broad and detailed understanding of the overall need for interpreter services and we can provide essential information and perspective to the courts in its process of reaching full compliance with Title VI and implementing regulations.

California is unique in that the basic framework to achieve an expansion of interpreter services is already in place. There already exists an employment system of highly qualified staff interpreters poised to carry out the function of language access in the courts. We are confident that an adjustment of court policies and practices as described in the DOJ recommendations can achieve the necessary expansion within the existing framework, and at a more reasonable cost than is typically estimated. It is critical that as the process moves forward, our expertise and practical knowledge be included in discussions on how to achieve our shared goal of providing language access, while focused on providing services that meet the “meaningful language access” standard.

To that end, we offer the following proposals and commentary. We implore your offices to commit to a collaborative process that succeeds in correcting these deficiencies and establishing the California judicial branch as a leader in language access standards:

- The formulation of policies and protocols for the expansion of services should be developed by a joint committee that includes representatives of interpreter employee organizations, other language access experts, and other advocates for due process and fairness in the branch.
- CFI requests that the Judicial Council and the AOC take immediate action to inform court administrators statewide in clear terms that the interpreter budget reserve is available to address court interpreter costs for all case types, including civil hearings; and that the fund is dedicated solely to court interpreter costs and will not be redirected to other budget items.

The DOJ clearly indicates that providing language access in certain interpretation events or hearings but not in others is a violation of Title VI of the Civil Rights Act of 1964 and implementing regulations. Additionally, the right to language access applies at all points of contact with the courts, both inside the courtroom and in events ancillary to the proceedings.

In its recent letter, the DOJ points out in some detail that it considers the Judicial Council’s unclear policy on reimbursement from the interpreter budget, and the redirection of interpreter budget funding to other court programs as contributing factors to the violations. The DOJ expresses particular concern with the ongoing denial of interpreters to court users despite the availability of funding in the court interpreter budget and the budget reserve.

CFI has consistently identified these practices and policies as problematic. The courts can and should use the existing interpreter budget item and the reserve to expand interpreter services into civil hearings. In the face of daily and ongoing violations of LEP court users’ civil rights, it is not defensible to assert that the reserve is one-time funding, and therefore cannot be spent on future ongoing costs. In reality, all state funding is a one-time, annual allocation. Likewise, it is unreasonable to assert that the costs of full compliance cannot be met; the resources are available now to begin to address at least some portion of the problem. Finally, based on recent budget hearings, it is clear that the courts cannot expect to receive the necessary additional funding required to fully meet interpreter service needs while existing funding based on actual need for interpreter services is not fully utilized.

CFI is prepared to work with the Judicial Council and the AOC to seek additional funding that will ultimately be necessary. However, the courts must begin to do everything possible to meet actual needs within the current framework, and in doing so, the information necessary to accurately measure the need for additional funding will emerge.

To say that there are not enough court interpreters to cover the need is likewise invalid. While some shortages do exist based on language or fluctuating need, the supply-demand problem has been greatly reduced over the past decade. California has greater access to a workforce of qualified interpreters than any other state. More than 900 interpreters, working in 52 languages are already court employees; another 900 provide services as contractors. Staff interpreters are available to fill the gap between current policies and the necessary expansion of language access. The courts policies and practices are what restrict services. On numerous occasions, CFI has brought to the attention of the Judicial Council that court administrators are instructing court interpreters not to interpret in matters that are purportedly “non-mandated” when those interpreters are available at no additional cost. This practice should be stopped immediately.

To address these and other issues, a committee or working group that includes representatives of court interpreters and other language access and due process experts is needed to develop a statewide language access plan for the courts. All meetings to discuss policies and develop recommendations for the expansion of language access in the state courts should be announced publicly, be open to the public, and allow for public comment and discussion. The Judicial Council’s internal committees and advisory panels do not include sufficient representation of stakeholders with the knowledge and expertise on language access issues. Interpreter’s representatives have the statewide knowledge and expertise to help create systems and policies that would best expand the services we provide in the most effective and efficient way, within existing resources to the degree possible.

The state of California has spent the last ten years developing a pool of competent, dedicated court interpreter employees. These interpreters can immediately begin providing the in-person interpretation services that are essential to meaningful language access. Court interpreters and CFI stand with the Judicial Council and the state courts in seeking solutions to language barriers to justice in our state.

Sincerely,

A handwritten signature in blue ink that reads "Michael C. Ferreira". The signature is written in a cursive style with a large initial "M" and "F".

Michael Ferreira, President

Attention: Nancy Carlisle.

As the Attorney for the State Building & Construction Trades Council of California, I would like to file the attached documents for the Council's discussion on Project Labor Agreements and the San Diego Courthouse.

Thank you for your attention to this matter.

Ray Van der Nat

Law Office of Ray Van der Nat, A.P.C.

1626 Beverly Blvd.

Los Angeles, California 90026

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PROJECT LABOR AGREEMENT
FOR THE
NEW LONG BEACH COURT BUILDING
BETWEEN
CLARK CONSTRUCTION GROUP – California, LP
AND
LOS ANGELES/ORANGE COUNTIES BUILDING AND
CONSTRUCTION TRADES COUNCIL
AND THE
CRAFT UNIONS & COUNCILS
SIGNATORY TO THIS AGREEMENT



PROJECT AGREEMENT FOR CONTINUITY OF WORK

PREAMBLE

This Project Labor Agreement ("Agreement") is entered into this 9th day of DECEMBER, 2011, by and between Clark Construction Group – California, LP, as the general contractor who has been retained by the Owner to oversee the construction of the New Long Beach Court Building ("Project") and the signatory contractors and subcontractors for the construction of the Project (the General Contractor and the signatory contractors and subcontractors performing work hereunder, collectively referred to as the "Employers") and the Los Angeles/Orange Counties Building and Construction Trades Council ("Council") and the signatory local unions and District Councils having members employed at the Project (hereinafter collectively the Unions).

ARTICLE I
PURPOSE

A. The purpose of this Agreement is to insure that all work on this Project shall proceed continuously and without interruption.

B. It is the objective of the parties that the construction of this Project may be a credit to the Employers, the Unions, the Owner and the community and it is recognized by all parties that harmonious labor-management relations are the result of responsible conduct by the Unions and the Employers employing building trades people, and it is our mutual desire to promote these relationships on this Project.

C. The parties hereby agree and do establish and put into practice effective and binding methods for the settlement of all misunderstandings, disputes, or grievances that may arise so that the parties are assured of complete continuity of operation, without slowdown, or interruption of any kind or for any reason and that labor-management peace is maintained for the life of this construction project, except as provided in Article V, Section 3. C.

D. The parties agree that this Agreement is a valid Section 8(f) pre-hire agreement within the meaning of Section 8 [29 U.S.C. § 158(f)] of the National Labor Relations Act.

ARTICLE II
SCOPE AND DURATION OF AGREEMENT

A. This Agreement shall apply and be limited to all construction work performed by the General Contractor and the Employers on the New Long Beach Court Building located in Long Beach, California, consisting of the construction of approximately 545,000 square foot of building space.

B. This Agreement shall become effective as of the date first above written and shall continue in full force and effect until the completion of all craft work on the Project. Completion

of the project shall be notice by the owner to the contractor for acceptance and such notice shall be provided to the signatory Unions and the Council.

C. This Agreement shall not apply to work of non-manual employees, including but not limited to: superintendents, supervisors, staff engineers, quality control and quality assurance personnel, time keepers, mail carriers, clerks, office workers, messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional, engineering, administrative, supervisory and management employees.

D. This Agreement shall not apply to the work of persons, firms and other entities that perform consulting, planning, scheduling, management or other supervisory services on the Project.

E. This Agreement shall not apply to the off-site manufacture, fabrication and handling of materials, supplies, equipment or machinery and the delivery of such to or from the site; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and the movement of materials or goods between locations on a Project site are within the scope of this Agreement.

ARTICLE III MANAGEMENT RIGHTS

A. The Employers retain full and exclusive authority for the management of their operations. This includes, but is not limited to, the right to direct their working force and to establish coordinated working hours and starting times, which shall not be in conflict with the current, local collective bargaining agreements of the signatory unions, which have signed this Agreement.

B. There shall be no limit on production by workers, nor restrictions on the full use of tools or equipment. Craftsmen using tools shall perform any of the work of the trades and shall work under the direction of the craft foremen. There shall be no restrictions on efficient use of manpower other than as may be required by safety regulations. The Employers may utilize the most efficient methods or techniques of construction, tools or other labor-saving devices to accomplish the work. Practices not a part of the terms and conditions of this Agreement will not be recognized.

C. This Agreement shall include the classifications of Building/Construction Inspector and Field Soils and Material Testers (Inspectors) as a covered craft under this Agreement. This inclusion applies to the scope of work defined in the State of California Prevailing Wage Determination for said craft. Every Inspector performing work under these classifications pursuant to a professional service agreement or a construction contract shall be bound to all applicable requirements of this Agreement. Covered work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded. Nothing in this section will be construed to

include the Independent Building Expert [IBE], the Lender's Technical Consultants.

D. The Employers shall be the sole judge of the number and classifications of employees required to perform work subject to this Agreement. The Employers shall have the absolute right to hire, promote, suspend, discharge or lay off employees at their discretion and to reject any applicant for employment, subject to the provisions of the current, local collective bargaining agreements of the signatory unions, which have signed this Agreement, for the craft workers in their employ.

E. The General Contractor shall have the right upon receipt of the written complaint of any employee to order corrective action necessary to maintain reasonable and lawful standards for work place health and safety and to otherwise directly remove any employee whether employed directly or by any other Employer for breach of reasonable rules promulgated by the General Contractor governing conduct on the job.

F. The General Contractor shall act as the coordinator, shall have the right to participate in pre-job conferences and mark-up meetings, and, at its option, participate in the resolution of any grievances.

G. Nothing in this Agreement shall be construed to limit the right of any of the Employers to select the lowest bidder they deem qualified for the award of contracts or subcontracts or material or equipment purchase orders on the Project. The right of ultimate selection remains solely with the Employers, subject to Article IV, Section 1, B. of this Agreement.

H. It is recognized that certain material, equipment and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the material, equipment and systems, together with requirements of manufacturer's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's personnel. The Unions agree that such material, equipment and systems shall be installed without incident and without the occurrence of any conduct described in Article V below.

ARTICLE IV TERMS AND CONDITIONS

SECTION 1. EFFECT OF OTHER AGREEMENTS

A. The provisions of this Agreement, including the Schedule A Agreements, (which are the local collective bargaining agreements of the signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement. It is further agreed that, where there is conflict, the terms and conditions of this Agreement shall supersede and override terms and conditions of any and all other national, area, or local collective bargaining agreements (Schedule A Agreements) except for all work performed under the NTL Articles of Agreement,

the National Stack/Chimney Agreement, the National Cooling Tower Agreement, all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and control systems Technicians, and the National Agreement of the International Union of Elevator Constructors, with the exception of Article V. Section 1. (Grievance and Arbitration Procedure), Article V. Section 2. (Jurisdictional Disputes) and Article V Section 3. (No Strike - No Lockouts) of this Agreement, which shall apply to such work. All disputes relating to the interpretation or application of this Agreement shall be subject to resolution by the grievance arbitration procedure set forth in Article V. Section 1. Where a subject is covered by a provision in a Schedule A Agreement and not covered by this Agreement, the provision of the Schedule A Agreement shall prevail. Any dispute as to the applicable source between this Agreement and any Schedule A Agreement for determining the wages, hours of working conditions of employees on a Project shall be resolved under the grievance procedures established in this Agreement.

B. The General Contractor will require all contractors and subcontractors who are awarded or are performing jobsite work on the Project, to become signatory to this Agreement by signing the Letter of Assent (Attachment A). This Agreement does not apply to employees or work of the Owner.

C. By accepting the award of a construction contract or entering into a contract to perform any project work pursuant to a construction contract, whether as a contractor or subcontractor, Employer agrees to sign the Letter of Assent as shown in Attachment A and be bound by each and every provision of this Agreement.

D. At the time that any Employer enters into a contract or subcontract with any contractor or subcontractor providing for the performance of a construction contract for project work, the Employer shall provide a copy of this Agreement to said contractor and/or subcontractor and shall require them, as a part of accepting the award of a construction contract or subcontract, to agree in writing in the form of a Letter of Assent (Attachment A), to be bound by each and every provision of this Agreement prior to the commencement of any work on the Project except to the extent that subcontractors have started work prior to this Agreement being put into effect, in which case the Letter of Assent will be executed promptly. To that extent, each Employer shall provide a copy of the signed Letter of Assent to the Council prior to beginning work on the Project.

SECTION 2. UNION RECOGNITION, SECURITY AND REPRESENTATION

A. The Employers recognize the Union(s) as the sole and exclusive collective bargaining representative for craft employees employed on the Project.

B. No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of the Project work; provided, however, that any employee who is a member of a Union at the time the referring Union refers the employee, shall maintain that membership in good standing while employed on the Construction Contract, Inspection Services Contract or Project. The Contractor/Employer

shall, however, require all employees working on a Construction Contract, Inspection Services Contract or Project, to the extent which this Agreement applies, to comply with the applicable Union security provisions for the period during which they are performing on-site Project work to the extent, as permitted by law, of rendering payment of the applicable monthly dues and working dues only, as uniformly required of all craft employees while working on the Project and represented by the applicable signatory union.

C. The Employers recognize that the Unions shall be the primary source of all craft labor employed on the Project. In the event that an Employer has his/her own core workforce, said Employer shall follow the procedures outlined below.

(1) An employee shall be considered a member of an Employer's core workforce for the purposes of this Article if the employee's name appears on the Employer's active payroll for 60 of the 100 working days immediately before award of the Construction Contract to the Employer, must be properly licensed to perform the work, and must be capable of safely performing the work.

(2) The Employer shall identify Core Workers in their Employment Hiring Plan and shall provide payroll records and such other evidence as may be necessary evidencing the worker's qualification as a Core Worker. The number of Core Workers on the Project shall be governed by the following procedure: one Core Worker shall be selected and one worker from the hiring hall of the affected trade or craft and this process shall repeat until such Employer's requirements are met or until such Employer has hired five (5) such Core Workers for that craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall list. In the event of a reduction-in-force or layoff, such will take place in a manner to assure that the number of remaining "core" employees in the affected craft does not exceed, at any time, the number of others working in that craft who were employed pursuant to other procedures available to the Employer under this Agreement. This provision applies only to employees not currently working under a current master labor agreement of one of the signatory unions to this Agreement and is not intended to limit transfer provisions of current master labor agreements of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate benefit fund coverage, all contractors shall require their "core work force" and any other persons employed other than through the referral process, to register with the appropriate Union hiring hall, if any, before they begin any work of the project.

(3) Upon request by any party to this Agreement, the Employer hiring any core employee shall provide satisfactory proof in the form of the following documents (payroll records, quarterly tax records, employee driver's license, voter registration, postal address) evidencing the core employee's qualification as a core employee.

(4) Employers shall be bound by and utilize the registration facilities and referral systems established or authorized by this Agreement and the signatory Unions when such procedures are not in violation of state or federal law.

(5) In the event that referral facilities maintained by the Unions are unable to fill the requisition of an Employer for qualified employees within a forty eight (48) hour period after such requisition is made by the Employer, the Employer shall be free to obtain work persons from any source. The Contractor shall inform the Union of any applicants hired from other sources, within twenty-four hours of hiring, and such applicants shall register with the appropriate Union hiring hall, if any, prior to beginning work on the Project and abide by all of the other requirements imposed by this Agreement.

D. Authorized representatives of the Union(s) shall have access to the Project provided that they do not interfere with the work of the craft employees and further provided that such representatives fully comply with established Project rules.

E. Each Union shall have the right to designate a working craft employee as steward for each Employer employing such craft on the Project. Such designated steward shall be a qualified workman assigned to a crew and shall perform the work of that craft. The steward shall not perform supervisory duties. Under no circumstances shall there be nonworking stewards. Stewards shall be permitted a reasonable amount of time during working hours to perform applicable union duties related to work being performed by the craft employees of his/her Contractor, and not to the work being performed by other Contractors or their employees.

SECTION 3. HELMETS TO HARDHATS

A. The General Contractor, Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of Veterans who are interested in careers in the building and construction industry. The Parties agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs for hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties.

B. The Parties agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

SECTION 4. WAGES AND FRINGE BENEFITS

8.1 All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Employers, the hourly wage rates for those classifications in

compliance with the applicable prevailing wage rate determination established pursuant to Section 1770 et. Seq. of the California Labor Code for workers at the site in job classifications covered thereby. If a prevailing rate increases under law, the Employer shall pay that rate as of its effective date under the law. Notwithstanding any other provision in this Agreement, including Article IV, Section 1, A., this Agreement does not relieve Employers from any independent contractual obligation they may have to pay wages in excess of the prevailing wage rate as required.

8.2

(A) Employers which are not signatory to the established Labor/Management Trust Fund agreements, as specified in the Schedule A Agreements for the craft workers in their employ, shall sign a "Subscription Agreement" with the appropriate Labor/Management Trust Fund covering the work performed under this agreement.

(B) Employers shall pay contributions to the established Labor/Management Trust Fund in the amounts designated by the Unions and make all employee-authorized deductions in the amounts designated by the Unions; provided, however, that the Employer and Union agree that only such bona fide employee benefits as accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds, etc.) shall be included in this requirement and required to be paid by the Employer on the Project; and provided further, however, that such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Notwithstanding any other provision in this Agreement, including Article IV, Section 1, A., this Agreement does not relieve an Employer from any independent contractual obligation they may have to make all contributions set forth in the amounts contained in those Schedule A Agreements without reference to the forgoing.

8.3 The Employer adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s), to the extent said trust agreements are consistent with this Agreement, specifying the detailed basis on which payments are to be made into, and benefits paid out of such trust funds for the Employer's employees. The Employer authorizes the parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Employer.

ARTICLE V CONTINUITY OF THE WORK

The principal purpose of this Agreement is that it provides the Employers, Unions, and the Owner with the assurance that there will be no strike, sympathy strike, picketing, lockout, handbilling, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage, disruption, advising the public that a labor dispute exists or impairment of any kind for any reason during the duration of this Agreement by the Unions or employees employed on the Project, except as set forth in Section 3. paragraph C, below, of this Article. It is therefore agreed as follows.

SECTION 1. Grievance and Arbitration Procedure

The parties hereby agree that all disputes or grievances between Employers and Unions, other than jurisdictional disputes or disputes arising from any strike, picketing, slowdown, lockout or other work stoppages of any kind under Sections 2, 3 or 4 below of this Article, shall be handled in accordance with the following procedures:

A. Step 1. If there is a dispute or grievance involving one of the Employers, the business representative of the local union involved shall first attempt to settle the matter by oral discussion with the particular Employer's project superintendent no later than five (5) working days after the occurrence first giving rise to the dispute or grievance. If the matter is not resolved with the superintendent within five (5) working days after the oral discussion with the superintendent, the dispute or grievance shall be reduced to writing by the grieving union.

B. Step 2. If the matter is not resolved in step 1, above, the written grievance shall be given to the particular Employer involved, to the General Contractor and to the business representative of the local union involved, no later than five (5) working days after the oral discussion set forth above for Step 1, and the business representative of the local union involved shall refer the matter to his local union Business Manager who shall meet with responsible staff representative(s) of the particular employer and, who shall attempt to settle the matter. This shall be referred to as Step 2 of the Grievance and Arbitration Procedure.

C. Step 3. If settlement is not achieved through step 2 above within ten (10) working days after referral to Step 2, an effort shall be made by the parties involved in step 2 to agree on a neutral arbitrator, but if the parties are unable to agree, a party may, within ten (10) days after referral to Step 2, select from the agreed upon list below, on a rotational basis in the order listed, the following arbitrators: (1) Louis Zigman; (2) Fredric Horowitz; and (3) Michael Rappaport. Expenses incurred in arbitration shall be borne equally by the union and the employer involved and the decision of the arbitrator shall be final and binding on both parties, provided, however, that the arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way.

D. Failure to timely raise, file or appeal any grievance within the time limits set forth above will result in the grievance being waived.

SECTION 2. Jurisdictional Disputes

A. The assignment of work will be solely the responsibility of the Employer performing the work involved, and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

B. All jurisdictional disputes between or among Construction Unions and Employers shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered

shall be final, binding and conclusive on the Employers and Unions.

C. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to disciplinary action, up to and including discharge.

D. Each Employer will conduct a pre-job conference with the Building Trades Council prior to commencing work. The purpose of the conference will be to, among other things, determine craft manpower needs, schedule of work for the contract and Project work rules/owner rules. All work assignments should be disclosed by the Employer in accordance with industry practice and the Plan. Employer will notify the General Contractor and the Council in advance of all such conferences.

SECTION 3. No Strike--No Lockout

A. During the existence of this Agreement, there shall be no strike, sympathy strike, picketing, lockout, handbilling, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage, disruption, advising the public that a labor dispute exists or impairment of any kind for any reason by the Unions or employees employed on the Project and there shall be no lockout by the Employers. It is agreed, however, that the Employers may lay-off employees for lack of work, or in the event that a strike, picketing or other work stoppage impedes the work of the Project.

B. No picket lines will be established at the Project by any of the Unions. The Unions agree that they will not sanction in any way any picket line and will affirmatively take all measures necessary to effectively induce its members to cross the picket line and report for work as scheduled and that responsible representatives of the Unions who are employed on the Project will also do so themselves. No Employee shall engage in activities which violate this Article. Any Employee who participates in or encourages any activities that interfere with the normal operation of the Project shall be subject to disciplinary action, up to and including discharge.

C. Notwithstanding the provisions of Section 3. A. above of this Article, it is agreed that the particular Union involved retains the right to withhold the services of its members (but not a right to conduct any other activity described in this Article V. Section 3. A.) from a particular Employer who fails to make timely payments to the Union Health & Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds in accordance with the provisions of that particular Employer's labor agreement with the particular Union or who fails to timely pay its weekly payroll. However, prior to withholding its members' services on account of a failure to make timely payments to the Union Health & Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds, the Union involved will give ten (10) days' (unless a lesser period is provided within the applicable craft union agreement, but in no event less forty-eight (48) hours') written notice of such failure to pay by registered or certified mail, return receipt requested, to the involved Employer and to the General Contractor. Representatives of the parties to the dispute will meet within the ten-day period to attempt to

resolve the dispute.

SECTION 4. Expiration of Local and Other Applicable Agreements

It is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, handbilling, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott or other work stoppage, disruption, advising the public that a labor dispute exists or impairment of any kind, for any reason by the Unions or employees employed on the Project, at the job site of the Project as a result of the expiration of any local, regional or other applicable labor agreement having application at the Project and/or failure of the parties to that agreement to reach a new contract. In the event that such a local, regional, or other applicable labor agreement does expire and the parties to that agreement have failed to reach agreement on a new contract, work will continue on the Project on one of the following two basis, both of which will be offered by the Union(s) involved to the Owner and the Employers affected;

A. Each of the Union(s) with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Union(s) involved in such expiring contract(s) may each propose wage rates and employer contribution rates to employee benefit funds different from what those wage rates and employer contributions rates were under the expiring contract(s). Said interim agreement(s) would be superseded by any subsequently reached industry agreement(s) as of the date the industry agreement is reached. The terms of the Union's interim agreement offered to the Owner and the other Employers will be no less favorable than the terms offered by the Union to any other employer or group of employers covering new commercial high rise construction work in Los Angeles County; and

B. Each of the Union(s) with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Employer(s) affected by that contract agree to the following retroactivity provision: if a new local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Employer shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new local, regional or other applicable agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactivity period. All parties agree that such affected Employer shall be solely responsible for any retroactive payments to its employees and that neither the Employers nor the Owner has any obligation, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments from any other employer.

C. Some Employers may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph (A) above and other Employers may elect to continue to work on the Project under the retroactivity option offered under

paragraph (B) above. To decide between the two options, Employers will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Employer, in writing, its specific offer of terms of the interim agreement pursuant to paragraph (A) above, whichever is the later date. Should any Employer fail to timely elect which option they will be using, the General Contractor may decide which option to be used for those contractors and subcontractors failing to make a timely election.

SECTION 5. Expedited Arbitration for Work Stoppages and Lockouts

In lieu of, or in addition to, any other action at law or equity, which is also available, any party may institute the following procedure when a breach or violation of Sections 2, 3, or 4 of this Article is alleged:

A. The party invoking this procedure shall notify either Louis Zigman, Michael Rappaport or Fred Horowitz, who the parties agree shall be the three permanent Arbitrators under this procedure. In the event that none of the three permanent Arbitrators is available for a hearing within 24 hours, any one of the three permanent Arbitrators who is notified shall appoint his alternate to hear the matter. Notice to the Arbitrator shall be by the most expeditious means available, including telephone, with notice by FAX to the party alleged to be in violation.

B. Upon receipt of said notice, any one of the three Arbitrators named above (whichever one is notified by the invoking party) or his alternate shall set and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists.

C. The Arbitrator shall notify the parties by FAX of the place and time he has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an award by the Arbitrator.

D. The sole issue at the hearing shall be whether or not a violation of Sections B, C or D of this Article has in fact occurred and the Arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or to award damages, which issue is reserved for court proceedings, if any. The Award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement, of the Award. If the Arbitrator finds that a violation of Sections 2, 3 or 4 of this Article has occurred, then the Arbitrator in his written Award shall order cessation of the violation of this Article and a return to work and other appropriate relief, and such Award shall be served on all parties by hand or registered mail upon issuance. The Award will be final and binding on all parties to this Agreement.

E. Such Award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. FAX notice of the filing of such enforcement proceedings shall be given to

the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's Award all parties waive the right to hearing and agree that such proceedings may be ex-parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address or by registered mail.

F. Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance therewith are hereby waived by the parties to whom they accrue.

G. The fees and expenses of the Arbitrator shall be divided equally between the moving party or parties and the party or party's respondent.

H. The procedures contained in Section E shall be applicable to alleged violations of these Sections 2, 3 or 4 of this Article. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of Section 2, 3 or 4 of this Article, shall be resolved under the grievance adjudication procedures of Section 1 of this Article.

ARTICLE VI MOST FAVORED EMPLOYERS CLAUSE

The Unions agree that the Employers signatory to this Agreement shall be automatically entitled to, and shall have the immediate full benefit of, any term(s) and condition(s) granted by the Unions to any employer or group of employers covering new commercial construction work in Los Angeles County on a project of fifty (50) million dollars or more within twenty-five (25) miles of this Project, if said term(s) and condition(s) are more favorable than the provisions of this Agreement or of the current, local collective bargaining agreements of the signatory unions to which Employers subject to this Agreement are party pursuant to Article IV, Section 1, B.

ARTICLE VII BENEFICIAL OCCUPANCY BY THE OWNER

It is anticipated that the Owner, State, County, or the Project Company - Long Beach Judicial Partners, may commence operations with its own production and maintenance employees prior to the completion of all phases of the construction work. It will therefore be necessary for the Owner to take over various portions of the buildings, systems, and equipment while construction of various other portions continues. The procedure to be employed in such a takeover is as follows: When the Owner determines that a portion of the work is mechanically or operationally complete, it shall identify such areas, systems or equipment by use of a tagging system (or similar system). Work will be considered complete when it is reasonably ready for its intended use, and the Owner shall thereafter have beneficial occupancy of the involved areas, systems, or equipment.

It is intended that employees of the Owner will commence working in such areas after the

takeover by the Owner. Thereafter, any remaining original construction work, such as painting, installing missing parts, insulation and work normally performed by the respective crafts shall be completed by the Employers and their employees without incident and without the occurrence of any conduct described in Article V. It is understood that "non-construction" work in such areas, e.g., routine maintenance or repair, is the work of the Owner's employees.

ARTICLE VIII SAFETY

A. All Federal and State safety rules, regulations, orders, and decisions shall be binding upon the Employers and shall be applied to all work covered by this Agreement.

B. It will not be a violation of this Agreement, when an Employer considers it necessary to shut down to avoid the possible loss of human life, because of an emergency situation that could endanger the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked. In the case of a situation described above whereby the Employer requests employees to stand by, the employees will be compensated for the stand by time.

ARTICLE IX GENERAL SAVING CLAUSE

It is not the intention of the parties hereto to violate the laws governing the subject matter of this Agreement. The parties hereto agree that in the event any provisions of this Agreement are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of this Agreement shall remain in force and effect unless the part so found to be void is wholly inseparable from the remaining portions of this Agreement. Further, all parties agree that if and when any or all provisions of this Agreement are finally held or determined to be illegal or void by a court of competent jurisdiction, an effort will be made by the General Contractor and the Unions signatory to this Agreement, to then promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of any applicable law and the intent of the parties hereto.

ARTICLE X NON DISCRIMINATION

The local unions shall refer all applicants for employment without discrimination against any applicant by reason of age, race, color, creed, religion, sex or national origin.

ARTICLE XI JOINT ADMINISTRATIVE COMMITTEE

A. The parties acknowledge the goal of promoting harmonious labor management relations and adequate communications and, therefore, establish a six (6) person Joint Administrative Committee (JAC). This JAC shall be comprised of three (3) representatives

selected by the General Contractor and three (3) representatives selected by the Council. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement.

B. The JAC shall meet when requested by either the General Contractor or the Council, to monitor compliance with the terms and conditions of this Agreement, to review the implementation of this Agreement, the progress of the Project and resolve problems or disputes. A unanimous decision of the JAC shall be final and binding upon all Parties. However, the JAC shall have no authority to make determinations upon or to resolve grievances arising under this Agreement.

C. A quorum will consist of at least two (2) General Contractor and two (2) Council appointed representatives. For voting purposes, only an equal number of General Contractor and Council appointed representatives present may constitute a voting quorum.

ARTICLE XII
ENTIRE UNDERSTANDING

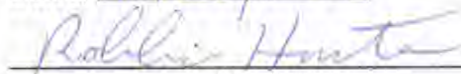
The parties agree that the total results of their bargaining are embodied in this Agreement and neither party is required to render any performance not set forth in the wording of this Agreement, or to bargain during the term of this Agreement about any matters unless required to do so by the terms of this Agreement. This Agreement may be amended only by written agreement signed by the parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective as of the day and year first above written. The officials signing this Agreement warrant and collectively bargain on behalf of the organizations whom they represent and the members of such organizations.

Dated: 12/9/2011


CLARK CONSTRUCTION GROUP, LLC

Dated: 11/30/2011


LAOCBCTC

PROJECT NAME New Long Beach Court Building Project

LOS ANGELES/ORANGE COUNTIES BUILDING & CONSTRUCTION TRADES
COUNCIL'S AFFILIATED CRAFTS Signatory to this Agreement:

Angel M. Montoya
Heat & Frost Insulators Local #5

Paul Green
Bricklayers Local #4

Manuel Hernandez s.f.
Electrical Workers Local #11

Mahy J. Adams ✓
Operating Engineers Local #12

Steve G. Bell ✓
Operating Engineers Local #12

M. L. Z
Iron Workers Local #416

Santhia Lopez
Laborers Local #507

Joel
U.A. Steamfitters Local #250

Ramona
Plumbers Local #494

John
Plasterers Local #200

AD
Plaster Tenders Local #1414

Lupe B. Melendez
Sheet Metal Workers Local #105

Mike
Teamsters Local #848

Gordank
Southwest Regional Council of Carpenters

Mark
Boilermakers Local #92

Bob
Tile Layers Local #18

ASD
Elevator Constructors Local #18

John
Operating Engineers Local #12

John
Gunite #345

Tom Morley (per DW)
Iron Workers Local #433

Robert Smith
Painters District Council #36 & Allied Trades
(Glaziers, Resilient Floor & Drywall Taping & Fin.)

Ray
U.A. Irrigation & Landscape Local #345

Ray
U.A. Fire Protection Fitters Local #709

Jeff
Cement Masons Local #500

John
Roofers Local #36

James
Teamsters Local #986

Gene

ATTACHMENT A – LETTER OF ASSENT

To be signed by all Contractors and Subcontractors awarded work covered
By the New Long Beach Court Building
Project Labor Agreement prior to commencing work

[Contractor's Letterhead]

Clark Construction Group, LLC

Re: New Long Beach Court Building Project Labor Agreement – Letter of Assent

Dear Sir:

This is to confirm that [Name of Company] agrees to be party to and bound by the New Long Beach Court Building Project Labor Agreement, effective _____, 2011, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the Agreement undertaken by this Company on the Project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical Letter of Assent prior to their commencement of work on the Project.

Sincerely,

[Name of Construction Company]

By: _____
Name and Title of Authorized Executive

[Copies of this Letter must be submitted to the Building Trades Council pursuant to Article IV, Section 1. D.]

Los Angeles/ Orange Counties Building Trades Council
Project Labor Agreements
Fully executed since 2008

Wetherly Project <i>New Hotel and condominium complex</i>	\$110 million
Port of Long Beach Phase I <i>New cargo terminal facilities</i>	\$150 million
City of Carson <i>Multiple redevelopment projects</i>	\$10 million
City of Los Angeles Board of Public Works <i>103 individual municipal projects constructed under Los Angeles City Board of Public Works 5-year agreement</i>	\$2.2 billion
Port of Los Angeles <i>35 redevelopment and new construction projects constructed under a 5-year agreement</i>	\$1.2 billion
Martin Luther King, Jr., Hospital <i>New 100-bed ambulatory center</i>	\$200 million
Emerson College <i>New college and dorms</i>	\$90 million
Argyle Hotel <i>14-story; 50-room hotel</i>	\$50 million

Metropolitan Transportation Authority (MTA) **\$40 billion**

L.A County multi-project transit grid built under Measure R

Orange Line; Crenshaw Line; Wilshire Corridor; Downtown connector; Green Line; multiple road and bridge expansion and renovation

University of Southern California University Village **\$2 billion**

5200 Residential student & faculty housing, supermarkets; restaurants; classroom & science facility; parking structure and infrastructure

Expo Line Phase II **\$1.8 billion**

9 miles transit line downtown L.A. - Santa Monica

Centinela Valley Unified HS **\$230 million**

School District Bond various modernization and school additions

Los Angeles International Airport LAX (World Airports) Extension **\$2 billion**

New terminals and terminals upgrades

Port of Long Beach Middle Harbor Phase II **\$200 million**

Harbor modernization

Long Beach Courthouse <i>New state court house</i>	\$200 million
Water Replenishment District <i>New water treatment plant</i>	\$50 million
Gerald Desmond Bridge <i>Bridge Replacement</i>	\$960 million
Port of Long Beach North Middle Harbor <i>Harbor Modernization</i>	\$100 million
Silver Lake Reservoir <i>Underground water storage</i>	\$80 million
Barlow Hospital <i>Hospital modernization</i>	\$80 million
City of Baldwin Park Parking Structure <i>New parking structure</i>	\$6 million
Upper San Gabriel Water District <i>various treatment and pumping stations</i>	\$50 million
Central Water Basin Water District <i>various treatment and pumping stations</i>	\$80 million
Pasadena Unified School District <i>new school and classroom modernization</i>	\$60 million

Courtyard Marriott Residence Inn <i>22-story hotel tower</i>	\$100 million
NBC Universal Studios <i>Studio upgrade; theme park expansion and 2 hotel towers</i>	\$1.6 billion
Century Plaza Hotel <i>16-story Hotel renovation 2 new 46-story towers</i>	\$1.6 billion
Boyle Heights <i>4,200 Residential 3000 sq. Ft. of commercial on 70 acres</i>	\$2.2 billion
Lynwood Unified School District <i>Bond Measure K Improvement/modernization</i>	\$93 million
Century City Center <i>37-story office tower platinum green LEED certified</i>	\$300 million
Wilshire Grand Hotel <i>73 story hotel and office</i>	\$1 billion
Los Angeles Department of Water and Power (Scattergood) <i>Addition of 4 new power generation units</i>	\$945 million
BNSF Railway <i>Southern California International Gateway Rail yard</i>	\$500 million

Los Angeles Unified School District

PLA Extension

10 year extension covering

\$7 Billion

Parcel M Grand Avenue

19 story Apartment Tower

\$120 million

United States Courthouse

Los Angeles

\$500 million

State Building and Construction Trades Council of California

ROBBIE HUNTER
PRESIDENT

J. TOM BACA
SECRETARY-TREASURER

Chartered by
**BUILDING AND CONSTRUCTION TRADES
DEPARTMENT
AFL - CIO**

Via Email judicialcouncil@jud.ca.gov

June 27, 2013

Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: Project Labor Agreement for the San Diego New Central Courthouse Project

Dear Judicial Council Members:

I wish to respond to the many inaccuracies in the letters that you received about the Project Labor Agreement for the San Diego New Central Courthouse Project that was entered into by construction manager at risk Rudolph and Sletten, the State Building and Construction Trades Council of California, the San Diego County Building and Construction Trades Council, and the many local trade unions in the geographic area.

The Project Labor Agreement (“PLA”) will provide the framework for the many years of close cooperation between and among the construction manager, a large group of contractors and subcontractors, and multiple labor organizations that will be essential to successful performance of the project work for the new courthouse facility. Such a framework will enable contractors and subcontractors to perform the project work with a highly-skilled and streamlined workforce, while at the same time meeting the project goals for employing local workers.

Similar project labor agreements have been used for decades as a construction management tool on large, multi-year construction projects in both the public and private sectors to provide a wrap-around labor agreement that avoids any disruption of work due to jurisdictional disputes or the expiration of local collective bargaining agreements and allows for the standardization of practices like shift scheduling and drug testing. Both the federal government, through Executive Order 13502, and the state government, through Public Contract Code Sections 2500-2503, endorse the use of project labor agreements as a construction management tool on major projects.

Before turning to the misrepresentations in the letters criticizing this PLA, it bears emphasis that the critics who have written to Judicial Council members about the PLA are ideological opponents of labor unions, not the major stakeholders in the California construction industry who would be reliable partners in completing a major infrastructure project. The largest of these groups, the Associated Builders and Contractors (“ABC”) is a right-wing political advocacy organization with a national agenda of attacking labor

unions, not a true representative of the California construction industry. ABC's members in California include only about *three-tenths of one percent* of the State's licensed contractors. ABC's letter professes an interest in apprenticeship training, but in California about 95 percent of the construction apprentices in state-approved programs are indentured in apprenticeship programs jointly sponsored by labor unions and signatory contractors. The National Labor College recently analyzed ABC's operations and concluded that ABC is "an astro-turf political organization with a well-funded PR and lobbying machine, and a slight capacity for workforce development."¹

With this background in mind, I would like to respond specifically to the unfair criticisms of this PLA, which was negotiated at arms length by a very experienced construction manager at risk and by labor federations that have structured similar project labor agreements to successfully complete billions of dollars of work for public and private owners.

As an initial matter, it is not true that the PLA precludes workers who are not members of labor unions from performing project work. The PLA provides exactly the opposite, stating in Article IV, Section 2(B) that "[n]o employee covered by this Agreement shall be required to join any union as a condition of being employed, or remaining employed, for the completion of this Project work." The PLA also provides in Article X that "[t]he Unions and Employers agree that they will not discriminate against any employee or applicant for employment . . . on the basis of . . . membership in any labor organization."

It also is not true that the PLA precludes contractors from performing project work unless they are otherwise signatory with labor unions. To the contrary, the PLA provides in Article III, Section G that "[n]othing in this Agreement shall be construed to limit the right of any of the Employers to select the lowest bidder they deem qualified for the award of contracts or subcontracts." Under Article IV, Section 1(B) & (C), any bidder may perform work on the project by signing a Letter of Assent to the PLA.

There also is no basis for the argument that this PLA would increase project costs. The project work already is covered by California's Prevailing Wage Law, so variations in wage-and-benefit expenses are not going to be the driver of project costs. The PLA provides the framework for performing the project work with the most streamlined and efficient workforce and without any delays due to labor disputes, which could significantly raise project costs on a project of this magnitude.

To that end, the PLA provides in Article III, Section B that "[t]here shall be no restrictions on the efficient use of manpower other than as may be required by safety regulations and the [construction manager's] safety program," and that "[t]he Employers may utilize the most efficient methods or techniques of construction, tools or other labor saving devices to accomplish the work." The PLA also contains procedures for settling all grievances and jurisdictional disputes through arbitration, and provides in Article V,

¹ In California, ABC's Golden Gate Chapter ran an apprenticeship program for more than a decade without graduating a single apprentice. A copy of an August 10, 2007 letter from ABC's Golden Gate Chapter to the California Division of Apprenticeship Standards, admitting that the 1995-2007 graduation rate for apprentices in ABC's construction craft laborer apprenticeship program was 0%, is enclosed with this letter.

Section 3(A) that “[d]uring the existence of this Agreement there shall be no strike, sympathy strike, picketing, lockout, handbilling, slowdown, withholding of work . . . or other disruptive activity for any reason.” Article V, Section 5 provides for immediate, expedited arbitration and huge fines if this provision is violated.

An important aspect of project labor agreements is that contractors and their associations are also barred from delaying project work through lockouts. The last two industrywide stoppages of construction work in Southern California occurred because of lockouts by contractors after the expiration of master labor agreements. The PLA ensures that such labor disputes would not impact project work covered by the PLA.

The letters to the Judicial Council criticizing the PLA suggests that project costs will increase because contractors will refuse to bid for project work. But that certainly is not the experience under any of the other project labor agreements covering major construction programs in California. More than one-third of the repeat contractors under the LAUSD’s Project Stabilization Agreement have been non-union contractors. The San Diego Unified School District uses a project labor agreement for all its Proposition S projects, and the Los Angeles Community College District uses a project labor agreement for its Proposition A, AA and Measure E facilities. The San Francisco Public Utilities Commission is using a project labor agreement for its Hetch Hetchy Water System Improvement Program projects. These awarding bodies have not experienced or projected any shortage of bidders.

I am enclosing with this letter a presentation by the City of Los Angeles Department of Public Works entitled “Project Labor Agreements (PLAs): Are they Fair and Beneficial?” The presentation contains hard data showing that PLAs did not increase project costs based on experience with multiple projects worth billions of dollars.

I am also enclosing two letters about project labor agreements that I prepared for the Exposition Metro Line Construction Authority in Los Angeles when I was with the Los Angeles and Orange Counties Building and Construction Trades Council. The Authority decided to move forward with a project labor agreement, and work is being performed under that agreement now. One letter reports on the success of the project labor agreement used by the Los Angeles Unified School District in meeting goals for local hire and the use of small business enterprises for a multi-billion dollar construction program. The data shows that 67 percent of hours worked were performed by County residents and \$3.7 billion (47 percent) of the work was awarded to small business enterprises. The other letter reports on the success of the project labor agreement used by the Los Angeles Community College District. The data also shows that over the course of multiple projects covered by the project labor agreement, the LACCD received an average of 9 competing bids for project work and that the winning bids were significantly under the engineers’ estimates.

In short, the actual experience under major project labor agreements in Southern California, over the course of many years and multiple projects, is that they are a sound construction management practice. Critics of project labor agreements are asking the Judicial Council to sacrifice sound construction management practices to pursue an ideological agenda, claiming that “84% of California workers are non-union” so there is

no need to work with labor organizations in completing a major project. But the relevant workforce here consists of skilled construction workers. As stated above, 95 percent of the apprentices in state-approved construction apprenticeship programs are in joint labor-management programs, and that figure has held steady for many years. Every recent major infrastructure project in California has been performed largely or entirely with union labor. The success of the courthouse project necessarily depends on many years of continuing cooperation among multiple contractors and subcontractors and multiple labor organizations from multiple crafts. The PLA provides the framework for that success.

As the President of the State Building and Construction Trades Council of California, a federation of 22 local building trades councils, 13 district labor councils, and 134 local unions that represent more than 395,000 construction workers in California, I look forward to working with the construction manager, the contractors, and the subcontractors to build a new courthouse project that will make Californians proud.

Sincerely,



Robbie Hunter
President

RH:mb
opeiu#29/afl-cio

Enclosure(s)

PROJECT LABOR AGREEMENTS (PLAs)

Are They Fair and Beneficial?

Presentation Done By City of Los Angeles
Department of Public Works
Bureau of Contract Administration
February 2010



**City of Los Angeles Department Of Public Works
PLA Projects (As of November 2009)**

Award Date	Project	Prime Contractor	Contract Amount	Percent Completion
1/5/2001	North Outfall Sewer – East Central Interceptor Sewer	Kenny Shea Traylor Frontier-Kemp JV	\$240,350,000	100%
6/5/2002	Northeast Interceptor Sewer	Traylor Shea Frontier-Kemper Kenny JV	\$162,158,760	100%
6/29/2005	Harbor Replacement Station and Jail	Pinner Construction	\$34,758,000	100%
12/23/2005	Metro Detention Center	Bernard Brothers	\$73,889,000	99.9%
3/29/2006	Hollenbeck Police Station	FTR International	\$31,100,000	100%
9/27/2006	Police Administration Building	Tutor Saliba	\$231,377,246	99.9%
10/2/2006	Fire Station 64	USS CalBuilders	\$11,985,000	99%
6/27/2007	Ave 45 and Arroyo Drive Relief Sewer	Buntich/Pacific, A Joint Venture	\$43,359,945	72%
11/7/2007	PAB Main Street Parking/Motor Transportation Division and AISO	S.J. Amoroso Construction	\$65,877,000	99.9%
4/28/2008	ATSAC North Hollywood Phase 1	Moore Electric	\$5,597,321	90%
5/2/2008	ATSAC Hyde Park East	Terno, Inc.	\$5,195,090	95%
9/10/2008	ATSAC Harbor Gateway Phase 1	J. Fletcher Creamer & Sons, Inc.	\$9,220,500	75%
9/15/2008	ATSAC North Hollywood Phase 2	KDC, Dynalectric	\$8,703,779	88%
12/8/2008	ATSAC Reseda Phase 1	J. Fletcher Creamer & Sons, Inc.	\$8,267,000	64%
8/19/2009	San Pedro ATSAC System	KDC, Dynalectric	\$7,333,027	0%
8/19/2009	ATSAC Coastal / West LA Transportation Improvement	CSI Electrical Contractors, Inc.	\$987,013	0%
10/9/2009	Platt Ranch ATSAC System	C.T.&F.	\$3,620,636	0%

• All Projects: \$943,779,317

Will PLAs Cost The City More?

ANSWER: No

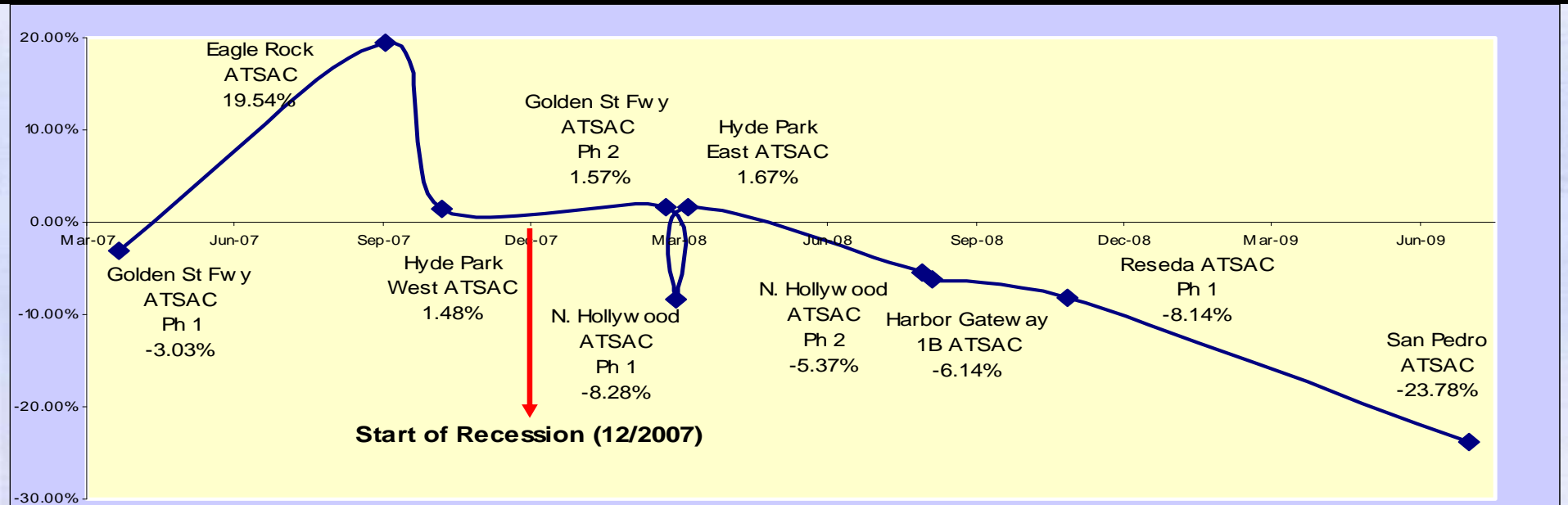
REASON

PLAs provide for orderly settlements of labor disputes and grievances without **STRIKES, LOCKOUTS** or **SLOWDOWNS** which assures for the efficient and timely completion of the public works project.

PLA
Agreement



DO PLAs Cost More?



Bid Dates	PLA Project	Project Name	City Engineer's Bid Estimate	Awarded Contractor's Bid	% Difference Between Bid Estimate and Contractor's Bid
3/21/2007		Golden State Fwy Corridor ATSC Incl ATCS - Phase 1	\$6,682,400.00	\$6,479,900.00	-3.03%
9/5/2007		Eagle Rock ATSC	\$4,972,600.00	\$5,944,000.00	19.54%
10/10/2007		Hyde Park West ATSC	\$5,832,800.00	\$5,918,900.00	1.48%
2/27/2008		Golden State Freeway Corridor ATSC Including ATCS - Phase 2	\$9,962,500.00	\$10,119,300.00	1.57%
3/5/2008	✓	North Hollywood ATSC Phase 1	\$6,102,600.00	\$5,597,321.00	-8.28%
3/12/2008	✓	Hyde Park East ATSC	\$5,109,600.00	\$5,195,090.00	1.67%
8/6/2008	✓	North Hollywood ATSC Phase 2	\$9,197,500.00	\$8,703,779.00	-5.37%
8/13/2008	✓	Harbor Gateway 1B ATSC System	\$9,823,500.00	\$9,220,500.00	-6.14%
11/5/2008	✓	Reseda ATSC Phase 1	\$9,000,000.00	\$8,267,000.00	-8.14%
7/15/2009	✓	San Pedro ATSC	\$9,621,200.00	\$7,333,027.00	-23.78%


This table lists the various ATSC PLA projects that have been awarded during the past 2 fiscal years. The trend shows that after the PLA was implemented, the bids were for the most part awarded lower than the engineers' estimate. And on average, all bids submitted after the PLA were either closer or lower than the engineer's estimate compared to those prior to PLA. The bid amounts appear to be more of a function of the state of the industry.

Will PLAs Help Level The Playing Field For All Contractors?

ANSWER: Yes

REASON

All contractors are required to pay prevailing wage rates on all Public Works projects. **HOWEVER**, PLAs also require all contractors to sign a Letter of Assent which formally binds them to adhere to all the requirements and conditions of the PLA Agreement. Thus, Union and Non-Union contractors all abide by the same PLA rules and requirements.



California
Labor Code

Article 3.3 of
PLA
Agreement

PLAs and Prevailing Wage

- **Sample Union Carpenter Wage**
 - Basic Rate \$31.71/hr
 - Health/Welfare \$3.95/hr
 - Pension \$1.11/hr
 - Vac/Holiday \$3.01/hr
 - Training \$0.40/hr
 - Carpenter Co-op \$0.21
 - Industry Advancement \$0.06
 - Management/Labor Trust \$0.06
 - Total \$40.51/hr
- **State Carpenter Prevailing Wage**
 - Basic Rate \$31.71
 - Health/Welfare \$3.95/hr
 - Pension \$1.11/hr
 - Vac/Holiday \$3.01/hr
 - Training \$0.40/hr
 - Other \$0.29/hr
 - Total \$40.47/hr

Hour for hour, a non-signatory contractor is only required to pay the State's Prevailing Wage rate. In the event the Union rate for the same craft is higher, a non-signatory contractor is not required to pay the higher Union rate.

Will PLAs Prevent Non-Union Contractors From Using Their Own Work Crews?

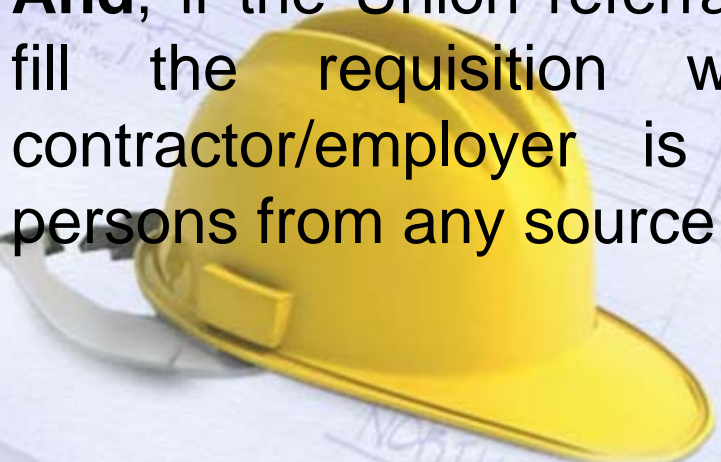
ANSWER: No...And

REASON

Currently contractors can employ one 'core' employee to one hiring hall employee of the affected craft until ten such 'core' employees have been hired. Thereafter all additional employees shall be hired from the hiring hall list.

Article 7.1.1

And, if the Union referral facilities are unable to fill the requisition within 48 hours, the contractor/employer is free to obtain work persons from any source.



Article 7.1.1

Will PLAs Cost More For Non-Union Contractors?

ANSWER: Possibly...But...However	REASON
Possibly in instances when the Non-Union contractor provides benefits to workers. All contractors are required to comply with paying all fringe benefits to the Unions' 3 rd party trust and in some instances, the craft unions may require monthly working dues and any non-initiation fees as it applies to their signatory members.	Article 4 of PLA
But: 1) All workers become “members” of the Union’s bargaining unit and enjoy the same benefits (when they become eligible) and protection as union workers while on the project; 2) Non-union contractors have access to the Union’s skilled workforce as well as their apprentices.	Article 4 of PLA

However...

Random Survey of 13 Public Works Construction Projects

Benefits Provided By Contractors and/or Subcontractors

Summary

13 Various Public Works projects ranging from Police Building, Animal Shelter, Street & Road Widening, Sewer Projects, Treatment Plant Battery Modifications, Library, Fire Station, Street Lighting, and Automated Traffic System.

Only 10 of 72 non-union contractors (prime or sub) offered some form of benefit(s) (i.e. health, vacation or pension).

***Information based on submitted Fringe Benefit Statements (FBS). FBS are submitted by contractors with their certified payrolls. The statement provides an itemization of the benefits, amount, and organization to whom benefits are paid.**

Union and Non-Union Subcontractors***

Street Widening \$26,803,069.00

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 12	█
2	Subcontractor 1	█	2	Subcontractor 13*	█
3	Subcontractor 2	█	3		█
4	Subcontractor 3	█	4		█
5	Subcontractor 4	█	5		█
6	Subcontractor 5	█	6		█
7	Subcontractor 6	█	7		█
8	Subcontractor 7	█	8		█
9	Subcontractor 8	█	9		█
10	Subcontractor 9	█	10		█
11	Subcontractor 10	█	11		█
			*	H& W Blue Shield; Pension- 401K-Franklin Templeton	█

AIR TREATMENT FACILITY \$13,385,862.06

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime*	█	1	Subcontractor 7	█
2	Subcontractor 1	█	2	Subcontractor 8	█
3	Subcontractor 2	█	3	Subcontractor 9**	█
4	Subcontractor 3	█			█
5	Subcontractor 4	█			
6	Subcontractor 5	█			
7	Subcontractor 6	█			
8		█			
9		█			
10		█			
11		█			
12		█			
13		█			
14		█			
*	Benefits paid to Carpenters, Laborers Trusts		**	Benefits paid in cash to electricians	

Union and Non-Union Subcontractors***

Neighborhood City Hall \$9,994,000.00

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 18	█
2	Subcontractor 1	█			█
3	Subcontractor 2	█			█
4	Subcontractor 3	█			█
5	Subcontractor 4	█			█
6	Subcontractor 5	█			█
7	Subcontractor 6	█			█
8	Subcontractor 7	█			█
9	Subcontractor 8	█			█
10	Subcontractor 9	█			█
11	Subcontractor 10	█			█
12	Subcontractor 11	█			█
13	Subcontractor 12	█			█
14	Subcontractor 13	█			█
15	Subcontractor 14	█			█
16	Subcontractor 15	█			█
17	Subcontractor 16	█			█
18	Subcontractor 17	█			█

PRIMARY BATTERY MODIFICATIONS \$31,171,000.00

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 8	█
2	Subcontractor 1	█	2	Subcontractor 9*	█
3	Subcontractor 2	█	3		█
4	Subcontractor 3	█	4		█
5	Subcontractor 4	█	5		█
6	Subcontractor 5	█	6		█
7	Subcontractor 6	█	7		█
8	Subcontractor 7	█	8		█
		█		*HW \$4.16 Anthem Blue Cross	█
				*Vacation \$1.99 Paid to worker	█
				*Pension \$5.25 Great Western	█

Union and Non-Union Subcontractors***

Branch Library \$11,276,000.00

Union		Benefits Offered	Non-Union		Benefits Offered
1	Subcontractor 1	<input checked="" type="checkbox"/>		Prime	<input type="checkbox"/>
2	Subcontractor 2	<input checked="" type="checkbox"/>		Subcontractor 18	<input type="checkbox"/>
3	Subcontractor 3	<input checked="" type="checkbox"/>		Subcontractor 19	<input type="checkbox"/>
4	Subcontractor 4	<input checked="" type="checkbox"/>		Subcontractor 20	<input type="checkbox"/>
5	Subcontractor 5	<input checked="" type="checkbox"/>		Subcontractor 21	<input type="checkbox"/>
6	Subcontractor 6	<input checked="" type="checkbox"/>		Subcontractor 22	<input type="checkbox"/>
7	Subcontractor 7	<input checked="" type="checkbox"/>		Subcontractor 23	<input type="checkbox"/>
8	Subcontractor 8	<input checked="" type="checkbox"/>		Subcontractor 24	<input type="checkbox"/>
9	Subcontractor 9	<input checked="" type="checkbox"/>		Subcontractor 25	<input type="checkbox"/>
10	Subcontractor 10	<input checked="" type="checkbox"/>		Subcontractor 26*	<input checked="" type="checkbox"/>
11	Subcontractor 11	<input checked="" type="checkbox"/>		Subcontractor 27	<input type="checkbox"/>
12	Subcontractor 12	<input checked="" type="checkbox"/>			<input type="checkbox"/>
13	Subcontractor 13	<input checked="" type="checkbox"/>			<input type="checkbox"/>
14	Subcontractor 14	<input checked="" type="checkbox"/>			<input type="checkbox"/>
15	Subcontractor 15	<input checked="" type="checkbox"/>			<input type="checkbox"/>
16	Subcontractor 16	<input checked="" type="checkbox"/>			<input type="checkbox"/>
17	Subcontractor 17	<input checked="" type="checkbox"/>			<input type="checkbox"/>
				* Health - Pacific Care	<input type="checkbox"/>

Refurbishment of Building and Grounds \$1,696,155.00

Union		Benefits Offered	Non-Union		Benefits Offered
1		<input type="checkbox"/>	1	Prime	<input type="checkbox"/>
2		<input type="checkbox"/>	2	Subcontractor 1	<input type="checkbox"/>
3		<input type="checkbox"/>	3	Subcontractor 2	<input type="checkbox"/>
4		<input type="checkbox"/>	4	Subcontractor 3	<input type="checkbox"/>
5		<input type="checkbox"/>	5	Subcontractor 4	<input type="checkbox"/>
6		<input type="checkbox"/>	6	Subcontractor 5	<input type="checkbox"/>
7		<input type="checkbox"/>	7		<input type="checkbox"/>

Union and Non-Union Subcontractors***

FIRE STATION \$11,940,000.00					
Union		Benefits Offered	Non-Union		Benefits Offered
1	Subcontractor 1	█	1	Subcontractor 13	□
2	Subcontractor 2	█	2	Subcontractor 14	□
3	Subcontractor 3	█	3	Subcontractor 15*	█
4	Subcontractor 4	█	4	Subcontractor 16	□
5	Subcontractor 5	█	5	Subcontractor 17	□
6	Subcontractor 6	█	6	Subcontractor 18	□
7	Subcontractor 7	█	7	Subcontractor 19	□
8	Subcontractor 8	█	8	Subcontractor 20	□
9	Subcontractor 9	█	9	Subcontractor 21	□
10	Subcontractor 10	█	10	Subcontractor 22	□
11	Subcontractor 11	█	11	Prime**	█
12	Subcontractor 12	█	12	Subcontractor 23	█
			13	Subcontractor 24	□
			14	Subcontractor 25**	█
				* operating engineers pd to trust; others -cash	
				** option to join 401 K and medical	

Street Sewer Repair \$4,822,887					
Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 5	█
2	Subcontractor 1	█	2	Subcontractor 6	█
3	Subcontractor 2	█	3	Subcontractor 7	□
4	Subcontractor 3	█			□
5	Subcontractor 4	█			□

Union and Non-Union Subcontractors***

Street Lighting Project \$2,740,099.22

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1		█
2	Subcontractor 1	█	2		█
3	Subcontractor 2	█	3		█
4	Subcontractor 3	█	4		█
		█			█

Street Sewer Repair Project 2 \$1,839,849.00

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 3	█
2	Subcontractor 1	█	2	Subcontractor 4	█
		█			█
		█			█

ATSAC Project \$10,119,300

Union		Benefits Offered	Non-Union		Benefits Offered
1	Prime	█	1	Subcontractor 8	█
2	Subcontractor 1	█			█
3	Subcontractor 2	█			█
4	Subcontractor 3	█			█
5	Subcontractor 4	█			
6	Subcontractor 5	█			
7	Subcontractor 6	█			
8	Subcontractor 7	█			

Union and Non-Union Subcontractors***

Animal Services Center \$11,805,000

Union		Benefits Offered	Non-Union		Benefits Offered
1	Subcontractor 1	█		Prime	█
2	Subcontractor 2	█		Subcontractor 18	█
3	Subcontractor 3	█		Subcontractor 19	█
4	Subcontractor 4	█		Subcontractor 20	█
5	Subcontractor 5	█		Subcontractor 21	█
6	Subcontractor 6	█		Subcontractor 22	█
7	Subcontractor 7	█		Subcontractor 23	█
8	Subcontractor 8	█		Subcontractor 24	█
9	Subcontractor 9	█		Subcontractor 25	█
10	Subcontractor 10	█		Subcontractor 26	█
11	Subcontractor 11	█		Subcontractor 27	█
12	Subcontractor 12	█		Subcontractor 28	█
13	Subcontractor 13	█		Subcontractor 29	█
14	Subcontractor 14	█		Subcontractor 30	█
15	Subcontractor 15	█		Subcontractor 31	█
16	Subcontractor 16	█		Subcontractor 32	█
17	Subcontractor 17	█		Subcontractor 33	█
				Subcontractor 34	█
				Subcontractor 35	█
				Subcontractor 36	█
				Subcontractor 37	█
				Subcontractor 38	█
				Subcontractor 39	█



Union and Non-Union Subcontractors***

Los Angeles Police Station \$28,887,000

Union		Benefits Offered	Non-Union	Benefits Offered
1	Prime	█	Subcontractor 16.*	█
2	Subcontractor 1	█	Subcontractor 17	█
3	Subcontractor 2	█	Subcontractor 18	█
4	Subcontractor 3	█	Subcontractor 19	█
5	Subcontractor 4	█		█
6	Subcontractor 5	█		█
7	Subcontractor 6	█		█
8	Subcontractor 7	█		█
9	Subcontractor 8	█		█
10	Subcontractor 9	█		█
11	Subcontractor 10	█		█
12	Subcontractor 11	█		█
13	Subcontractor 12	█		█
14	Subcontractor 13	█		█
15	Subcontractor 14	█		█
16	Subcontractor 15	█	*Health Benefit Provided	█

***NOTE: Based on Fringe Benefit Statements submitted by the contractor at the time of submission of Certified Payrolls.

Will PLAs Help The City's Local Hire Goals?

ANSWER: Yes

REASON

The Unions, as the referral agent of record pledged, to exert their best efforts to recruit, identify and assist individuals, particularly residents of the City as well as those referred by the City's Job Coordinator or City Work Source System for entrance into a joint labor/management apprenticeship program which can lead to a well-paying career in the construction industry.

Article 7.4



Will The City of Los Angeles PLAs Be Fair?

- 1. The City does not distinguish whether a contractor is Union or Non-Union in awarding projects with PLA requirements nor for that matter any other City construction project.**
- 2. The City awards contracts based on bids submitted and the qualification of the prime bidder.**



Will PLAs Benefit the City in Other Ways?

ANSWER: Yes

REASON

All contractors are subscribed to a craft union for the time they are working on a covered PLA project. These subscription agreements make it more difficult for any contractor to not pay at least the prevailing wage rate. The craft unions assist in the monitoring of PLA projects for proper fringe benefit contributions to their 3rd party trust fund.

Article 4 of
PLA

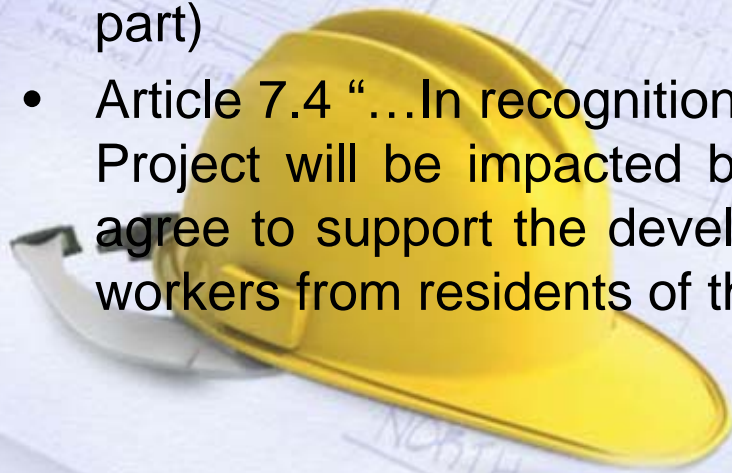


City of Los Angeles Department of Public Works PLA Cited Language

- Article 3.3 “At the time that any Contractor/Employer/Owner Operator enters into a subcontract providing for the performance of a construction contract, the Contractor/Employer/Owner Operator shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor as part of accepting the award of a construction subcontract to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to commencement of work.”
- Article 4.1 “During the existence of this Agreement, there shall be no strike, sympathy strike, picketing, hand billing, slowdown, withholding of work, refusal to work, lockout, sickout, walk-off, sit-down, stand-in, wobble, boycott, or other work stoppage, disruption, advising the public that a labor dispute exists, or other impairment of any kind for any reason by the Unions or employees employed on the Project, at the job site of the Project, or at any other facility of the City because of a dispute on this Project.”

City of Los Angeles Department of Public Works PLA Cited Language

- Article 7.1 “The Union(s) shall be the primary source of all craft labor employed on the Project. However, in the event that a Contractor/Employer has his/her own core workforce, and wishes to employ such core employees to perform covered work, the Contractor shall employ such core workers in accord with the provisions of this Article VII (in part)
- Article 7.1.1 “...The number of core employees on this Project shall be governed by the following procedure: one “core” employee shall be selected and one employee from the hiring hall of the affected trade or craft and this process shall repeat until such Contractor/Employer has hired ten such core employees for that craft, whichever occurs first.” (in part)
- Article 7.4 “...In recognition of the fact that the communities closest to the Project will be impacted by the construction of the Project, the parties agree to support the development of increased numbers of construction workers from residents of these communities.” (in part)





RICHARD N. SLAWSON
Executive Secretary

Los Angeles / Orange Counties Building and Construction Trades Council

Affiliated with the Building & Construction Trades Dept., AFL-CIO

1626 Beverly Boulevard
Los Angeles, CA 90026-5784
Phone (213) 483-4222
(714) 827-6791
Fax (213) 483-4419



December 13, 2010

Board of Directors
Exposition Metro Line
Construction Authority
707 Wilshire Blvd.
34th Floor
Los Angeles, California 90017

Re: Project Labor Agreements

Dear Board Members:

Last week, by letter dated December 10, 2010, we provided you with hard data concerning the successes of the LAUSD's Small Business Enterprise (SBE) outreach and local hire (We Build) programs.

We also wanted to provide to you some hard data to put to rest the arguments used by PLA detractors, who claim that PLAs decrease the number of bidders willing to bid on PLA work and that PLAs increase construction costs to the public owner.

The Building Trades Council has, for a number of years, had in place a PLA with the Los Angeles Community College District ("LACCD"). We recently attended a quarterly meeting of the Los Angeles Community College District Joint Labor Management Committee wherein LACCD construction activity and construction bid activity were reviewed. As to the Construction Bid Activity Status summary report for the period of June 2010 - November 2010 indicates:

1. There were thirteen (13) projects for which bids were received during this period. These projects ranged in size from \$120,000 to \$45,000,000, according to the Engineer's estimate.

2. There were one-hundred and thirty-three (133) bids received for these thirteen (13) projects, an average of more than **ten (10) bids per project**.
3. The **Engineer's estimate** for the cost of these thirteen (13) projects was **\$125,668,000**. The **actual bid amount** for these same thirteen (13) projects was **\$82,880,000**, a **34% saving**.

Prior Reports from the LACCD show similar data. For instance, for the period from March through August 2009, the Report that covers that period indicates that

1. There were nineteen (19) projects for which bids were received during this period. These projects ranged in size from \$80,000 to \$32,000,000, according to the Engineer's estimate.
2. There were one-hundred and seventy-four (174) bids received for these nineteen (19) projects, an average of more than **nine (9) bids per project**.
3. The **Engineer's estimate** for the cost of these nineteen (19) projects was **72,371,000**. The **actual bid amount** for these same nineteen (19) projects was **45,124,994**, a **37.20% saving**.

Similarly, for the period from April through May 2010, the Report for that period indicates that

1. There were seven (7) projects for which bids were received during this period. These projects ranged in size from \$100,000 to \$693,000, according to the Engineer's estimate.
2. There were fifty-six (56) bids received for these seven (7) projects, an average of more than **eight (8) bids per project**.



LACCD SUSTAINABLE BUILDING PROGRAM
RECENT CONSTRUCTION BID ACTIVITY STATUS
 June 2010 - November 2010

PROJECT NAME	Engineers Estimate	Campus	Bid Opening	Number of Bids	Awardee	Bid Range
Temporary CDC Re-Use	\$800,000	Pierce	7/27/2010	12	GMX Construction, Inc.	\$650,000
Learning Assistance Center / Library Renovation	\$45,000,000	LATTC	6/15/2010	3	Suffolk Construction, Inc.	\$21,514,634
New Flooring For Franklin Hall	\$320,000	LACC	8/3/2010	7	Best Contracting Services	\$638,588
PE Wellness Center Phase 2	\$1,000,000	LAHC	7/13/2010	9	Metalcad Insulation	\$749,950
Parking Structure 4	\$19,000,000	ELAC	6/16/2010	19	HB Parkco Construction	\$12,040,020
Lots #1 and #2 Side Walk Repair	\$130,000	LACC	8/30/2010	7	FS Construction	\$74,000
Temp. Facilities - Foundation & CPM Relocation	\$498,000	LACC	9/16/2010	11	Ranbay Constuction Corp	\$386,000
North of Mall	\$29,000,000	Pierce	8/27/2010	13	FTR International	\$23,338,000
Pool Drain Modification	\$120,000	LAVC	9/14/2010	7	Ranbay Constuction Corp	\$64,241
Life Science and Chemistry Building, Health, Fitness & PE	\$24,000,000	LACC	10/19/2010	17	Woodcliff Corporation	\$18,552,000
Golf Course Driving Range	\$400,000	LACC				
School Of Behavioral & Social Science Upgrade						
Formerly Student Service Education Center Upgrade	\$4,000,000	LASW	11/29/2010	18	H. A. Nichols	\$3,649,000
Bookstore	\$1,400,000	LASW	11/23/2010	10	Coleman Construction	\$1,223,669
TOTAL	\$125,668,000					\$82,880,102

PROJECT NAME	Engineers Estimate	Campus	Bid Opening	Number of Bids	Awardee	Bid Amount
DSPS Modular Building Renovation	\$100,000.00	LAHC	4/13/2010	13	Calif Certified Construction	\$58,000.00
NEA/SSA Serviceability Enhancement	\$120,000.00	LAHC	4/26/2010	3	Two Brothers Construction	\$134,000.00
Brahma Horticulture Intersection	\$693,000.00	Pierce	4/30/2010	10	Ranbay Constuction Corp	\$579,790.00
Renovation Of Soft Ball Field	\$125,000.00	LAHC	4/15/2010	8	Marina Landscape Inc.	\$40,700.00
Construction Technology Bldg - Boiler Retrofit	\$150,000.00	LATTC	5/27/2010	3	Boiler Tech, Inc.	\$133,500.00
South Of Mall 3	\$400,000.00	Pierce	5/6/2010	7	AG Araja Engineering	\$391,500.00
K 5 Building - Retaining Wall Project	\$278,000.00	ELAC	5/11/2010	12	West Coast Structures	\$165,372.50
Temporary CDC Re-Use Learning Assistance Center / Library Renovation	\$800,000.00	Pierce	7/27/2010	12	GMX Construction, Inc.	\$650,000.00
New Flooring For Franklin Hall	\$45,000,000.00	LATTC	6/15/2010	3	Suffolk Construction, inc.	\$21,514,634.00
PE Wellness Center Phase 2	\$320,000.00	LACC	8/3/2010	7	Best Contracting Services	\$638,588.00
TOTAL	\$1,000,000.00	LAHC	7/13/2010	9	Metaclad Insulation	\$749,950.00
	\$47,861,000.00			87	Average 7.9 bids	\$25,056,034.50

Upcoming Bids	Amount	Campus	Bid Opening
Science Career & Mathematics Building			
Leased Temp Swing Space	\$4,251,000.00	ELAC	8/10/2010
Lots #1 and #2 Side Walk Repair	\$130,000.00	LACC	8/30/2010
Temp. Facilities - Foundation & CPM Relocation	\$498,000.00	LACC	9/2/2010
TOTAL	\$4,879,000.00		

Attachment 1.

	Mar-Aug 2009	Apr-May 2010	June-Nov 2010
# of projects	19	7	13
range of project cost	\$80,000 - \$32,000,000.00	\$100,000 - \$693,000.00	\$120,000 - \$45,000,000.00
bids received	174	56	133
average # of bids per project	9	8	10
engineers estimate	\$72,371,000.00	\$1,866,000.00	\$125,668,000.00
actual bid	\$45,124,994.00	\$1,337,490.00	\$82,880,000.00
savings	37.20%	28.10%	34%



RICHARD N. SLAWSON
Executive Secretary

Los Angeles / Orange Counties Building and Construction Trades Council

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1626 Beverly Boulevard
Los Angeles, CA 90026-5784
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December 10, 2010

Board of Directors
Exposition Metro Line
Construction Authority
707 Wilshire Blvd.
34th Floor
Los Angeles, California 90017

Re: Small Business Enterprises and Project Labor Agreements

Dear Board Members:

Attached you will find an information packet which was assembled and provided to us by Veronica Soto, formerly of Los Angeles Unified School District (LAUSD) Small Business Boot Camp and the "We Build" local hire program.

The attached information details the background and successes of the LAUSD's Small Business Enterprise (SBE) outreach and local hire (We Build) programs. The Project Labor Agreement (PLA) between the Los Angeles/Orange Counties Building Trades Council and LAUSD covers 27 billion dollars of bond funding used for the construction of new schools and facility renovations. This PLA has been an overwhelming success. An average of 38% of the hours worked have been performed by tradesmen that reside within the jurisdiction of the LAUSD. Additionally, 67% of all yearly hours worked have been performed by residents of the County of Los Angeles. The utilization of local labor put billions of dollars back into the communities that approved the school bonds.

From fiscal year 2003 through fiscal year 2010, \$3.7 billion (47%) of the total contracts awarded by LAUSD for work covered under the PLA have been awarded to Small Business Enterprises. Many of these same SBEs are on the Expo Line phase 2 bidding list, as provided to us by the Expo Authority.

Board of Directors
ExpoLine Construction Authority
December 10, 2010
Page 2

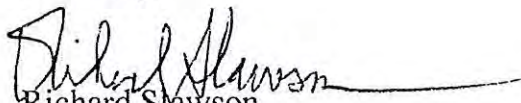
By using the local hiring provisions that were incorporated in the PLA, 905 residents from the community were accepted into a state approved apprenticeship program sponsored by the Building Trades Unions. The impact of this policy means that these employees, through their own personal effort, are now pursuing a career, instead of just working on their next job, which provides for good wages and fringe benefits while staying employed in the construction industry.

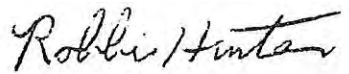
Similar successful results have been achieved through Project Labor Agreements with the Los Angeles Community College District and the City of Los Angeles. These agreements have brought significant economic efficiencies and have met the social goals of the public agencies, in addition to having benefited the surrounding local communities.

Small Business outreach cannot be addressed successfully within a labor agreement. Experience with the LAUSD, as our supporting documentation has shown, proves that a program, in conjunction with but operated outside of the purview of a PLA, has generated significant new small business opportunities for the surrounding local communities.

It is our belief that only through cooperation and an agreement with the Building Trades Council, which Agreement will guarantee the participation of all the Craft Unions, the Contractors and the Authority, that the Authority can meet its stated goals and achieve what was not achieved in phase I.

Sincerely,


Richard Stawson
Executive Secretary


Robbie Hunter
Council Representative

cc: Richard D. Thorpe, CEO

**LOS ANGELES UNIFIED SCHOOL DISTRICT
CONSTRUCTION WORKFORCE
(By Residency)**

Residency	Workers	Total Hours	Total Wages	% of Workers	Avg. Hourly Wage (\$)	% of Hours Worked	% Wages Earned
Local District 1	3431	1,823,994.00	\$ 57,211,872.79				
Local District 2	6318	3,250,223.81	\$ 101,715,662.82				
Local District 3	3311	1,702,419.09	\$ 49,849,607.33				
Local District 4	3194	1,770,847.52	\$ 52,955,572.69				
Local District 5	5293	2,708,381.42	\$ 79,623,837.85				
Local District 6	3054	1,539,235.29	\$ 46,543,159.09				
Local District 7	2211	1,102,790.57	\$ 31,277,217.71				
Local District 8	6178	2,915,239.87	\$ 89,119,373.33				
LAUSD	32990	16,813,131.57	\$ 508,296,303.61	38%	\$30.23	42%	40%
Outside of LAUSD	23954	11,396,752.66	\$ 369,134,348.43	28%	\$32.39	29%	29%
LA COUNTY	56944	28,209,884.23	\$ 877,430,652.04	67%	\$31.10	71%	69%
OUTSIDE LA COUNTY	28517	11,533,759.59	\$ 396,427,570.64	33%	\$34.37	29%	31%
Grand Total	85461	39,743,643.82	\$ 1,273,858,222.68		\$32.05		

* LAUSD Certified Payroll Report Data--July 2004 through December 2010

Per our discussion this morning, below are the program updates for the LAUSD Small Business Boot Camp Program and Small Business Program. Updated local hire data will be sent to you separately.

SMALL BUSINESS BOOT CAMP

In February 2003, the Los Angeles Unified School District Board of Education adopted the SBE Participation Goal of 25% that would be applicable to all district contracts. In July 2003, the Facilities Services Division Small Business Program created the Small Business Boot Camp to provide small contractors with guidance to the public contracting process so that they would be able to compete for LAUSD projects. At the conclusion of the program in Fall 2009, a total of 870 small contractors were trained and over \$150 million had been awarded to program graduates. This program was also instrumental in increasing minority contractor participation in public contracting.

The Small Business Boot Camp Program consisted of eight weekly seminars that were conducted twice a year at three district-wide locations (Central LA, East LA and San Fernando Valley) simultaneously. Below is a description of each Small Business Boot Camp seminar:

Bonding & Certification -- Contractors learned how to increase their company's bonding capacity through the U.S. SBA's Surety Bond Guarantee Program and Contractor BondWorks (the District's bond and finance assistance program). Contractors also applied for the LAUSD Small Business Enterprise (SBE) certification for future recognition in the District's 25% SBE goal.

How to Bid on Informal and Formal Contracts -- Contractors learned how to prepare a bid and manage informal (under \$76,700) and formal competitive contracts (above \$76,700). They acquired up-to-date information on LAUSD's bidding policies to successfully compete and meet contract performance requirements; and received an overview of the contract process, from the pre-bid phase, through the bid and award phase, and project completion.

Labor Compliance and Project Stabilization Agreement (PSA) -- Contractors learned how to avoid Labor Code violations that could adversely affect their bottom line. They obtained clear and easy access to compliance tools to ensure adherence to Department of Labor laws and regulations, specifically certified payroll and prevailing wage requirements. This seminar also included a briefing on the Project Stabilization Agreement (PSA) by Parsons, and the "We Build" Program. This seminar was key to educate contractors on how to work under the District's PLA and ultimately eliminated the barrier, both real or perceived, for small contractors to participate on the nation's largest building program.

Public Contract Law -- An LAUSD attorney instructed contractors on public contract law and explained the components of a public contract to help contractors better prepare their company to comply with contract performance requirements, and to understand both short and long-term expectations. A thorough overview of the General Conditions was also conducted to acquaint contractors with common public sector contracting terms and conditions. This seminar also included a briefing on the District's Owner Controlled Insurance Program (OCIP), the Field Act and the processes for stop notices, change orders, and subcontractor substitution.

The Principles of Scheduling -- A seasoned construction scheduler introduced contractors to the principals of developing a project schedule using Primavera software as required by LAUSD contract specifications.

How to Develop a Safety Plan -- Cal OSHA Consultation Service guided contractors through the process of developing an Injury & Illness Prevention Program (IIPP) and Hazard Communication Program to facilitate compliance with the California Occupational Safety and Health Act (Cal/OSHA). Cal OSHA requires all California employers to provide and maintain a safe and healthful workplace for its employees.

Access to Capital & Government Tax Guidelines -- Public and private sector financial services professionals will guide contractors through eligibility criteria, loan options, and lending terms for small business loans. Also, learn how to comply with State and Federal Government tax laws regulated by the Employment Development Department (EDD) and the Internal Revenue Service (IRS).

LAUSD Contractor Pre-qualification -- LAUSD staff guided contractors through the Contractor Pre-qualification Questionnaire (including Safety Pre-qualification) in a hands-on workshop environment. Safety and Contractor Prequalification is required to bid on informal and formal contracts, respectively.

10-Hour Construction Safety and Health Outreach Program Training -- LAUSD provided 10-Hour OSHA training to Small Business Boot Camp contractors to introduce OSHA policies, procedures, and standards as well as construction safety and health principles. The course also reviewed the scope and application of the Occupational Safety and Health Act and General Duty Clause, as well as examine areas that are most hazardous. Upon successful completion of the course, participants will receive an OSHA construction safety and health 10-hour course completion card.

Contractors enrolled in the program signed a commitment to attend and actively participate in the eight (8) seminars in order to graduate from the Small Business Boot Camp. Each seminar was approximately three hours in the evening, one seminar per week, and required homework. There was no enrollment cost to participate, however, there was a significant investment of time that was required of each contractor. The other requirement was that contractors possess a valid contractor's license.

In summary, the Small Business Boot Camp Program made participation in public contracting less overwhelming and facilitated the participation of small contractors with no previous public works experience and who otherwise would never compete for public contracts. It also helped demonstrate that through education and industry partnership with contractors and the craft unions, small contractors could compete and grow while working on projects covered by a PLA.

SMALL BUSINESS PARTICIPATION

During FY 2003 through FY 2010, \$3.7 billion, or 47% of total construction contracts, were awarded to small contractors working on LAUSD projects. The procurement process, in addition to the training, was key to making this level of performance attainable. LAUSD incorporated its 25% SBE goal in all of its procurement processes, including hard bid, best value 17406 contracts, and Job Order Contracting (JOC) contracts. While SBE participation was a goal, the procurement process was used to level the playing field, make SBE participation a performance value, and best value proposals contained evaluation criteria that made the utilization of SBE contractors a competitive differentiating factor.

Hard Bid Projects---On hard bid contracts, contractors who did not submit a bid with at least 25% SBE participation could be deemed non-responsive and their bids could be thrown out. This approach was more progressive than the "Good Faith Effort" process used by other public agencies that historically renders very limited results.

Job Order Contracting--For JOC, we created Mini-JOCs so that small contractors could be primes without having to have significant bonding capacity. LAUSD awarded JOC contracts for \$200,000 yet these contracts had a value of \$2,000,000 through executable amendments. A small contractor would only have to have \$200,000 of bonding capacity through the life of the contract yet have the ability to execute \$2,000,000 worth of construction work. This was key to eliminating competitive barriers associated with bonding capacity and to create a path for small contractors to grow and become prime contractors.

Best Value 17406 Contracts--Best Value procurement enabled LAUSD to incorporate SBE participation as a competitive factor in construction proposals for new school construction projects submitted by large general contractors (GC). LAUSD established RFP evaluation criteria with a 10% value for SBE and Local Hire participation. GCs were evaluated on their past performance and proposed SBE utilization plan. The awarding of contracts through this process became so competitive that contractors were winning or losing contracts based on .5 to 3 points--these points could be part of the 10 points given in the evaluation process for proven SBE and Local Hire performance. GCs quickly realized that they had a better chance of being awarded a future contract by improving their ongoing SBE performance, which was routinely evaluated and monitored by LAUSD.

In conclusion, significant SBE participation in public works is only attainable through a comprehensive SBE Program that consists of strategic outreach, training, equitable procurement processes that level the playing field and eliminate barriers to competition, and ongoing monitoring and reporting.

Please feel free to contact me if you have any questions.

Thank you.

Veronica



Small Business

Boot Camp

The Los Angeles Unified School District (LAUSD) Small Business Boot Camp Program

is an eight-week program that provides small contractors with the tools necessary to improve their competitive capacity through a comprehensive, hands-on curriculum. At the conclusion of the eight-week program, small contractors will be ready to apply for Prequalification and begin to bid on LAUSD contracts as well as pursue contracts with other public agencies. The program will also serve to expand the District's pool of qualified contractors.

SEMINAR DESCRIPTIONS

Bonding & Certification

Learn how to increase your company's bonding capacity through the U.S. SBA's Surety Bond Guarantee Program, and participate in Contractor BondWorks, the District's bond and finance assistance program. Contractors will also apply for the LAUSD Small Business Enterprise (SBE) certification for future recognition in the District's 25% SBE goal.

LAUSD Contractor Prequalification

Prequalification is required to bid on LAUSD contracts. Contractors will be provided an overview of the Contractor Prequalification Application (including Safety Prequalification) in a hands-on workshop setting.

How to Bid on Informal and Formal Contracts

Learn how to prepare a bid for LAUSD informal, formal and Job Order Contracting (JOC) contracts.

The Principles of Scheduling

A seasoned construction scheduler will show contractors the principals of developing a project schedule using Primavera software as required by LAUSD contract specifications.

Public Contract Law

An LAUSD attorney will provide a thorough overview of the General Conditions to acquaint contractors with common public sector contracting terms and conditions. The contractor substitution, stop payment, and change order processes, as well as the Owner Controlled Insurance Program (OCIP) will be reviewed to ensure contractor awareness.

How to Develop a Safety Plan

A Cal/OSHA safety professional will guide you through the process of developing an Injury & Illness Prevention Program (IIPP) and Hazard Communication Program to ensure contractor compliance with Cal OSHA.

Access to Capital and Governing Tax Laws

Public and private sector financial services professionals will guide contractors through eligibility criteria, loan options, and lending terms for small business loans. Also, learn how to comply with State and Federal Government tax laws regulated by the Employment Development Department (EDD) and the Internal Revenue Service (IRS).

Labor Compliance and PSA

Obtain the information you need to determine and comply with employment laws and regulations that apply to your employees. Obtain clear and easy access to compliance tools to ensure that your business adheres to the Labor Code, specifically certified payroll and prevailing wage requirements. Also, learn about the Project Stabilization Agreement (PSA) which is a partnership agreement between LAUSD, the Union Building Trades and Contractors. An overview of the "We Build" Pre-Apprenticeship Construction Training Program will also be provided.

10-Hour OSHA Training Session

This training session introduces OSHA policies, procedures, and standards as well as construction safety and health principles. The course will review the scope and application of the Occupational Safety and Health Act and General Duty Clause, as well as examine areas that are most hazardous. Eligible students will receive an OSHA construction safety and health 10-hour course completion card.

Locations

Central & South Los Angeles

John Liechty Middle School
850 South Union Avenue
Los Angeles, CA 90017
Start Date: April 14, 2009
Tel: (213) 241-4973

East Los Angeles

4th Street Primary Center
469 Amalia Street
Los Angeles, CA 90022
Start Date: April 22, 2009
Tel: (213) 241-4973

San Fernando Valley

East Valley High School
5525 Vineland Avenue
North Hollywood, CA 91601
Start Date: April 16, 2009
Tel: (213) 241-4973

PROMISSORY COMMITMENT

Contractors enrolled in the program must attend and actively participate in the eight (8) seminars in order to graduate from the Small Business Boot Camp. Each seminar is approximately three hours in the evening, one seminar per week, and will require homework. There is no cost to participate, but there is a significant investment of time that is required and contractors must possess a contractor's license.

ENROLL TODAY!

Visit the Small Business Program website at www.laschools.org, or contact Michael Bejarano at (213) 241-4973 for further enrollment information. Classes begin in April 2009.





Associated Builders and Contractors Golden Gate Chapter TRAINING TRUST

August 10, 2007

Victor Aguirre
Senior Consultant
Department of Industrial Relations
Division of Apprenticeship Standards
San Francisco District Office
P.O. Box 420603
San Francisco, CA 94142-0603

Re: Response To Proposed Audit Report

Dear Victor:

Thank you and your team for the professional way you conducted the audit of the ABC Golden Gate Chapter Carpenter (DAS File #19950) and Construction Craft Laborer (DAS File #10060) Apprenticeship Programs.

The UAC has reviewed you proposed report and has the following comments.

The Construction Craft Laborer Program, as you correctly noted, has had 0% graduates to date. It is definitely below the required minimum. The laborer program, which was approved in 1995, and after a challenging first couple of years, was made to be an internally inactive program until two years ago at which time the UAC made a conscious decision to revitalize the program. At this time, there are 17 registered apprentices with 4 scheduled to graduate in October of this year. The UAC is committed to growing the Construction Craft Laborer program and improving graduation rates.

The Carpenter Program is a small and successful program and one of the reasons apprentices do leave is to pursue other careers when they have determined that seasonal construction work does not fit their life needs. The UAC has recently implemented some changes in the initial interview process to help the applicants understand more fully the type of duties involved the carpentry trade. The UAC is committed to growing the program and improving graduation rates.

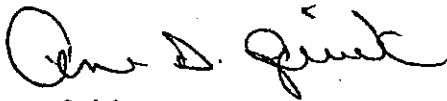
07 AUG 13 PM 3:24

Under Audit Findings and Recommendations you determined that we had not submitted a DAS 24 noting the new LEA, Eden Area ROP, who took over for us when our original LEA, Milpitas Adult Education decided to withdraw from overseeing apprenticeship programs. Please find attached a letter from our LEA validating and approving our curriculum and a DAS 24 for same. *(Enclosed)*

Under Rules and Recommendations you stated that the program rules and regulations given to the apprentices during orientation did not contain a statement to the apprentice advising them of their right to be given a copy of the Standards if requested and that they be given a copy of the rules and regulations governing the program. Even though each apprentice signs an acknowledging that they have been given a copy of the rules and regulations and as you noted is filed in each apprentice master file, per your recommendation the committee has included the verbiage within the rules and regulations booklet for the apprentice to acknowledge receipt and that the standards are available upon request. *(See pages 2 and 3 of carpenter and laborer rules and regulations handbooks enclosed.)*

The Carpenter and Construction Craft Laborer UAC welcome any input and recommendations for further improvement of their apprenticeship programs.

Sincerely,



Anne Quick
Vice President of Education
ABC Golden Gate Chapter

Enc: DAS 24 – Carpentry Program with updated information in Standards
DAS 24 – Construction Craft Laborer with updated information in Standards
Copy of Carpentry Program Rules and Regulations with recommended verbiage included.
Copy of Construction Craft Laborer Rules and Regulations with recommended verbiage included.

07 AUG 13 PM 3:24

Re: Union monopoly on San Diego Courthouse construction!?

Hello,

I just learned about the proposed union-only monopoly being considered for the construction of the new courthouse in San Diego.

This is an outrage. Not only does it exclude the vast majority of construction firms and workers but it will undoubtedly raise the costs.

And to think that my taxpayer dollars would be wasted in such a way and used to discriminate against companies and workers who choose not to belong to a union is a disgrace.

I urge you to reject the proposed "PLA" on the new courthouse in San Diego.

Thank you for listening. If possible, I would like a response.

Sincerely,

Tony Krvaric