

Opposition from
ABC NorCal

Lee, Marian

From: Futrell, Mike
Sent: Wednesday, January 9, 2019 10:53 AM
To: Lee, Marian
Subject: Fwd: Oppose Agenda Item 13a. - Project Labor Agreement
Attachments: PLA Oppose - City of South San Francisco.pdf; ATT00001.htm

Sent from my iPhone

Begin forwarded message:

From: "Nicole Goehring" <nicole@abcnorcal.org>
To: "Matsumoto, Karyl" <Karyl.Matsumoto@ssf.net>, "Garbarino, Rich" <Rich.Garbarino@ssf.net>, "Addiego, Mark" <Mark.Addiego@ssf.net>, "Nagales, Mark" <Mark.Nagales@ssf.net>, "Nicolas, Flor" <Flor.Nicolas@ssf.net>, "Futrell, Mike" <Mike.Futrell@ssf.net>
Subject: Oppose Agenda Item 13a. - Project Labor Agreement

Mayor Matsumoto and City Council: Please find attached ABC NorCal's opposition letter to Agenda Item 13a for inclusion in your January 9th meeting minutes. Please let me know if you have any questions. Thank you for your consideration.

Nicole Goehring

Community and Government Relations Director
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Founded on the merit shop philosophy, ABC helps members develop people, win work and deliver that work safely, ethically, profitably and for the betterment of the communities in which ABC and its members work

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**Northern California
Chapter**

We're training tomorrow's
skilled workforce today.
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January 9, 2019

Mayor Karyl Matsumoto
City of South San Francisco
400 Grand Ave.
South San Francisco, CA 94080

Re: Oppose Agenda Item 13a. Resolution approving a Project Labor Agreement for the Community Civic Campus project between the City of South San Francisco and the Union, and authorizing the City Manager, or his designee, to execute the Project Labor Agreement.

Dear Mayor Matsumoto:

Associated Builders and Contractors Northern California Chapter (ABC NorCal) is a construction trade association of nearly 500 construction and construction related firms representing 15,000+ merit shop construction workers across Northern California. Many of our contractor members and their employees are located in the Bay Area and have performed work for the City of South San Francisco. ABC NorCal operates state and federally approved apprenticeship programs approved in several trades. We believe in increasing opportunities for all workers regardless of their labor affiliation.

For over forty years ABC NorCal has been committed to training a skilled workforce in the construction trades. We train over 1,000 state and federally approved apprentices, journey workers, and craft trainees each year, a vital component to the sustainability of the industry. Our apprentices, journey workers and craft trainees come from all walks of life and emerge from our training programs with a good-paying career and the skills needed for employment security and their future success.

Before the City Council rushes to make a decision to move forward with a contracting policy for the Community Civic Campus project that will significantly alter the way contracting has historically been done in the City, we kindly request you delay action until the City conducts a survey of the contractors in the local contracting community for their input and holds a proper special study forum to give proponent and opponent presenters equal time to educate the City Council on the complex topic. Every contractor survey that has ever been conducted about Project Labor Agreements (PLAs) show they decrease competition, increase costs and are a disincentive to bid.

Please see recent examples below from cities with PLA policies:

1) PLA failure in San Leandro for WPCP Asphalt Replacement: 1 bid, more than twice estimate

Bid result: <https://sanleandro.legistar.com/View.ashx?M=F&ID=5413289&GUID=64529FE5-0D33-476D-90AA-DADF85D3BD4A>

Proof of PLA: <https://www.sanleandro.org/civicax/filebank/blobdload.aspx?BlobID=27138>

2) City of Concord: Rejection of bids for the Measure Q Maintenance Project #7 (Project No. 2378) were opened on Monday, April 2, 2018. Two bids were received in the amount ranging from \$2,567,921.92 to \$10,363,375.13. The apparent low bidder's total bid was corrected to \$10,363,375.13 due to errors on their bid form. The bids received exceed the available project funds and were not sufficient to award the construction contract.

3) City of Stockton: Three projects have been bid out with PLAs since the policy was adopted July 26, 2016 and went into effect August 25, 2016.

Tenant Improvements at 400 East Main. One sole Bidder – Swinerton – 27% over engineer's estimate. City Council voted on 9/19 on staff recommendation to reject PLA:

http://stockton.granicus.com/MetaViewer.php?view_id=48&event_id=1068&meta_id=514367

Proof of PLA: [http://www.stocktongov.com/bidDocs/PUR-16-](http://www.stocktongov.com/bidDocs/PUR-16-020_1st%20and%207th%20floor%20REQUEST%20FOR%20SEALED%20BID%20PUR-B.pdf)

[020_1st%20and%207th%20floor%20REQUEST%20FOR%20SEALED%20BID%20PUR-B.pdf](http://www.stocktongov.com/bidDocs/PUR-16-020_1st%20and%207th%20floor%20REQUEST%20FOR%20SEALED%20BID%20PUR-B.pdf)

Police Dept. Under Freeway Parking Lot Improvements – rebid because the lowest responsible bid was way over the engineer's estimate at 44%.

Black Oak Public Utility Easement Sanitary Sewer Rehabilitation – awarded to the higher of two bidders from Missouri.

Legislation Text

4) PLA Failure in City of Watsonville: Digester Mixing and Fats, Oil and Grease (FOG) Receiving Station Improvement Project

Only one bid - 63% over the estimate.

5) The Continuing Dispute Over "Local" Hiring Under the City's Project Labor Agreement – Long Beach Post - just 17 percent of those hours were worked by residents of Long Beach. The figure for disadvantaged hires detailed in the reports stands at 4.7 percent, falling just shy of half of the 10 percent goal outlined in the PLA.

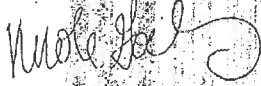
Project Labor Agreements (PLAs) create barriers for local, minority and women-owned construction employers and their employees from participating in building their community because they contain provisions that do not allow for the complete utilization of their workforces excluding the men, women, and veterans who have graduated from state approved, unilateral apprenticeship training programs in pursuit of a construction career that provides stability for them, their family and their community.

It's disappointing to see the spirit of entrepreneurship blatantly dismissed at the City of South San Francisco leaving opportunities only for the small number of workers who have found their way into union construction programs and further eroding opportunities for smaller minority construction companies and their workers to expand their local businesses and gain invaluable work experience on taxpayer-funded projects in their community.

It is unfortunate that this generation's construction professionals are being pushed away from well-paying career opportunities within their community. What the City of South San Francisco should be doing to promote a fulfilling career in the trades is highlighting the available opportunities, not disparaging non-union construction workers.

Thank you for your consideration of this request to delay the discussion. I look forward to working with you to find solutions that will remove barriers and increase opportunities for all City of South San Francisco taxpayers and residents. Please include this correspondence in your January 9, 2019 meeting minutes. Please contact me at nicole@abnocal.org or 925-960-8513 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicole Goehring". The signature is fluid and cursive, with a large loop at the end.

Nicole Goehring
Community and Govt. Relations Director

Cc: Rich Garbarino, Vice Mayor
Mark Addiego, Councilmember
Mark Nagales, Councilmember
Flor Nicolas, Councilmember