



Alexander, Jacquelyne

From: pwcompliance@gmail.com
Sent: Monday, April 8, 2019 9:54 AM
To: sbcob
Cc: Williams, Das; Hart, Gregg; Hartmann, Joan; Adam, Peter; Lavagnino, Steve
Subject: Support for Community Workforce Agreement Ordinance
Attachments: LetterToSantaBarbaraBOS.pdf; ContractorLocationSummary-Countywide.pdf

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Dear Chairman Lavagnino and Members of the Board,

My name is John Hughes. I am the Labor Compliance Officer for the Electrical Contractors and Electrical Workers in Santa Barbara County. I write this letter in support of the proposed development of the Community Workforce Agreement Ordinance for the County of Santa Barbara.

As a normal part of our oversight of public works projects in Santa Barbara County, we maintain a database of construction bidding and award documentation. To shed some light on actual past practice, we've compiled a Contractor Location Summary for ten large-scale public capital improvement projects in Santa Barbara County. (attachment included)

As you can see, of the 204 awarded prime and sub-contractors, an average of **77% are from outside Santa Barbara County**. Of course, everybody would like to see more local contractors on our publicly funded projects, but out-of-area contractor participation is critical to responsible public contracting. The County must look to contractors outside of the immediate area to ensure competitive bids are being received, due to the limited number of locally qualified construction contractors.

It is common practice for out-of-area contractors to bring their transient workforce with them to perform the construction labor on your projects. The contractors are not legally obligated in any way to hire locally, or to ensure their workers have bona fide qualifications as journeypersons in their craft. They're only required by law to pay their workers at the prevailing rate for the scope of work being performed. If this fact doesn't concern you, it should. Paying someone as a Journeyman Electrician does not, in and of itself, make him or her qualified to install the electrical systems on your construction project.

Journeyman construction worker qualifications matter, as they do for any other profession. Would you condone the hiring of police officers, firefighters, teachers, or engineers, who do not possess graduation certificates from their accredited colleges or academies? Of course not.

Opponents of this proposal decry that a Project Labor Agreements (PLA) will cause reduced competition, increased bid price, excluded non-union employers, and discriminate against unrepresented workers. This is typical anti-union bias that we've all heard before and is completely disingenuous. By federal law, PLAs must treat all contractors and all qualified workers equally, regardless of union affiliation.

I direct you to the public discussion with the County of Santa Barbara, in consideration of a Project Labor Agreement for the North County Jail project in 2015. The local Contractors Associations successfully convinced the County Staff of the same misleading claims. In fact, they coordinated with the County's Construction Management firm, Kitchell Construction, to conduct a survey of the local contractors' willingness to bid on the

jail project. They asked if the local contractors were interested in prequalifying and/or bidding on the project with and without a PLA. Of course, the results were as you would expect and as designed. The local contractors railed against the Building Trades and threatened not to bid the project, if a PLA was established. At the end of the day, a PLA was not reached, but the local contractor participation and bid results prove their deception:

- There were only nine prequalified General Contractors: **none from the Tri-Counties area.**
- Of those prequalified General Contractors, **only three** submitted a bid.
- The lowest bidder's price was **\$11 million above the County's estimate.**
- The awarded General Contractor listed **only four subcontractors from Santa Barbara County.**

In retrospect, **without a Project Labor Agreement:**

- ✓ The bid price for the North County Jail project was 18% over budget.
- ✓ There were very few participating local contractors.
- ✓ There were very few qualified bidders.

Everyone in construction knows that the primary factor in bidder participation and the overall bid price of a project is driven by how busy the contractors are at the time of the bid. If they're busy, then the price goes up, or they may not bid at all. If anything, having a PLA established on a project provides additional certainty for all participating contractors to have access to a local qualified workforce.

With this reality in mind, you can see that the ongoing rhetoric from the local contracting community is designed to scare our public officials and is not grounded in good faith. They will do or say anything to prevent the construction workforce from having an organized voice in the public construction process, regardless of the benefits to the County, the taxpayers, or the local residents. It should be noted that the Affiliates of the Building Trades are committed to work with any contractor, local or traveling, union or non-union. Unfortunately, the same willingness cannot be said for those opposing this policy.

We all know that our local community needs good paying jobs to support the high cost of living in the Santa Barbara County. You have the power to significantly improve local construction career opportunities, as have a multitude of counties, cities, and school districts in California who have leveraged the most value from their construction dollars by securing PLAs on their public works projects. I urge you to support the proposed development of the Community Workforce Agreement Ordinance for the County of Santa Barbara.

Please let me know if you have any question or if I can be of further assistance.

Sincerely,

Thank you,

John Hughes
NECA-IBEW Labor Compliance Dept.
Email: pwcompliance@gmail.com
Phone: (805) 886-9095
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Santa Barbara County

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April 8, 2019

Santa Barbara County Board of Supervisors
Clerk of the Board
105 E. Anapamu Street, Room 407
Santa Barbara, CA 93101

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Sincerely,

John Hughes
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Email: pwcompliance@gmail.com
Phone: (805) 886-9095

Contractor Location Summary

for Public Capitol Improvement Projects in Santa Barbara County

Project Name	Value	SB County	SLO / Ventura	Out of Area	Totals
1 Santa Barbara County Northern Branch Jail Project Phase 1	\$78 Million	4	2	14	20
2 Santa Barbara Desalination Plant	\$55 Million	8	1	15	24
3 Hwy 101 in Carpinteria - build and reconstruct bridges, ramps, frontage road	\$52 Million	0	1	16	17
4 Santa Barbara Airport Terminal Improvement Project	\$35 Million	2	9	13	24
5 SBCC Campus Center Seismic Upgrade Project	\$32 Million	5	9	12	26
6 Peabody Stadium Renovation	\$29 Million	9	1	18	28
7 El Estero WWTP Secondary Treatment Process Improvements	\$22 Million	0	0	4	4
8 Cabrillo Pavilion Arts Center and Bathhouse	\$17 Million	17	8	9	34
9 UCSB Arts Building Seismic Correction and Renewal	\$11 Million	1	3	15	19
10 El Estero WWTP Tertiary Filtration Plant Replacement	\$9 Million	1	1	6	8
Totals:	\$340 Million	47	35	122	204

23% 17% 60%

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60% are from outside the Tri-Counties.

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