

How a PLA Discriminates and Reduces Bidders Thereby Increasing Costs.

The following are the explicitly and implicitly discriminatory provisions contained within the City of Selma PLA. These are the same provisions placed in all boilerplate “agreements”.

Article X: Apprentices. *Recognizing the need to develop adequate numbers of competent workers in the construction industry, the Contractors/Employers shall employ apprentices of a California State- approved Joint Apprenticeship Training Program in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured. The apprentice ratios will comply with the applicable provisions of the California Labor Code and Prevailing Wage Rate Determination. Consistent with the Master Agreements and state law, there shall be no restriction on the utilization of apprentices in performing the work of their craft provided they are properly supervised.*

Concern: All apprentices must come from state approved union programs, making it impossible for apprentices in state-approved merit shop programs to participate, even during this time when California is facing a massive workforce shortage.

Recommendation: The word “Joint” needs to be removed to allow for all state and federally approved apprentices to be used.

See below from the DIR website the definitions for Joint and Unilateral apprentices – all state and federally approved.

[Apprenticeship programs information guide - definitions](#)

UAC (Unilateral Apprenticeship Committee) means non-union vs. Joint or J.A.T.C. which is union.

Article VII: 7.2. Union Security. *All employees who are employed by Contractors/Employers to work on the Project will be required to become members and maintain membership in the appropriate Union on or before eight (8) days of consecutive or cumulative employment on the Project. Membership shall be satisfied by the tending of periodic dues and fees uniformly required to the extent allowed by law.*

Concern: Workers must pay significant union dues, even if the employee is not a union member. These dues can cost upwards of \$1100!

Recommendation: Employees of non-signatory employers shall not be required to pay union dues and fees.

Article VIII 8.2 Referral: *The Union will refer to such Contractor/Employer one employee from the hiring hall out-of-work list for each affected craft, and will then refer one of the Contractor/Employer’s “key” employees as defined above in 8.2. The process will then be repeated, one and one, until a maximum of five (5) “key” employees have been hired, after which point hiring will be done in accordance to section 8.1.*

Concern: When a non-union company is granted the contract, it is not able to use its own skilled and trained journey-workers and apprentices (including minorities, veterans, and those employees formerly incarcerated). Instead, they must attempt to perform the work using workers sent by a union hall that the company has no previous experience with giving out-of-town union workers priority over nonunion workers living closer to home. In other words, construction firms owned by women, veterans, and minorities – being generally smaller and nonunion – need not apply.

When non-union contractors bid work, they bid based on what they know their crews can perform. Their bids are based on their crew's talent, training, experience, commitment to quality, and track record of performing work safely and ethically. It is wrong for the city to force contractors to have their own skilled, trained, and certified workers miss out on work that they have spent their careers performing. This forces the contractor to potentially use someone with a different (potentially lower) skill set or ability, with no history with the company.

Recommendation: Allow the workers employed by non-signatory Contractor/Employer to come from its own core workforce, prior to the imposition of any requirement to hiring workers from the union hall.

Article IX: Wages and Benefits: *The Contractors/Employers agree to pay contributions to the vacation, pension and/or other form of deferred compensation plan, apprenticeship, worker protection and assistance, and health benefit funds established by the applicable Master Agreement(s) for each hour worked on the Project, in the amounts designated in the Master Agreements of the appropriate local Union(s).*

By signing this Agreement, the Contractors/Employers adopts and agrees to be bound by the written terms of the legally established Trust Agreements, as described in Section 9.1, which may from time to time be amended, specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Trust Funds. The Contractors/Employers authorize the parties to such local Trust Agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratify and accept the trustees so appointed as if made by the Contractors/Employers. The Contractors/Employers agree to execute a separate Subscription Agreement(s) when such Trust Fund(s) require such document(s).

Concern: 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.

Recommendation: A non-signatory Contractor/Employer shall compensate any workers for benefits in excess of the basic hourly wage in accordance with the applicable prevailing wage determination established by the Department of Industrial Relations pursuant to California Labor Code and the City's Prevailing Wage Policy. Contractor/Employer shall either:

- Contribute to Contractor/Employer's sponsored benefit plans on behalf of the worker, or
- Contribute to the union's established employee benefit plan on behalf of the worker.