



**AGC  
CALIFORNIA**

The VOICE of the Construction Industry

*"It's good business to do business with an AGC member."*

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Mike Mencarini, Senior Vice President  
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**VIA EMAIL**

March 15, 2016

**STATE OFFICE**

3095 Beacon Boulevard  
West Sacramento, CA 95691  
(916) 371-2422 / Fax (916) 371-2352  
E-mail: agesac@age-ca.org

Bill Harrison, Mayor  
City of Fremont  
3300 Capitol Ave., Bldg. A  
Fremont, CA 94538

**REGIONAL OFFICES**

**Northern California**  
1390 Willow Pass Road, Suite 1030  
Concord, CA 94520  
(925) 827-2422 / Fax (925) 827-4042  
E-mail: agcnorth@age-ca.org

Re: Agenda Item 8. A. 1. MAYOR HARRISON REFERRAL: Requests staff to enter into discussions with the Alameda County Building and Trades Council to develop a Project Labor Agreement for the First Phase of our Downtown Civic Center project

**Southern California**  
1906 W. Garvey Avenue South, Suite 100  
West Covina, CA 91790  
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**DISTRICTS**

**Eureka and Shasta**  
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Dear Mayor Harrison:

**Delta-Sierra**  
(916) 371-2422 / Fax (916) 371-2352  
E-mail: agesac@age-ca.org

We have become aware that a Project Labor Agreement is under consideration for the First Phase of the Downtown Civic Center Project.

**North Bay**  
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AGC's policy on Government Mandated Labor Agreements is as follows: To protect construction industry practices, AGC of California will engage in early education and discussion of GMLA's with public agencies. If contractors are excluded from the process, AGC will oppose GMLA's on the basis that they prejudice the competitive bidding process and undermine the local prevailing industry labor practices.

**San Francisco Bay Area**  
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**Santa Clara**  
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AGC represents the largest multi-employer bargaining unit in the United States; representing over 500 contractors statewide which produce in excess of 35 million union man-hours per year in the State. To protect construction industry practices, AGC of California is committed to engaging in early education and discussion of Government-Mandated Labor Agreements with public agencies. AGC welcomes the opportunity to engage in early education and discussion of a proposed Labor Agreement with board members and staff of the City of Fremont. Please note that our organization negotiates collective bargaining agreements with the Carpenters, Cement Masons, Iron Workers, Laborers, Pile Drivers, Operating Engineers, and Teamsters for numerous contractors working within and for the City of Fremont. Each labor agreement is negotiated and developed in an attempt to accurately reflect the local market conditions of the construction industry.

**Monterey Bay**  
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**Orange County**  
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**Riverside/San Bernardino**  
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8.A.1

AGC's Opposition to Government Mandated Labor Agreements centers on the following:

- Project labor agreements negotiated between government agencies and labor unions erode the competitive bidding process.
- GMLA's reduce the bidders on the project when capable companies do not engage such projects because they do not chose to sign the mandated agreement.
- GMLA's restrict competitive control of workforce and work assignments
- Strict craft jurisdictions will raise the costs because the contractor will be required to hire workers whose skills and productivity are unknown.
- Promises of "no-strike" and "no lockout" are already longstanding provisions in the Collective Bargaining Agreements that the industry works under today.

Competitive bidding, prevailing wage regulations and local collective bargaining agreements have served public works construction well for many years. These standards and laws, when properly enforced, should provide the assurances agencies require. When contractors are allowed to control their own workforce, they are more competitive. Requirements beyond the proven industry practices, only raises the cost to the public. We should always remember, we are dealing with the public's money.

We respectfully request that you postpone a vote on a project labor agreement until concerns above can be addressed by all parties including the controlling employers.

Thank you for your consideration of this request.

Sincerely,

*Claire Koenig*

Claire Koenig  
Regional Manager  
North Bay, San Francisco Bay Area and Santa Clara Districts  
**ASSOCIATED GENERAL CONTRACTORS OF CALIFORNIA**

**cc:** Lili Mei, Vice Mayor  
Suzanne Lee Chan, Councilmember  
Vinnie Bacon, Councilmember  
Rick Jones, Councilmember  
Cliff Nguyen, Urban Initiatives Manager  
Tom Holsman, CEO, AGC of California  
Mark Reynosa, Director, Industrial Relations, AGC of California  
Al Aragon, Manager, Industrial Relations - North, AGC of California

