MERITINSIDER

Chapter Newsletter
June 2024

POLITICAL ADVOCACY

Update on the Fight Against California Senate Bill 984

SB 984 is now in suspense. DGS reports unknown likely significant increase in project cost ranging in the millions of dollars per project.

The Amendments limit the scope of SB 984 and are a big win for ABC NorCal and its members. Our next job is to make sure these Project Labor Agreements (PLAs) include fair PLA language, which could allow the state agencies to rebid without a PLA, if certain conditions are not met.

What is SB 984? This bill would authorize certain state agencies to undertake a major state construction project, only if that project is governed by a PLA. It provides that existing law authorizes a public entity to use, enter into—or require contractors to enter into—a PLA for a major state construction project.

SB 984 Amended requires the Department of General Services (DGS), the California Courts system and the Department of Toxic Substances Control (DTSC) to identify a minimum of three major state construction projects with costs estimated at $35 million that will be governed by PLAs. SB 984 also requires the Department of General Services to report to the Legislature every 4 years regarding the use of PLAs, advancement of any community benefits goals and apprenticeships.

ABC Media Coverage: https://www.opportunitynowsv.org/blog/regional-builders-and-construction-group-says-sen-wahabs-project-labor-agreement-pla-bill-is-discriminatory-and-costly

Advocacy in the Cities

Our team met with Solano County EDC president Chris Rico and candidate for Vallejo City Mayor Dew Pippin. The Vallejo City Council just approved a Project Labor Agreement for contracts of $750,000+. Discussed were PLA compliance issues for non-union contractors and CTE Apprenticeship Programs.

PLA Ticker as of June 2024

1. **Mountain View City** – 5/14 partial win: We and ABC members met with each City Councilmember and staff, we educated and saved this from being a citywide CWA. The approved CWA was only on 5 capital projects. Now we must track bidding and compliance Issues to protect this from expanding to citywide.
2. **Watsonville Citywide PLA** – 5/28 win: Watsonville City Council voted to rebid a project WITHOUT the PLA due to only 1 bidder and with the bid being overbudget by 36%.
3. **Sonoma County** – 5/21 partial win-delay, continue advocacy: BOS voted to expand PLA to maintenance and trucking/hauling. Results: Carpenters and trades have disputes about jurisdiction, so negotiations will continue for maintenance. The Board did not want to proceed with coverage for on-site/off-site hauling.
4. **Hayward City** – 5/21 loss: 7-0 Vote to approve the renewed & revised citywide CWA (1M+, union-only apprentices, 5 core-alternating 1 union/1 core).
5. **San Francisco Airport Commission** – 5/21 voted 3-0 approving PLA for the SF Airport Terminal, West Field and Infrastructure Improvement Program.
6. **Sacramento Airport CWTA** – Partial win w/fairer PLA: Otto Construction was awarded a $229 million design-build contract for Terminal B Parking Garage Project. They are now having issues regarding subs having to use union workers instead of their own.
7. **Santa Cruz County** – PLA will be brought back before the board in June.
8. **West Sacramento** – April 10th, City Council agrees to direct staff to negotiate Project Labor Agreements.

Ask Matthew and Susan

If you have questions or concerns about anything listed above, or a new issue you would like to bring to our attention, please contact us at matthew@abcnorcal.org or susan@abcnorcal.org.

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