
Sound Transit Project Labor Agreement Study

By

Agreement Dynamics





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***PLEASE NOTE: This study was conducted between October 2010 and April 2011. Drafts and final edits were submitted to Sound Transit between April 29, 2011 and November 29, 2011.**

FOREWORD

This study of the Sound Transit Project Labor Agreement was conducted between October 2010 and April 2011. During that time frame, all data was gathered and analyzed, all interviews and surveys were completed, and the first draft of the report was submitted to Sound Transit on April 29, 2011.

Clarifications and corrections to the report were submitted between July and November 2011 to Sound Transit.

No updates to the report regarding events or stakeholder surveys subsequent to the April 2011 draft have been made.

This PLA report was written by Agreement Dynamics, Inc.

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Section A. Executive Summary

Study Purpose, Background and Scope

Sound Transit commissioned this study to objectively review the performance of its project labor agreement (PLA) for Sound Move and provide suggestions for improvement, based on information obtained from Sound Transit and project stakeholders.

Background

In May 1996, the Sound Transit Board adopted Sound Move, a comprehensive regional transit plan comprised of nearly 100 separate but interrelated capital and service transportation projects.

In July 1999, the Sound Transit Board adopted Resolution No R99-21, establishing the intent to use project labor agreements on all of Link light rail construction contracts and Sounder commuter rail station contracts. The agreement was negotiated between Sound Transit and the national and local building and construction trades, and various local and international unions.

Sound Transit agreed that all contractors (and their subcontractors) that would work on the contracts within the scope of the PLA would be required to sign on to the PLA as a condition of contract award. For its part, Labor agreed that the PLA is a stand alone agreement, and contractors who are not union signatory firms would only have to sign onto the PLA for the contracts under its scope and no other union agreements. Labor also agreed that there would be no strikes, picketing, work stoppages or other disruptions, and Sound Transit agreed there would be no lockouts by contractors.

Study Purpose and Scope

Sound Transit is seeking to assess how the PLA has worked in response to the Board's objectives on the applicable contracts let under *Sound Move*.



Data supplied by Sound Transit for this report is a subset of Sound Move projects and represents the PLA construction on the Central and Airport Links light rail system.

Study authors were asked to address specific questions by seeking out the views and experiences of those stakeholder groups who were involved and/or impacted by the

PLA's performance as well as by analyzing readily available data that is relevant to these questions:

The purpose of this study is not to recommend whether a project labor agreement should or should not be utilized in the future. It is rather, to provide data, information, experiences and perspectives about how Sound Transit's PLA has performed, compare its provisions with other designated local public project PLAs and identify suggestions for improvement.

Study Methodology

Information, experience and opinions about Sound Transit's PLA were solicited from Sound Transit contractors (including primes, subcontractors, unionized, non-unionized, disadvantaged business enterprises (DBE), women and minority contractors), contractor associations, labor unions, building trades labor councils, community representatives, Sound Transit staff, PLA negotiators, Bechtel's 1999 Sound Transit studies author, legal advisors, FAST Jobs Coalition members, Sound Transit Diversity Oversight Committee, and a Seattle Vocational Institute Apprenticeship Construction training program advisor. Individual and group interviews were conducted along with an online survey. The interviews were the intended primary source of information for the study because the interviewees were a representative sample of stakeholders and in many cases represented groups of stakeholders. The survey information was used to augment the study and to maximize input opportunities from members of all these groups and other interested parties. Over 141 individuals provided input for this study.

All relevant diversity, financial and PLA-related records and data provided by Sound Transit were reviewed. Additional data regarding grievances, local collective bargaining agreements, area labor disputes, PLA operational history, jurisdictional issues and PLA models was mined and incorporated to more comprehensively respond to the study questions.

Three area PLAs (Community Workforce Agreement for the WSDOT SR520 Pontoon Construction Design-Build Project, SeaTac Airport Modernization PLA, and the Brightwater Conveyance System PLA) were reviewed in depth and compared to Sound Transit's PLA to determine differences, similarities and unique provisions. Other PLAs referenced by interview and/or survey respondents were analyzed in relation to issues raised and request for inclusion in this report. Numerous PLA studies, along with public-project PLAs from throughout the country, were reviewed as well.

Introduction: What is a Project Labor Agreement?

A Project Labor Agreement (PLA) is a type of contract used in the construction industry to set terms and conditions typically on large projects of long duration and design complexity.¹ PLAs are negotiated pre-bid. They are,

“...project-specific, collectively-bargained labor agreements regarding wages, benefits, hours of work and other terms and conditions of employment. On the

¹ Economic Policy Institute Briefing Paper #273, August 6, 2010.

one side of the agreement is a collection of construction unions perhaps under the leadership of a local construction labor council or some other form of multi-craft organization. On the other side of the agreement is usually a project or construction manager representing the interest of the construction user. This contrasts with typical collectively bargained labor agreements in construction where separate craft unions bargain with their corresponding contractor associations about wages and working conditions. Traditional collective bargaining has no specific construction project in mind, and no one at the table controls upcoming work. In PLA bargaining, unions bargain as a group with someone who controls upcoming work.”²

Project labor agreements have been used in the United States for decades, with the first PLAs being executed for the construction of the Hoover Dam in Nevada and the Grand Coulee Dam³ in Washington State. A PLA chronology is provided beginning on page 33.

Why are PLAs Used?

PLAs have been used in both the public and private sectors for many different reasons. However, there are at least two interests that appear to be common to virtually all PLAs:

1. Preventing project delays and cost overruns due to labor disputes.
2. Securing an adequate and reliable supply of skilled workers from all crafts needed to complete the project on time, within budget and in a high quality manner.

PLAs have also been used with additional objectives, such as cost savings via work rules standardization and higher apprenticeship ratios. They have, in some instances, been designed to promote diversity in employment.

What are Typically-Cited PLA Advantages and Disadvantages?

PLA critics, including those interviewed for this study, maintain that PLAs are both unnecessary and counterproductive. Two national contractor associations representatives summarized their objections to include the following:

- “The fundamental reason we oppose PLAs is because they interfere with the employee/employer relationship and free enterprise.”
- “PLAs discriminate against small and non-union contractors who now have to comply with different and more costly work rules, pay into union benefit funds (in addition to their own) and are precluded from using most of their own employees so they bid for a job without knowing who the workers are or their skill level.”
- “Administrative costs in terms of contractor’s time spent dealing with jurisdictional and other PLA issues and additional paperwork increases their bid costs as much as 10%.”

² Dale Belman, Ph.D., Matthew Bodah, Ph.D., Peter Philips, Ph.D. *Project Labor Agreements*, 2007, <http://www.onlinecpi.org/downloads/PLA-report.pdf>, or for members: <http://www.necanet.org/store/products/index.cfm/F2702> (2/10/11).

³Ralph Scharnau and Michael F. Sheehan, *Project Labor Agreements in Iowa: An Important Tool for Managing Complex Public Construction Projects*, October 2004.

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- “The objectives of the Sound Transit PLA (no strikes, no lockouts, adequate skilled labor, higher apprentice utilization, increase women and minority contracting and expanded employment opportunities, etc.) can be achieved without a PLA by putting them in the bid specs.”⁴

Those who support PLAs, which include most labor organizations, cite these benefits:

- “A PLA eliminates the need to negotiate a separate labor agreement with each contractor and each building trade, and sets up a process for conflict resolution to deal with on-the-job disputes. A large project involves many separate union and non-union contractors, each with its own schedule of starting times, holidays and other ancillary work rules. A PLA standardizes these differences.”
- “A PLA represents a meeting of the minds between labor and management. The centerpiece of a PLA is the “no-strike” clause. It virtually eliminates the threat of walkouts and other job actions. This protection against delay is imperative in a large public project, where just a few days lost to a labor dispute can cost taxpayers millions of dollars. A PLA is the best tool yet devised to manage this risk. Separate labor contracts with individual contractors, even with no strike clauses cannot eliminate the very real potential for labor disputes on projects as contracts are renegotiated. A PLA, especially in long, complex projects is the only effective means to prevent project cost increases due to jurisdictional disputes.”
- “PLAs do not discriminate against non-union contractors or workers. Throughout the Sound Transit PLA’s 10-plus year history, the signatory unions have supported its provisions providing for access and opportunity for union and non-union contractors and workers. Sound Transit’s employment diversity goals have been furthered by organized labor’s active support and no effort has been made to require non-union workers to join any signatory labor union.”
- “Labor has strongly supported the preferred entry component which gives qualified pre-apprentices a chance to join an apprenticeship program and work in their own community on projects that impact their individual neighborhoods.”⁵

These long standing, diverse perspectives about the efficacy of PLAs have been cited in many previous studies and were addressed in depth in the Tucker Alan, Inc. Study prepared for the Sound Transit Board in 1999 to help inform their decision making with respect to PLA utilization.

It is noted in the Tucker Alan Study that PLA proponents and detractors often cite the same projects in support of their opposing views. The study concludes that construction is a complex system of interrelated variables, participants and components, no two projects are identical. PLA’s tend to be unique as well.⁶ To date there has not been a comprehensive study that definitely proves that PLAs increase or decrease costs.

⁴ AGC and ABC Representatives, from interviews conducted in December 2010.

⁵ Washington State and Seattle-King County Building and Construction Trades Councils, from interviews conducted in December 2010.

⁶ Associated Builders and Contractors, Inc., Empire State Chapter, March 23, 1995, *Analysis of Bids and Costs to the Taxpayer for the Roswell Park Cancer Institute, New York State Dormitory Authority*

Responses to Study Questions

1. Were the provisions and performance of Sound Transit's PLA supportive of the Board's objectives to:
 - a. Reasonably achieve Sound Transit's labor, Employment, and economic objectives, which in addition to B-G below include:
 - pay prevailing wage
 - standardize work rules
 - prevent strikes or lockouts on the job site
 - b. Obtain contractual assurances that Sound Transit will have an adequate supply of skilled labor and labor cost certainty.
 - c. Use skilled labor from throughout the Puget Sound region.
 - d. Increase local economic benefits in employment and contracting on construction contracts.
 - e. Administer construction contracts in a manner consistent with Sound Transit's objectives and federal grant requirements for the participation on local, small, and minority, women and disadvantaged business enterprises (M/W/DBE's), and Equal Employment Opportunity goals.
 - f. Increase opportunities for the participation of people of color, women, economically disadvantaged persons, and locally owned small businesses on construction contracts.
 - g. Increase local job training and apprenticeship opportunities on construction contracts.

Beginning on page 38 an analysis is provided with respect to the PLA and each of these Board Objectives. Information provided indicates that Sound Transit's PLA has supported Board Objectives a-g.

Study Question 2. From readily available Sound Transit data, are there specific areas of cost savings as a result of the PLA?

There were areas of cost savings attributable to the use of the PLA. There were also costs associated with the PLA.

Based on cost/savings categories and assumptions provided in the Bechtel Project Labor Agreements Cost Study prepared for Sound Transit in July 1999 and available financial data from Sound Transit, PLA provisions with cost impacts were evaluated.

This analysis indicates that there have been savings for Sound Transit as a result of using the PLA as compared to not using the Sound Transit PLA in these areas: 1) apprenticeship utilization by non-union contractors (reduced overall labor costs), 2) no crew size restrictions in the PLA (no need to hire additional foremen), and 3) non-union contractors not having to pay for organized breaks under the PLA. PLA costs came from: 1) non-union contractors having to comply with shift differentials, 2) non-union contractors having to pay show-up/reporting pay, and 3) some non-union contractors

Construction Project, Buffalo, New York, A Summary of the Effects of Project Labor Agreements, as quoted in Tucker Alan Report for Sound Transit, June 1999.

having to pay dual benefits. In addition to these cost and savings components, there are three known categories of costs/savings that we have not been able to quantify, namely no strike/no lock-out, prevailing wage escalations, and jurisdictional language. We assume that there were significant savings as a result of having the no strike/no lock-out clause, but cannot reliably calculate how much those savings were.

Also, we know that there have been some costs associated with the twice annual prevailing wage adjustment requirement pertaining to non-union contractor costs, but have not been able to access those costs. Finally, the protections afforded Sound Transit due to its jurisdictional language have cost savings implications that are not quantifiable.

Beginning on page 70 an extensive cost vs. savings analysis is provided. This data does point to areas of savings and areas of costs related to Sound Transit's PLA. It also demonstrates the difficulties involved in efforts to objectively evaluate PLA costs versus savings and supports the assertion made in other PLA studies that no PLA analysis has been able to definitively prove that use of a PLA increases or decreases costs.

Study Question 3: What major issues (including those not anticipated when the PLA was entered into), and/or major formal grievances occurred during the Sound Transit PLA that were related to PLA provisions?

Based on interviews, survey responses, and data provided by Sound Transit and other stakeholders, major issues (including those not anticipated as well as grievances) that have arisen over the course of the PLA include:⁷

- a. Pre-cast work
- b. Pre-job and jurisdiction
- c. Lunch provisions
- d. Drug Testing
- e. Parking
- f. Safety at the Beacon Hill Tunnel
- g. PLA Administration.

Grievances

Sound Transit's PLA states in Article 17 that "any questions or dispute arising out of and during the term of this PLA (other than trade jurisdictional disputes) shall be considered a grievance." Grievances are subject to resolution under steps outlined in the PLA.

Sound Transit began tracking formal grievances in 2008 and has provided this data for analysis in responding to this question.

⁷ Issues are not listed in any priority order. Different stakeholders consider different issues to be more significant than others.

Based on Sound Transit’s grievance log compiled from 2008 to 2010, there have been 267 grievances filed on Sound Transit PLA projects. This number includes a few grievances that were still active from as far back as 2004. However, a log tracking grievances did not exist prior to 2008. Therefore, only grievances that were filed before 2008 and were still active at that time are incorporated in this analysis. That represents an average of 38 grievances per year. There are presently 36 grievances pending resolution (as of March 2011). “Almost every one of these grievances was serious enough to have caused some kind of work action had there not been the existence of the Sound Transit PLA”⁸.

The Top Issues Grievied and the Average Time to Resolve the Issue

Issue	No. of Grievances/ Percentage of Total	Average # of Days to Resolve ⁹
1. Pre-Job Issues	62 = 23% of all grievances	Varies: 33 grievances @ 61 days 16 grievances @ 8 days or less 13 grievances – pending
2. Dispatch	28 = 11% of all grievances	135 days
3. Jurisdiction ¹⁰	27 = 11% of all grievances	Varies: 27 grievances @ 52 days 6 grievances - pending ¹¹
4. Parking	17 = 6% of all grievances	198 days
5. Trust Fund Payments	16 = 6% of all grievances	238 days
6. Wage	12 = 5% of all grievances	20 days
7. Apprentice	10 = 4% of all grievances	25 days
8. Prevailing Wage	10 = 4% of all grievances	747 days
9. Drug Test	9 = 3% of all grievances	95 days
10. Lay off Pay off	9 = 3% of all grievances	34 days
11. Improper Discharge	7 = 3 of all grievances	268 days
12. Labor Compliance	6 = 2% of all grievances	389 days

Table ES-2: Sound Transit PLA - Costs/Savings Summary*

Additional grievance information and analysis is found starting on page 86. Major issues cited by study respondents included the following: pre-cast, pre-job and jurisdiction, lunch issue, drug testing, parking, safety at Beacon Hill tunnel, PLA administration. Specifics pertaining to these issues are provided beginning on page 90.

⁸ Dallas Delay, Sound Transit Labor Agreement Specialist, 12/15/10.

⁹ Pending grievances are counted and included by issue. Pending grievances are not included in the calculation of average days.

¹⁰ Jurisdictional disputes are resolved via a different process than the grievance procedure. However, because jurisdictional disputes are often major issues and are recorded in Sound Transit’s grievance log, they are included in this analysis. Also, parties to the PLA sometimes refer to jurisdictional issues as “grievances.”

¹¹ Four jurisdiction grievances are the longest pending grievances and date back to May 12, 2006.

Study Question 4. How did the use of the PLA impact non-union contractors (including small businesses and minority or women-owned contractors)?

The PLA required non-union contractors to operate nearly the same as union contractors. They were to hire employees from the unions signatory to the PLA, to pay wages and benefits commensurate with prevailing wage rates, to adjust those rates twice a year, to pay into union trust funds, and to operate with a set of work rules determined by the PLA. For all but one of the non-union contractors in this study, this was their first experience working with unions. From the subcontractors interviewed and surveyed and from the prime contractors opinions, it appears that most non-union subcontractors feel a PLA is a disincentive to bid on Sound Transit projects. More information can be found starting on page 100.

Study Question 5: Did Sound Transit's PLA no strike provision remain in effect during area strikes affecting unions that are signatories to Sound Transit's PLA?

Many comments were received from Sound Transit stakeholders about the value of preventing project delays and disruptions due to labor-management disputes. Several study respondents pointed out that the primary reason for entering into a PLA has traditionally been to provide strong, project-length protections against labor disruptions.

Sound Transit has a relatively standard provision (Article 15 - Work Stoppages and Lockouts). However, Sound Transit provides some of the strongest language found in such agreements to deter work stoppages and other disruptive activities in large measure because of substantial monetary penalties for any violations.

At least four major protections are generated by Sound Transit PLA language:

1) No exceptions to the prohibition against work stoppages and lockouts are made in Sound Transit's PLA. In contrast, many local agreements and the WSDOT CWA specifically state that non-payment of wages and/or delinquent benefit fund payments are circumstances under which unions may engage in work stoppages. Not including these exemptions in the PLA was reported by numerous labor organizations as a concession made that has at times been disadvantages to their members.

Sound Transit has indicated that 1036 individual contracts have been let to 662 contractors for Sound Move projects.¹² Not all these contracts were covered by the PLA, however. Labor union representatives cited numerous examples of delinquent benefit fund payments and wage payment issues they would have resolved via work stoppages if the PLA language prohibiting such actions was not in place.

2) This clause has been in effect without interruption for the entire length of the PLA. Sound Transit currently estimates that Sound Move PLA projects will continue at least through mid-2016. The current Sound Transit PLA was completed in

¹² Dallas Delay, Labor Agreement Specialist, Sound Transit, Email 12-1-10.

late 1999 and officially signed by all parties in December of 2000.¹³ This would mean that Sound Transit's protective language regarding work stoppages and lockouts for Sound Move would be in effect for over 16 years. The implications of this lengthy, uninterrupted protection are important to note.

In King County alone there are currently 26 trades agreements, often with differing durations and expiration dates. This means that without the project-long PLA language prohibiting work stoppages and lockouts, Sound Transit would be vulnerable to work stoppages every single year. Economic strikes or lockouts are not a usual occurrence for most contract expirations, but when they occur, they matter in terms of project impacts and additional costs.

Due to the fact that there is a strong presence regionally of unionized contractors, with or without a PLA, it is estimated that the majority of contractors will be union. Under the Sound Move PLA, Sound Transit's data indicates that 80% of the hours worked have been performed by union workers. This underscores the value of protections against labor disruptions.¹⁴

Sound Transit has estimated the average cost per day for construction on Central Link Sound Move projects to be \$702,553.¹⁵ At least four area strikes over the course of 74 days occurred since Sound Transit's PLA began and labor officials maintain that every one of them would have been extended to Sound Transit projects if the PLA had not been in place.

Strikes are a subset of many kinds of work stoppages and disruptions that can occur without a comprehensive no-strike, no lockout clause. Available data suggests that Sound Transit could have incurred millions of dollars of increased costs without the protections written in the PLA against all types of onsite labor actions and their associated delays.

3) Sound Transit's PLA requires employees to cross picket lines, unlike language in existing local agreements. For example, the current agreement (2007-2012) between the AGC and Western Washington Cement Masons Local 528 provides that members may be disciplined for crossing or working behind a picket line.

Other local agreements have similar language that prohibits employees from being discharged, disciplined or permanently replaced for recognizing a primary picket and refusing to cross it.

4) Sound Transit's PLA levies large financial penalties for any violation of its no-strike, no lockout provision. While at least one contractor association asserted during

¹³ Greg Mowat, Labor Agreement Specialist, Sound Transit

¹⁴ Washington is the fourth most unionized state as a percent of the employed. From U.S. Department of Labor, Bureau of Labor Statistics Table 5 Union Affiliation of Employed Wage and Salary Workers by State, January 21, 2011. Website: <http://www.bls.gov/news.release/union2.t05.htm> (last viewed 4/15/11).

¹⁵ James Hathaway, Senior Financial Planner, Sound Transit, Email 2/18/11. Updated by Agreement Dynamics based on additional contract information provided by Sound Transit.

interviews that labor can usually find a way around these clauses, the available data indicates that throughout the Sound Transit PLA, no violations have been cited. Labor union representatives interviewed pointed to the monetary penalties and the strict PLA language as strong determinants to any breaches of this clause. Several study respondents asserted that without Sound Transit's PLA no-strike, no-lockout language, numerous kinds of labor disputes and work stoppages would occur in the absence of this PLA provision.

What Exposure Does Sound Transit Currently Have to Work Stoppages and Labor Disruptions? No PLA is immune to certain types of labor disputes. Two primary vulnerabilities exist:

- 1) Wildcat strikes
- 2) Supplier labor disputes

While no wildcat strike has ever occurred under the Sound Transit PLA a supplier labor dispute in 2006 that lasted 26 days resulted in delays in supply of concrete to nearly all construction projects in King County, including Sound Transit.

Numerous respondents to study questions expressed concerns about this strike. All indicated that it did adversely affect Sound Transit projects, although views varied considerably on the magnitude of the strike's impact. However, virtually all parties seemed to concur that this supplier strike was problematic. Some Sound Transit staff have suggested that any potential future PLAs prohibit these types of labor disputes. However, such provisions are not allowed under current law. With or without a PLA, it appears that Sound Transit and other construction projects will continue to have some vulnerability to supplier's inability to deliver materials or products due to labor disputes. In terms of the actual operation of Sound Transit's no strike, no lockout clause, all indications are that it was honored by contractors, labor unions and employees.

A more comprehensive analysis of this provision and its performance is provided beginning on page 104.

Study Question 6: Since the PLA was executed between Sound Transit and Labor, some Trade Unions signatory to the PLA are no longer a part of the National Building and Construction Trades Department. Has this change in circumstances impacted the PLA and in what way? What are the implications of this change in circumstances if Sound Transit were to decide to use a PLA in the future?

Over the life of the Sound Transit PLA three international union organizations signatory to the PLA left the National Building and Construction Trades Department (BCTD). They are the United Brotherhood of Carpenters (UBC), the International Union of Operating Engineers (IUOE) and the Laborers International Union of North America (LIUNA). The UBC left in 2001, followed by IUOE and LIUNA in 2006. Of these, LIUNA returned to the BCTD in 2008. The change in the status of these unions has had some impacts on how the organizations interact with employers signatory to the PLA but

has had no discernable impact on the implementation, operation or execution of work performed under the terms of the Sound Transit PLA.

Although many concerns have been raised about the effectiveness and the ability of the PLA to cover unions who are not signatory to the document, no notable impact has affected Sound Transit. This is because the Sound Transit PLA is comprehensive, i.e. it includes all building trades unions as well as those who left the building trades. And because the design of the PLA agreement requires construction contractors (both generals and subcontractors) to agree to the terms of the PLA and be subject to all its conditions, all challenges related to construction awards, assignment of work and similar factors have been included in the dispute resolution process of the PLA. This calls for issues such as jurisdictional disputes arising from the assignment of work to be governed by The Plan for Settlement of Jurisdictional Disputes in the Construction Industry (The Plan).

Sound Transit has benefited from its jurisdictional language in the PLA because it mandates that

“All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, slow-down of any nature, and the Contractors assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.”

Based on interviews and survey responses, the prohibition against strikes, work stoppages or slow-downs cited above has been adhered to for the entire duration of Sound Transit’s PLA. Also, Sound Transit as the owner, has not been drawn into jurisdictional disputes and their associated legal claims because of protective PLA language.

Dissatisfaction about the administration of Sound Transit PLA’s jurisdiction language, and particularly the use of The Plan, has been voiced by the Operating Engineers, who, with the Carpenters, have split from the Building Trades and formed the National Construction Alliance (NCA).

The Carpenters now oppose inclusion of The Plan in PLAs. However, they have recently signed PLAs in the Northwest (including the WSDOT 520 Pontoon CWA) which includes The Plan for settlement of jurisdictional disputes.

Most construction-related unions at this point, characterize the relationship between the Building Trades and specifically the Carpenters with strong words such as “nasty, bitter, ugly, combative” and “war”. Few see this acrimonious situation ending soon. Because Sound Transit needs significant numbers of workers from several trades to build its next phase of projects, effective jurisdictional language is imperative.

The primary implication for Sound Transit from this conflict between labor organizations is that its risk of exposure to legal actions and work stoppages is significantly greater without the protections provided by the jurisdictional language in its current PLA. A more detailed analysis of this situation begins on page 115.

Study Question 7: How well did the Sound Transit PLA's Prevailing Wage Escalation provision and wage reimbursement policy work for Sound Transit, Labor, Prime contractors and Subcontractors (including small, minority, women firms and Disadvantaged Business Enterprises)?

What is Prevailing Wage Escalation?

Prevailing wages¹⁶ (which include hourly wages, benefits and overtime) are established by the state of Washington for each trade employed in the performance of public works projects. Those rates are adjusted semi-annually by the Washington State Department of Labor and Industries (L&I). All Sound Move contractors (whether signatory to the PLA or not) are required to comply with state prevailing wage requirements as well as the Federal Department of Labor (DOL) prevailing wage requirements.

However, the state prevailing wage law only requires public works contractors to pay the prevailed rates in effect at the time of bid opening. Thus, if a project spans several years, there is no violation of the state prevailing wage requirements if contractors pay the same prevailed rate as set at the time of bid opening.

Without an escalation clause in the PLA contractors could move through several increases in the prevailed wage without paying workers on the project any additional wage beyond the prevailing wage rates in effect at the time of the bid. Particularly during a busy construction period (as was experienced in the region between 1999-2006¹⁷) Sound Transit would have been at risk for labor shortages and associated delays if competitive compensation was not paid.

Sound Transit's PLA (like that of the Airport, King County Brightwater and many others) contains a prevailing wage escalation clause. This requires contractors to adjust compensation in accordance with State of Washington, twice-yearly published rates.

Sound Transit went a step beyond other public project PLAs and decided to reimburse PLA contractors for the prevailing wage delta--the difference between the prevailing wage at the time of the bid and the twice annual state adjustments.

This decision was separate and apart from the PLA and not required by the PLA.

The prevailing wage escalation provision appeared to work well from the standpoint of supporting efforts to provide an adequate supply of skilled labor, especially during the first five to six years of Sound Move when demand for construction workers was high. It

¹⁶ See Appendix Section G2 for more detailed information about prevailing wages for public work.

¹⁷ Examples of local projects underway during this time frame include Qwest Field, University of Washington campus and hospital projects, McCaw Hall, Washington Mutual Building, Microsoft campus, Vulcan (Paul Allen) Lake Union projects, and 7-8 major City of Seattle projects. From Greg Mowat, Sound Transit Labor Agreement Specialist - February 1, 2011.

is a fairly standard requirement and does support recruitment and retention, as well as real time prevailing wages.

There is, however, mixed reaction to Sound Transit's policy to reimburse PLA contractors for the prevailing wage escalation delta rather than expect it to be included in their bid documents. That analysis is found beginning on page 119.

Concerns raised included:

- The amount of required paperwork seemed excessive
- Confusion about what was included in the escalation calculation
- Subcontractors did not always get adequate information about this reimbursement from their prime contractors
- Local agreements adjust rates three months earlier than the state
- Some contractors and subcontractors had to re-do their calculations multiple times
- Due to schedule changes or reworking this policy in some cases required Sound Transit to pay the escalation delta twice for the same work
- Staff time required to administer this policy was too consuming

While some contractors and subcontractors expressed appreciation for this reimbursement, others recommended that Sound Transit simply require contractors to include prevailing wage escalations in their bid (which, they point out, is more the industry norm).

Study Question 8: The Sound Transit PLA included a unique component regarding community representation. How did this component work from the perspective of Sound Transit and stakeholders (labor, contractors and community)?

Article 4¹⁸ of the PLA provided for community involvement at the worksite to support those underrepresented in the construction industry. This was to be accomplished through jobsite monitoring and advocacy by FAST Jobs Coalition representatives (FJC-Reps) and agents (FJC-As). Twenty-five reps and 10 agents were trained during the initial stages of the PLA. However, only one FJC-Rep was hired in Tacoma, and four FJC-Reps were hired on the Central and Airport Links. In addition, other challenges arose which limited the effectiveness of this effort.

There were mixed reactions to FAST Jobs from stakeholders. Study respondents agreed that the concept was a laudable one. Most stakeholders raised concerns about the sustainability of an all-volunteer organization for this function, and would like to see changes made to better accomplish the original objectives of this model. Some have recommended funding a coordinator or ombudsman for FAST Jobs, or bringing this function in-house to Sound Transit. See page 123 for a more comprehensive analysis.

¹⁸ Sound Transit PLA, p. 8.

Study Question 9. Compare the Sound Transit PLA with the Port of Seattle Airport PLA, Brightwater Conveyance PLA and WSDOT’s SR-520 Pontoon Construction Project to identify similarities, differences and unique provisions.

A comprehensive comparative analysis of these four agreements is provided in a summary, a matrix format and in a written narrative beginning on page 126.

In comparing the Sound Transit to other local PLAs, the key differences between King County’s Brightwater Conveyance, WSDOT’s SR-520 Pontoon, the Port of Seattle Airport and Sound Transit’s PLAs include:

- Community representation language is unique to Sound Transit’s PLA.
- Sound Transit’s PLA contains higher diversity goals than the other three PLAs. Also, the Sound Transit PLA explicitly specifies diversity goals for all tiers of workers.
- Sound Transit’s PLA has the most extensive pre-apprenticeship plan of the four agreements.
- Like the Brightwater and Airport PLAs, the Sound Transit PLA has a strong no-strike/no lockout clause, as well as jurisdictional dispute protections. It contains no exemptions for work stoppages as does the WSDOT CWA.

Study Question 10. If a PLA were used in the future for Sound Transit construction contracts, what suggestions have been identified for improvements? Include what lessons should be learned from the use of Sound Transit’s PLA?

Suggestions for improvement (if a PLA is used) for future construction contracts have been gleaned from stakeholder interviews, surveys and submittals. They are organized under the following topics or themes that tended to be raised by at least a majority of respondents from one or more stakeholder groups and/or members from most groups:¹⁹

- PLA Criteria
- PLA Administration
- Prevailing Wage Escalation Policy
- PLA Provisions Clarification/Amendment
- Contractor Technical Support
- Community Representation and Approach to Goals for Diversity, Small Business and Apprentices
- Next Steps

PLA Criteria:

Many study interviewees commented that it is important first and foremost for Sound Transit to determine “why” they are using a PLA. The typical reasons offered for using a PLA were:

¹⁹ Stakeholder groups include contractors, subcontractors, labor unions, community representatives and Sound Transit staff.

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- Comprehensive no-strike/no lockout protection
 - Effective jurisdictional dispute settlement process
 - Diversity and apprenticeship goals that commit both unions and contractors to measurable results.

Examples of criteria for PLA use have been developed by numerous public agencies. Those used by King County, the State of Washington and the Port of Seattle are provided in Appendix G3.

Virtually all study respondents agreed that a PLA is not a panacea. Some maintained that PLAs impede project efficiency and effectiveness. Others asserted that a PLA is the **only** way to protect the public interest of timely, cost effective and high quality outcomes. Many recommended that Sound Transit clearly determine their needs and reasons for using or not using a PLA.

PLA Administration:

Most labor union study respondents expressed frustration with what they termed Sound Transit's, "hands-off" approach to PLA compliance. Contractors often asserted that Sound Transit did a poor job of reining in the unions when they created problems. Subcontractors, including small, minority and women owned businesses, were mixed in their responses but generally wanted Sound Transit as the owner to play a stronger role with both the prime contractors and the labor unions so they were able to stay afloat financially. The community's comments were more focused on the importance of Sound Transit holding all parties' "feet to the fire" in terms of attainment of diversity and apprenticeship goals. Sound Transit staff, including PLA specialists, voiced vastly different beliefs about their role in relation to PLA administration. They ranged from a concern that direct involvement of Sound Transit in many PLA issues will result in claims of interfering with the employer's role, thus creating additional agency liabilities, to a belief that Sound Transit should enforce compliance in every aspect of the PLA.

Labor unions stated repeatedly that they do not want the agency to take over or interfere with the role of the contractors as employers. However, when a contractor blatantly refuses to pay prevailing wages and/or clearly states their intent to ignore PLA provisions, then it is expected that Sound Transit will direct compliance. The unions emphasized that they have good relations with many, if not most, contractors. However, dozens of examples were cited of alleged wage, benefit, safety, and other violations by a few contractors that continued after Sound Transit was notified and acknowledged the problem.

Union representatives expressed a preference for a third-party PLA administrator at Sound Transit. They frequently pointed to the Airport PLA's third-party administrator role as vastly superior to Sound Transit's administrative performance. However, most acknowledged that Port staff, who now administer the Airport PLA are very effective.

They also noted other public sector PLAs (such as Brightwater) where they assert that the owner actively enforces PLA compliance without managing employees, directing work or in any way acting as an employer.

Contractors' organizations and some contractors commented that they would prefer for Sound Transit to have no role and that the PLA (if used) should be an agreement between contractors and labor unions. Several described the third-party administration of the Airport PLA as a "nightmare," because they viewed the administrator as exclusively catering to the unions, at the expense of project needs and cost concerns. Both prime contractors and subcontractors commented that the role Sound Transit has played in administering the PLA has not been successful in reducing time consuming and costly paperwork and meetings.

Some contractors and subcontractors stated to study authors their concerns that Sound Transit itself operated in ways that were unnecessarily burdensome by requiring excessive paperwork and meetings. This was in contrast to other public projects they had worked on. Some cited the Brightwater PLA as more effectively administered. Others asserted that Sound Transit has poor systems for tracking data and that the PLA and the way it was administered exacerbated this situation. For example, it was reported that contractors and subcontractors could be summoned to meetings and have to travel at the last minute to Seattle, when a phone call could have sufficed.

Community representatives have expressed appreciation for changes since the current Diversity Program Director was hired. They still stress the importance of Sound Transit taking an active role in enforcing PLA provisions with both labor and contractors. One example provided was the assertion that a contractor openly stated that "Women don't belong on this job. It's too dangerous." Apparently there was vacillation within Sound Transit as to whether this was an employee-employer issue or one in which Sound Transit as the owner should intervene. The suggestion here is that anytime a party to the PLA indicates a refusal to comply with its requirements, that Sound Transit should step in. Some have recommended that payments be withheld when violations of the law, PLA and/or labor compliance manual are not corrected.

While all stakeholder groups do not share a common vision of what Sound Transit's role should be in PLA administration, they do appear to agree that Sound Transit should define and adopt a clear, consistent approach to PLA administration that is communicated to all stakeholder groups, including Sound Transit staff.

Prevailing Wage Escalation Reimbursement Policy: Some contractors and Sound Transit staff requested that this policy be changed by Sound Transit because, "it's difficult to administer and, depending upon the timing, can be unfair to the employee, contractor, and/or Sound Transit and each entity can end up losing money. At least two contractors (with multi-year contracts) still don't have their paperwork right to get wage escalation payment. Wages should be tied to local agreements on the date they're

effective.”²⁰ This change would also address labor’s concerns about adjustment dates lagging behind area agreements.

Finally, if the reimbursement policy remains, contractors have requested that Sound Transit prepare a template for the reimbursement process which details calculation components and specifies all trades expected on the project.

PLA Provisions Clarification/Amendment

Many stakeholders suggested that Sound Transit clarify certain PLA provisions and/or modify some. Issues that were raised most often were:

- **Parking:** Some Sound Transit staff and contractors suggested specifying what is a “reasonable distance” to the jobsite for contractor-provided employee parking or specify in the PLA such things as “specific parking locations, a fixed time for employee travel to and from the parking areas, and clarification that fringe benefits are not paid for travel time.”
- **FAST Jobs:** Several study respondents stated that the FAST Jobs provisions “need to be rethought.” This will be discussed below under the topic of “Community Representation.”
- **Substance Abuse Program:** Various stakeholders asked that this program be clarified. Some said Attachment G should be removed from the PLA if it is not operable. Others suggested revising it. Labor representatives asked for a process that ensures confidentiality, neutrality and a database that is effective and comprehensive and provides timely notice to union hiring halls. Some contractors requested approval for more effective programs that were contractor administered.
- **Offsite Work:** Some contractors stated that how the PLA relates to offsite work needs to be clarified so the pre-cast dispute does not recur. One contractor said, “Again we hit on it earlier about the extent of the PLA contained within the project site. How the affects of outside the site would occur. We need to define those boundaries, make sure they’re well defined. Concrete plant, precast plant, asphalt plant, things that are offsite. Be very clear about what is going to be impacted and where the extent of that PLA goes to.”
- **Expedited Grievance Process:** Labor representatives often raised concerns about PLA violations not being addressed in a timely or cost-effective manner. Since they agreed to give up the right, under the PLA, to stop work when wages or benefits are not paid according to the law or the PLA, it is expected that Sound Transit will direct timely compliance. In addition, a “super-expedited” grievance process was suggested by some respondents.

Contractor Technical Support

Sound Transit has implemented numerous ways to supply information and training to contractors and subcontractors (including small, minority, women and disadvantaged businesses) regarding goals and contracting issues, including those related to the PLA. Still, a common theme from study respondents has been that many small contractors and

²⁰ Quote from stakeholder interview typical of views held by many others.

subcontractors (particularly those who are non-union) were unaware of prevailing wage and PLA provisions such as wage escalation, use of hiring halls, union fees, trust fund payments, etc. until after they started work. Some underbid as a result and experienced severe financial consequences as a result.

Suggestions to minimize repetition of this situation going forward are recorded beginning on page 175.

Community Representation and Approach to Goals for Diversity, Small Business and Apprentices

Study respondents provided suggestions for improvement in the areas of workforce development, enforcement of goals, utilization and support of subcontractors, contracting, community representation on the job, and agency goal setting.

Workforce Development:

Some community members interviewed for this study suggested that a plan be jointly developed by Sound Transit, unions, contractors and community members to intensify the recruitment and placement of minority, women, and disadvantaged apprentices directly on Sound Transit projects. Contractor involvement was viewed as key in developing this plan. Other suggested improvements are provided on page 177.

Enforcement of PLA Diversity Goals

Community members were unanimous on the need for greater enforcement of PLA goals. They felt there was also a need for stronger enforcement tools within the PLA.

Community members have suggested the need for a representative inside Sound Transit to work with contractors (and subcontractors) to develop business plans for all employment and contracting. Their plans would also include strategies for the recruitment and hiring of preferred-entry and apprentices. These plans would become an integral part of the job performance specs. This representative would also support preferred entry initiatives and be active in recruitment. They would monitor and ensure compliance on the jobsite. They would be involved in each project from the pre-bid meetings through to the project completion.

Other survey respondents suggested using past performance on hiring and contracting as a weighting tool for awarding future contracts. In other words, if a contractor was successful at meeting their goals, they would get extra points when bidding on future projects. If not, points would be deducted when being rated.

Utilization and Support of Targeted Subcontractors:

Some community members expressed the need for more awareness and education for subcontractors on what it is to work on a PLA. A “Labor Union 101” training effort about union doctrines, culture, and operating procedures was suggested. One interviewee suggested Sound Transit continue to help small subcontractors with insurance, bonding, and to incentivize prime contractors in hiring women/minority workers and subcontractors. Other suggestions on this topic are outlined on page 178:

Community Representation on the Job

Various stakeholders have questioned what should be the status of FAST Jobs. Most community members suggest there should be a Sound Transit staff member who performs the role of hiring advocate and jobsite monitoring and compliance. Other stakeholders suggested funding the community effort or imbedding it in the requirements for contractors. There didn't appear to be a clear consensus or agreement on what to do with the FAST Jobs' function going forward, but nearly everyone agreed it needed to be changed.

Agency Goal Setting

Study respondents often acknowledged that Sound Transit has been a leader in demonstrating a strong commitment to diversity in contracting and employment. Some applauded the goals and high standards set by the agency. Others felt that setting goals that were impossible to achieve, in some cases, was demoralizing and raised an expectation with the community that if not met, then Sound Transit had failed. Some suggested that Sound Transit assess strategically what is the best way for the agency to set and reach their goals and to involve all stakeholders in the discussion.

Next Steps

Building Trades study respondents have consistently expressed support for extending the current PLA to cover future construction projects and to then jointly make modifications as needed. The Carpenters expressed disagreement with a PLA extension. They oppose continuation of the current PLA requirement to use The Plan for the settlement of jurisdictional disputes. In addition, they want a signature line for the National Construction Alliance (NCA) and/or the Northwest Chapter of the National Construction Alliance (NWNCA), which is comprised of Carpenters and Operating Engineers from Washington and Oregon.²¹

Contractors and subcontractors have expressed mixed reactions to extending the PLA and it appears there is support for a model (such as the WSDOT 520 Pontoon CWA) in which the owner has no role.²² The ABC and AGC have clearly stated that they prefer no PLA. Regardless of the model, several contractors requested that they have a more substantive role in any future negotiations. Some Sound Transit staff highlighted the importance of “ensuring that those who negotiate a PLA understand construction.”

Most community members when asked said they would support a PLA for future Sound Transit projects. As one community interviewee said, “It is a very good way to ensure the workforce is hired from the local



²¹ The Northwest Regional Council of Carpenters covers Washington, Oregon, Idaho, Montana and Wyoming.

²² The pros and cons (provided by study participants) of a contractor versus an agency model are recorded beginning on page 180.

community. It's not just labor's PLA; Sound Transit and the community benefit, too."

Conclusion

Many study respondents reported that Sound Transit has experienced a big learning curve and many improvements have been made over the course of the PLA to date. Numerous interviewees expressed pride in the projects built and the commitment to diversity and community support.

Based on input from stakeholders (contractors, subcontractors, labor, community and other groups), review of documents and analysis of available data from Sound Transit, it is the conclusion of this study's authors that the provisions and performance of Sound Transit's PLA have essentially supported the Board's objectives as set forth in their 1999 resolution to use a PLA. Those objectives included:

- Paying prevailing wage
- Standardizing work rules
- Preventing strikes and lockouts on the jobsite
- Ensuring an adequate supply of skilled labor and labor cost certainty
- Using skilled labor from throughout the Puget Sound region
- Increasing local economic benefits in employment and contracting on construction contracts
- Administering construction contracts in a manner consistent with Sound Transit's objectives and federal grant requirements for the participation of local, small, and minority, women and disadvantaged business enterprises and equal opportunity goals
- Increasing opportunities for the participation of people of color, women, economically disadvantaged persons and local owned small businesses on construction contracts
- Increasing local job training and apprenticeship on construction projects

At the request of Sound Transit, other related PLA issues were studied with the following conclusions drawn:

- A. **Costs Versus Savings:** There were areas of both savings and costs associated with the use of the PLA. There is no objective way to definitively evaluate PLA costs versus savings or to conclusively prove or disprove assertions about the PLA's overall financial benefits.
- B. **Grievances:** Issues and grievances arose over the course of the PLA. None resulted in strikes, lockouts or other work actions. Most have been resolved in accordance with PLA-prescribed procedures. Some issues such as parking, pre-job, and precast have recurred and have not been consistently or definitively resolved.
- C. **Administration:** Sound Transit has experienced a learning curve in PLA administration that continues to evolve, present ongoing challenges, and spur continued improvement efforts. Major progress in this area is necessary and underway.

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- D. **Non-Union Subcontractors:** Non-union subcontractors generally viewed the PLA negatively due to union dispatch and workforce requirements, union dues/fees, trust fund payments and related fines, concerns about union organizing and lack of information about PLA financial elements prior to bidding.
- E. **No Strike Provision:** Sound Transit's PLA no strike provision has protected the agency against onsite strikes, picketing, and work stoppages for over ten years and is still in full force and effect. This language insulated Sound Transit from at least 74 days of area strikes since 2001. Conservative estimates indicate that exposure to these labor disputes would have increased Sound Transit construction costs by millions of dollars. Many other types of labor-related delays were also curtailed due to this PLA language. Sound Transit's PLA has significantly stronger protections against onsite work disruptions than most local collective bargaining agreements.
- F. **Jurisdiction Disputes:** Sound Transit has been protected from involvement in potentially costly and time consuming jurisdictional disputes because of comprehensive resolution procedures required by the PLA and adhered to by all parties. This language has insulated Sound Transit from being adversely affected by the departure of some labor organizations from the National Building and Construction Trades Department and the on-going conflicts associated with this separation. This protection continues in full force and effect under the current PLA.
- G. **Prevailing Wage:** The prevailing wage escalation provision appeared to work well from the standpoint of supporting efforts to provide an adequate supply of skilled labor, especially during the first five to six years of Sound Move when demand for construction workers was high. It is a fairly standard requirement and does support recruitment and retention, as well as real time prevailing wages. There is, however, mixed reaction to Sound Transit's policy to reimburse PLA contractors for the prevailing wage escalation delta rather than expect it to be included in their bid documents.
- H. **Community Representation:** The PLA provided for community involvement at the worksite to support those underrepresented in the construction industry. This was to be accomplished through jobsite monitoring and advocacy by FAST Jobs Coalition representatives and agents. There were mixed reactions to FAST Jobs from stakeholders. Study respondents agreed that the concept was a laudable one. Most stakeholders raised concerns about the sustainability of an all-volunteer organization for this function, and would like to see changes made to better accomplish the original objectives of this model. Some have recommended funding a coordinator for FAST Jobs or bringing this function in-house to Sound Transit.
- I. **PLA Comparisons:** In comparing Sound Transit to other local PLAs, the key differences between King County's Brightwater Conveyance, WSDOT's SR-520 Pontoon and the Port of Seattle Airport PLAs include:
- Community representation language is unique to Sound Transit's PLA
 - Sound Transit's PLA contains higher diversity goals than the other three PLAs. Also, the Sound Transit PLA explicitly specifies diversity goals for all tiers of workers.

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- Sound Transit's PLA has the most extensive pre-apprenticeship plan of the four agreements.
 - Like the Brightwater and Airport PLAs, the Sound Transit PLA has a strong no-strike/no lockout clause as well as jurisdictional dispute protections. It contains no exemptions for work stoppages as does the WSDOT CWA.
- J. Suggestions for Improvement: The primary suggestion offered involved modifying Sound Transit's role in PLA administration. While some contractor groups recommended that if a PLA is used it should be administered by contractors, other stakeholders strongly disagreed. Several labor unions have advocated for a third party administrator, which many contractors oppose. Others recommended more active and consistent direction from Sound Transit in its administrative role. Other suggestions offered by various groups included reducing paperwork requirements; improving data tracking; enhancing technical support for small, non-union and minority contractors; providing stronger enforcement of diversity goals along with clarifying some PLA language. Also, many study respondents recommended that Sound Transit change its prevailing wage escalation reimbursement policy by specifying in its bid documents that prevailed wages should be factored in as a cost and/or should be adjusted on the same dates as those specified in local agreements.

Former Sound Transit Board Chair and Seattle Mayor Greg Nickels commented that all parties have contributed to the success of Sound Move and, "I support the PLA because in a project so big and complex a team approach is key. We have moved ahead without being subject to labor disruptions. We made a big investment in our future and in the process have provided good jobs to those living in our communities."²³

Whether PLA opponents or proponents, all parties acknowledge the importance of the Sound Move projects to this region.

²³ Mayor Nickels interview, 3/28/11

Section B: Study Purpose, Background and Questions to be Addressed

Sound Transit commissioned this study to objectively review the performance of its project labor agreement (PLA) for Sound Move, identify lessons learned and provide suggestions for improvement, based on information obtained from Sound Transit and project stakeholders.

Sound Move

In May 1996, the Sound Transit Board adopted Sound Move. This is a comprehensive regional transit plan comprised of nearly 100 separate but interrelated capital and service projects. The plan includes a mix of transportation improvements: high-occupancy vehicle (HOV) lane access improvements, ST Express bus routes, Sounder commuter rail and Link light rail. Sounder commuter rail runs 82 miles from Everett to Tacoma/Lakewood. Link light rail is now operational on a 14 mile segment between Seattle and SeaTac Airport. Regional Express features 18 new ST Express limited stop, long-haul bus routes.²⁴

In July 1999, the Sound Transit Board adopted Resolution No R99-21, establishing the intent to use project labor agreements on all of Link light rail construction contracts and Sounder commuter rail station contracts, and authorized staff to negotiate the terms of the agreement. The decision to authorize negotiation of a PLA took place after an objective third party conducted a study on the use of PLAs. In addition, Sound Transit sought input from a broad range of stakeholders including the Building and Construction Trades, contractor organizations (Associated General Contractors--AGC, Associated Builders and Contractors—ABC), minority contractors, community advocates, and large contractors who were identified as likely bidders for upcoming major Link light rail contracts. Generally, the opinions and views expressed were mixed, but the study provided by the third-party consultant (Tucker Alan, Inc.), and a cost study performed by Bechtel, Inc. on the potential savings of a PLA, provided key information to the Board in making its decision.

In November 1999 the Sound Transit Board passed motion M99-80, authorizing execution of the agreement between Sound Transit and the national Building and Construction Trades Department, AFL-CIO, along with Washington State, Pierce County, Seattle/King County, and the Snohomish County Building and Construction Trades Councils and their affiliated unions (Labor). Sound Transit agreed that all contractors (and their subcontractors) that would work on the contracts within the scope of the PLA would be required to sign on to the PLA as a condition of contract award. For its part, Labor agreed that the PLA is a stand alone agreement, and contractors who are not union signatory firms would only have to sign onto the PLA for the contracts under its scope and no other union agreements. Labor also agreed that there would be no

²⁴ Sound Transit RFP No. RTA/RP 0147-10, June 2010.

strikes, picketing, work stoppages or other disruptions, and Sound Transit agreed there would be no lockouts by Contractors.

Since its execution, one issue that arose was an executive order by then-President George W. Bush prohibiting the mandatory use of PLAs on federal and federally funded contracts. This executive order²⁵, issued February 17, 2001, halted the mandatory application of the PLA on all of the Central Link contracts, the Airport Link Project, and the start of the University Link Project. During this time, the vast majority of prime contractors chose to voluntarily enter into the PLA, binding themselves and their subcontractors. This bar was revoked by a subsequent executive order by President Barack Obama on February 6, 2009.²⁶

Study Purpose and Scope

The PLA as it has been negotiated only applies to those contracts identified under Sound Move (Link Light Rail construction contracts and Sounder Commuter Rail Station construction contracts). As Sound Transit works through its environmental processes and design for its next series of projects, there are questions regarding whether a PLA should be used on those projects or a portion thereof, and if so, with what instructions? Before those questions are to be answered, Sound Transit is seeking to assess how the PLA has worked on the applicable contracts let under Sound Move.

The contracts supplied for this report are a subset of Sound Move projects and represent the PLA construction on the Central and Airport Links light rail system. There are eight contracts reviewed, based on diversity, financial and other data provided by Sound Transit. These contracts, contractors, cost and their descriptions are:

Contract	Segment	Contractor	Construction Cost
C510	Downtown Tunnels	Balfour Beatty	\$ 93,141,792
C700	E3 Busway	Kiewit Pacific	\$ 45,536,261
C810	Maintenance Base	Kiewit Pacific	\$ 61,658,552
C710	Beacon Hill Tunnel	Obayashi	\$ 312,631,708
C735	MLK ²⁷ Way and Stations	RCI-Herzog	\$ 155,602,101
C755	Tukwila Freeway Route	PCL	\$ 239,877,490
430R	Airport Station & Track	Mowat	\$ 57,579,769
C807	Traction Power	Mass Electric	\$ 41,433,503
			\$ 1,007,461,176

Table B-1: Sound Transit PLA Study Contracts

²⁵ Federal Register, Presidential Documents, Vol. 66, No. 36, Thursday, February 22, 2001.

²⁶ The White House, Office of the Press Secretary, *Executive Order: Use of Project Labor Agreements for Federal Projects*, Feb. 6, 2009; www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreements-federal-construction-projects (Feb. 10, 2011).

²⁷ MLK = Martin Luther King

Sound Transit has directed that the following questions be addressed in this study by seeking out the views and experiences of those stakeholder groups who were involved and/or impacted by the PLA's performance as well as by analyzing readily available data that is relevant to these questions:

1. Were the provisions and performance of Sound Transit's PLA supportive of the Board's objectives to:
 - A. Reasonably achieve Sound Transit's labor, Employment, and economic objectives, which in addition to B-G below include:
 - pay prevailing wage
 - standardize work rules
 - prevent strikes or lockouts on the job site
 - B. Obtain contractual assurances that Sound Transit will have an adequate supply of skilled labor and labor cost certainty.
 - C. Use skilled labor from throughout the Puget Sound region.
 - D. Increase local economic benefits in employment and contracting on construction contracts.
 - E. Administer construction contracts in a manner consistent with Sound Transit's objectives and federal grant requirements for the participation on local, small, and minority, women and disadvantaged business enterprises (M/W/DBE's), and Equal Employment Opportunity goals.
 - F. Increase opportunities for the participation of people of color, women, economically disadvantaged persons, and locally owned small businesses on construction contracts.
 - G. Increase local job training and apprenticeship opportunities on construction contracts.
2. From readily available Sound Transit data, are there specific areas of cost savings as a result of the PLA?
3. What major issues (including those not anticipated when the PLA was entered into), and/or major formal grievances occurred during the Sound Transit PLA that were related to PLA provisions?
4. How did the use of the PLA impact non-union contractors (including small businesses and minority or women-owned contractors)?
5. Did Sound Transit's PLA's no strike provision remain in effect during area strikes affecting unions that are signatories to Sound Transit's PLA?
6. Since the PLA was executed between Sound Transit and Labor, some Trade Unions signatory to the PLA are no longer a part of the National Building and Construction Trades Department. Has this change in circumstance impacted the PLA and in what way? What are the implications of this change in circumstances if Sound Transit were to decide to use a PLA in the future?

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7. How well did the Sound Transit PLA's Prevailing Wage Escalation provision and wage reimbursement policy work for Sound Transit, labor, prime contractors, and subcontractors (including small, minority, women firms and Disadvantaged Business Enterprises)?
 8. The Sound Transit PLA included a unique component regarding community representation. How did this component work from the perspective of Sound Transit and stakeholders (Labor, Contractors and community)?
 9. Compare the Sound Transit PLA with the Port of Seattle Airport PLA, Brightwater Conveyance PLA and WSDOT's SR-520 Pontoon Construction Project to identify similarities, differences and unique provisions.
 10. If a PLA were used in the future for Sound Transit construction contracts, what suggestions have been identified for improvements? Include what lessons should be learned from the use of Sound Transit's PLA.

Finally, it is important to clarify that the purpose of this study is not to recommend whether a project labor agreement should or should not be utilized for future Sound Transit projects. It is rather, to provide data, information, experiences and perspectives about how Sound Transit's PLA has performed relative to the Board's initial objectives, compare its provisions with other designated local public project PLAs and identify suggestions for improvement.

Section C: Study Methodology

Information, experience and views about Sound Transit's PLA were solicited from Sound Transit contractors (including primes, subcontractors, unionized, non-unionized, disadvantaged business enterprises (DBE), women and minority contractors), contractor associations, labor unions, building trades labor councils, community representatives, Sound Transit staff, PLA negotiators, Bechtel's 1999 Sound Transit studies author, legal advisors, FAST Jobs Coalition members, Sound Transit Diversity Oversight Committee members and a Seattle Vocational Institute Apprenticeship Construction training program advisor. Individual and group interviews were conducted along with an online survey to maximize input opportunities from members of all these groups and other interested parties.

Survey and interview data are incorporated in Section E of this study (Responses to Study Questions). Survey responses are tabulated and included in the Appendix (Section G).

All relevant diversity, financial and PLA-related records and data provided by Sound Transit were reviewed and analyzed in relation to the ten questions posed by this study. Additional data regarding grievances, area labor disputes, PLA operational history, jurisdictional issues and PLA models was mined and incorporated to more comprehensively respond to the study questions.

Three area PLAs (Community Workforce Agreement for the WSDOT SR520 Pontoon Construction Design-Build Project, SeaTac Airport Modernization PLA, and the Brightwater Conveyance System PLA) were reviewed in depth and compared to Sound Transit's PLA to determine differences, similarities and unique provisions. Representatives from King County, the Port of Seattle and WSDOT responded to a myriad of information requests and questions. Their feedback was consistently timely, thorough and useful. Other PLAs referenced by interview and/or survey respondents were analyzed in relation to issues raised and request for inclusion in this report. Numerous PLA studies, along with public-project PLAs from throughout the country, were reviewed as well.

A list of those who provided input is found in the Appendix, Section G1, page 190. All individuals and groups were encouraged to supply as much relevant information as possible. The response to this request was robust, with every stakeholder group responding to continuous information requests over a period of six months.



Section D: Introduction to the PLA Study

What is a Project Labor Agreement?

A Project Labor Agreement (PLA), also sometimes called a Project Stabilization Agreement, is a type of contract. The contract is between the owner or managing entity of a construction project or a collection of associated projects, and a set of labor unions. The PLA is used in order to establish predictable and agreeable terms regarding labor/management issues and to resolve any labor disputes without needing to resort to labor strikes and employer lock-outs.²⁸

The difference between a PLA and traditional collective bargaining agreements is that the collective bargaining agreements are between individual craft unions and contractors/contractor organizations, while a PLA is a collective bargaining agreement between a consortium of different craft unions and the owner/managing entity of a project. The PLA's inclusion of the project owner in the agreement is one of the most significant differences. With a PLA, the owner and the consortium of unions will negotiate the agreement, and any contractor/subcontractor that works on projects that are under the jurisdiction of the PLA will become signatories to the PLA and will be bound by all of its provisions. This type of agreement, especially on large, complex projects of long duration that involve many different types of construction craft unions, is typically used to streamline and standardize expectations, logistics, wages and benefits, policies, and processes for all labor issues instead of having individual agreements that may create confusion and slow down efficiency.²⁹

It's important to note that:

“PLAs are project-specific, collectively-bargaining labor agreements regarding wages, benefits, hours of work and other terms and conditions of employment. On the one side of the agreement is a collection of construction unions perhaps under the leadership of a local construction labor council or some other form of multi-craft organization. On the other side of the agreement is usually a project or construction manager representing the interest of the construction user. This contrasts with typical collectively bargained labor agreements in construction where separate craft unions bargain with their corresponding contractor associations about wages and working conditions. Traditional collective bargaining has no specific construction project in mind, and no one at the table controls upcoming work. In PLA bargaining, unions bargain as a group with someone who controls upcoming work.”³⁰

²⁸ Peter Philips, *Construction Careers for Our Communities*, UCLA Labor Center, 2008.

²⁹ Dale Belman and Matthew M. Bodah, *Building Better: A Look at Best Practices for the Design of Project Labor Agreements*, Economic Policy Institute Briefing Paper #274, August 2010, http://epi.3cdn.net/179fd74170130cd540_ibm6ib3kd.pdf (Feb. 11, 2011).

³⁰ Dale Belman, Ph.D., Matthew Bodah, Ph.D., Peter Philips, Ph.D. *Project Labor Agreements, 2007*, <http://www.onlinecpi.org/downloads/PLA-report.pdf>,

PLAs are negotiated pre-bid and can be specifically tailored to the needs of the particular projects. While PLAs have traditionally been negotiated without contractors having a formal role at the bargaining table, some PLAs have been negotiated with significant contractor involvement.

Project labor agreements have been used in the United States for decades, with the first PLAs being executed for the construction of the Hoover Dam in Nevada and the Grand Coulee Dam³¹ in Washington State. The construction for the Grand Coulee Dam started in 1933 and it remains one of the largest cement structures ever built.³² By the late 1990s, the U.S. Government Accounting Office (GAO) reported that PLAs have been used in all 50 states and the District of Columbia.³³ Far from being a tool just for public works projects, PLAs are used both for publicly-funded projects and for private construction projects. Toyota Corporation, a non-union auto manufacturer in the United States, has built all 10 of its American assembly and parts plants using a PLA.³⁴ PLAs can also be used for large or small projects, in urban or rural settings, and on highly technical projects as well as standard construction projects.³⁵

Since PLAs can be used in so many different kinds of settings on different types of projects, the PLAs themselves are also often very different from each other. However, there are two main characteristics that all PLAs have in common. First, there is a “no-strike” clause that lasts for the length of the contract and an agreed-upon arbitration process that is used to handle disputes. This provides the project owner/managing entity with predictable work cycles, rates, timelines, and protection from onsite work stoppages and slowdowns, thereby reducing project risks and costs. Second, all PLAs are voluntary agreements between the owners and the unions, so there is always a negotiation process that precedes a PLA where the parties seek to find common interests and commonly-agreed upon PLA stipulations.³⁶

Other significant characteristics of some PLAs include the existence of diversity goals or local hiring goals meant to increase employment of historically under-represented groups, namely, women, people of color, veterans, and others.³⁷ Some PLAs contain language regarding targeted percentages of under-represented workers and disadvantaged business

or for members: <http://www.necanet.org/store/products/index.cfm/F2702> (2/10/11).

³¹Ralph Scharnau and Michael F. Sheehan, *Project Labor Agreements in Iowa: An Important Tool for Managing Complex Public Construction Projects*, October 2004.

³²Liam Garland and Susie Suafai, *Getting to the Table: A Project Labor Agreement Primer*, National Economic Development and Law Center. 2002.

³³Government Accounting Office, “Project Labor Agreements,” page 6.

³⁴Dale Belman, et al, <http://www.necanet.org/store/products/index.cfm/F2702> (2/10/11), p. 47.

³⁵John T. Dunlop, *Project Labor Agreements*, Joint Center for Housing Studies, Harvard University, 2002.

³⁶Peter Philips, *Construction Careers for Our Communities*, UCLA Labor Center, 2008, <http://constructionacademy.org/wordpress/wp-content/uploads/2009/08/ConstructionCareersForOurCommunitiesFullReport.pdf> (Feb. 10, 2011).

³⁷Dale Belman and Matthew M. Bodah, *Building Better: A Look at Best Practices for the Design of Project Labor Agreements*. Economic Policy Institute Briefing Paper #274. August 2010. http://epi.3cdn.net/179fd74170130cd540_ibm6ib3kd.pdf (Feb. 11, 2011).

enterprises (DBEs), while others contain language regarding the zip codes or neighborhoods from which these workers/businesses should come from. These characteristics are not common to all PLAs, but they are often the ones that community groups and public agencies cite as some of the most attractive aspects of PLAs.³⁸

Why are PLAs Used?

PLAs have been used in both the public and private sectors for many different reasons. However, there are at least two goals that appear to be common to virtually all PLAs:

1. Preventing project delays and cost overruns due to labor disputes.
2. Securing an adequate and reliable supply of skilled workers from all crafts needed to complete the project on time, within budget and in a high quality manner.

PLAs have also been used with additional objectives, such as cost savings via work rules standardization and higher apprenticeship ratios. They have, in some instances, been designed to promote diversity in employment. There has historically been much debate as to whether PLAs are necessary to achieve any of these objectives and whether they actually reduce or increase costs and diversity access to construction projects.

What are Typically-Cited PLA Advantages and Disadvantages?

PLA critics, including those interviewed for this study, maintain that PLAs are both unnecessary and counterproductive. Two national contractor associations representatives summarized their objections to include the following:

- “The fundamental reasons we oppose PLAs is because they interfere with the employee/employer relationship and free enterprise.”
- “PLAs discriminate against small and non-union contractors who now have to comply with different and more costly work rules, pay into union benefit funds (in addition to their own) and are precluded from using most of their own employees so they bid for a job without knowing who the workers are or their skill level.”
- “Administrative costs in terms of contractor’s time spent dealing with jurisdictional and other PLA issues and additional paperwork increases their bid costs as much as 10%.”
- “The objectives of the Sound Transit PLA (no strikes, no lockouts, adequate skilled labor, higher apprentice utilization, increase women and minority contracting and expanded employment opportunities, etc.) can be achieved without a PLA by putting them in the bid specs.”³⁹

Those who support PLAs, which include most labor organizations, cite these benefits:

- “A PLA eliminates the need to negotiate a separate labor agreement with each contractor and each building trade, and sets up a process for conflict resolution to deal with on-the-job disputes. A large project involves many separate union and

³⁸ Liam Garland and Susie Suafai, *Getting to the Table: A Project Labor Agreement Primer*.

³⁹ AGC and ABC Representatives, from interviews conducted in December 2010.

-
- non-union contractors, each with its own schedule of starting times, holidays and other ancillary work rules. A PLA standardizes these differences.”
- “A PLA represents a meeting of the minds between labor and management. The centerpiece of a PLA is the “no-strike” clause. It virtually eliminates the threat of walkouts and other job actions. This protection against delay is imperative in a large public project, where just a few days lost to a labor dispute can cost taxpayers millions of dollars. A PLA is the best tool yet devised to manage this risk. Separate labor contracts with individual contractors, even with no strike clauses cannot eliminate the very real potential for labor disputes on projects as contracts are renegotiated. A PLA, especially in long, complex projects is the only effective means to prevent project cost increases due to jurisdictional disputes.”
 - “PLAs do not discriminate against non-union contractors or workers. Throughout the Sound Transit PLA’s 10-plus year history, the signatory unions have supported its provisions providing for access and opportunity for union and non-union contractors and workers. Sound Transit’s employment diversity goals have been furthered by organized labor’s active support and no effort has been made to require non-union workers to join any signatory labor union.”
 - "Labor has strongly supported the preferred entry component which gives qualified pre-apprentices a chance to join an apprenticeship program and work in their own community on projects that impact their individual neighborhoods."”⁴⁰

These long standing, diverse perspectives about the efficacy of PLAs have been cited in many previous studies and were addressed in depth in the Tucker Alan, Inc. Study prepared for the Sound Transit Board in 1999 to help inform their decision making with respect to PLA utilization.

It is noted in the Tucker Alan Study that PLA proponents and detractors often cite the same projects in support of their opposing views. This Tucker Study excerpt is as relevant today as it was over a decade ago:

“Perhaps the most polarizing issue concerning PLAs is whether, in fact, they provide any cost savings benefits to owners (and hence, taxpayers) on public construction projects. Opponents are adamant that PLAs increase the cost of construction. They claim that by effectively discriminating against non-union contractors, bids are less competitive and, as a result, project costs increase.

“The Roswell Park Cancer Institute project in New York, was the subject of a 1995 study by Associated Builders and Contractors, Inc. 's (ABC) Empire State Chapter. On that project, certain bid packages were subject to a PLA; others were not. According to the study, the bids for the work not governed by the PLA were, on average, 13% below budget, while bids governed by the PLA averaged 10% above budget. As a result, the study concludes that the PLA increased

⁴⁰ Washington State and Seattle-King County Building and Construction Trades Councils, from interviews conducted in December 2010.

construction costs by 26%.⁴¹ It is impossible to objectively evaluate this conclusion without additional information. However, as with any study, it may not be prudent to broaden a conclusion based upon a particular project into a general conclusion. In addition, it should be noted that a consultant for the local Building and Construction Trades Council concluded that the ABC study was flawed because two of 17 bids included in the study were rejected by the owner. After excluding those bids, the consultant concluded the bids for work governed by the PLA were \$975,000, or 4%, below the estimate.⁴²

“Definitively quantifying whether a PLA may actually decrease or increase project costs is complicated because of the many variables (besides a PLA) that can affect construction costs. As the GAO concluded in a 1998 report on PLAs, “...it is highly unlikely that two such projects could be found that were sufficiently similar in cost, size, scope, and timing” to allow appropriate comparisons of PLA versus non-PLA outcomes on federal projects. The GAO concluded “... it would be difficult to demonstrate conclusively that any performance differences were due to the use of the PLA versus other factors.”⁴³”

This assessment has been determined to be valid today in attempting to evaluate Sound Transit PLA costs vs. cost savings. Because construction involves a complex system of interrelated variables, participants and components, no two projects are identical. PLAs tend to be unique as well. To date, there has not been a comprehensive study that definitively proves that PLAs increase or decrease costs. The data associated with Sound Move is also scientifically non-determinative on this issue. A case can be made that the Sound Transit PLA has resulted in cost savings, but cannot be conclusively proven (see analysis starting on page 70). As a result, this report will focus on providing available data, an analysis of that data, as well as the experiences and anecdotal examples of those who have been involved with the operation of Sound Transit’s Sound Move PLA. This research, while not always scientifically verifiable, does provide insights into how various stakeholders evaluated the PLA’s performance at Sound Transit, what lessons were learned over the past decade and any suggestions stakeholders had for improvements. This PLA became effective in 1999 and is still active today.

⁴¹ Associated Builders and Contractors, Inc., Empire State Chapter, March 23, 1995, *Analysis of Bids and Costs to the Taxpayer for the Roswell Park Cancer Institute, New York State Dormitory Authority Construction Project, Buffalo, New York, A Summary of the Effects of Project Labor Agreements*, as quoted in Tucker Alan Report for Sound Transit, June 1999.

⁴² J. Ray (Labor-Public Relations Consultant) to R. Swist (Executive Director, Niagara Frontier Transportation Authority) correspondence dated May 15, 1995, as quoted in Tucker Alan Report for Sound Transit, June 1999.

⁴³ U.S. General Accounting Office, *Project Labor Agreements, The Extent of Their Use and Related Information*, May 1998, as quoted in Tucker Alan Report for Sound Transit, June 1999.

CHRONOLOGY OF PUBLIC PLAs AND RELATED EVENTS⁴⁴

1931-1936	Hoover Dam (PLA)
1931	Congress passes the Davis-Bacon Act (40 USC 276a-5) requiring local prevailing wages to be paid on federally financed projects.
1933-1942	Grand Coulee Dam (Washington) (PLA)
1940s	Nevada Nuclear Test Site (PLA)
1938-1945	Shasta Dam (California) (PLA)
1947	Hanford Atomic Energy Works (PLA)
1954-1959	St. Lawrence Seaway (PLA)
1959	Congress passes section 8(f) of the NLRA approving pre-hire agreements in the construction industry.
1962	Cape Canaveral Space Center (PLA)
1967-1971	Disney World, Orlando, Florida (PLA)
1973-1977	Trans-Alaska Pipeline (PLA)
1990	Boston Harbor Clean-up (PLA)
1992	President George H.W. Bush issues Executive Order 12818 prohibiting mandatory PLAs on federally financed projects.
1993	U.S. Supreme Court rules 9-0 upholding the Boston Harbor PLA.
1996	Washington State Governor Mike Lowry signs Executive Order 96-08 supporting use of PLAs on public projects. ⁴⁵
1997	President Clinton issues Executive Memorandum in favor of PLAs on federal projects.
1997-2001	Route I-15 Project, Salt Lake City for 2002 Winter Olympics (largest design-build project of its time)
1990s-on	PLAs in both the public and especially the private construction sectors in wide usage.

⁴⁴ Ralph Scharnau and Michael Sheehan, *Project Labor Agreements in Iowa, June 2004*, p. 8. Some chronology elements are excerpted from Scharnau and Sheehan. This chronology is provided to cite examples of public PLAs over time and is not an all-inclusive list.

⁴⁵ See Appendix Section G3 for information on local and state agencies' decision-making factors regarding the use of a PLA.

1999	Seattle Airport (PLA)
1999	Sound Transit (PLA)
2000-present	Port of Oakland (PLA)
2000-2006	Woodrow Wilson Bridge across the Potomac River (PLA for Maryland and Drawbridge sections)
Feb 2001	President George W. Bush issues Executive Order 13202 prohibiting the mandatory use of PLAs on federally financed projects. However, the Executive Order also states that “Nothing in this section shall prohibit contractors or subcontractors from voluntarily entering into agreements described... ⁴⁶ ”
2001-2009	Adrien’s Landing PLA (30 acre, \$500 million redevelopment project in downtown Hartford, CT)
Jan 2002	New Jersey Governor James McGreevey issues Executive Order No.1 requiring state agencies to use project labor agreements for appropriate projects.
Nov 2002	Iowa Supreme Court rules 6-1 that properly done public-sector PLA does not violate Iowa’s right to work law or its competitive bidding statute.
May 2003	Illinois Governor Blagojevich issues Executive Order 2003-13 requiring PLAs on eligible state public works projects.
2005-2009	New York City School District Capital Improvement Program PLA
2005-Present	King County Brightwater PLA
2005-2010	Hoover Dam Bypass Bridge, Las Vegas, NV (PLA)
2006-2008	Washington Nationals Baseball Stadium, Washington, D.C. (PLA)
Dec 2008	City of Los Angeles votes to approve an agency-wide project labor agreement for the Community Redevelopment Authority through the passage of the Construction Careers and Project Stabilization Policy.
Feb 2009	President Obama issues Executive Order 13502 to “encourage executive agencies to consider requiring the use of project labor agreements in connection with large-scale construction projects in order to promote economy and efficiency in Federal procurement.” ⁴⁷

⁴⁶ Federal Register Volume 66, Number 36 Page 11225 http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2001_register&docid=fr22fe01-112.pdf, January 28, 2011.

⁴⁷ The White House, Office of the Press Secretary, *Executive Order: Use of Project Labor Agreements for Federal Projects*, Feb. 6, 2009; www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreements-federal-construction-projects (Feb. 10, 2011).

- Dec 2010 City of Los Angeles votes to approve an agency-wide project labor agreement for the Department of Public Works estimated to cover \$2 billion of work over 5 years.
- 2010-2014 New York City School District Capital Improvement Program PLA
- 2011-Present Washington State Department of Transportation (WSDOT) SR 520 Pontoon Construction Design Build CWA⁴⁸
- Feb 2011 U.S. Department of Transportation issues letter encouraging use of PLAs in projects receiving Federal Transit Administration assistance.

In addition, project labor agreements have become common for large public-projects in the Puget Sound Region. Besides those cited in the above chronology, some examples include:

- Seattle Central Library Project
- Seattle Seahawks Football Stadium
- Safeco Field
- Port of Seattle Pier 66
- Seattle Public Utilities Tolt Treatment Facilities
- Harborview Medical Center Seismic Stabilization and Critical Care Expansion Project
- SR 99: Alaskan Way Viaduct and Seawall Replacement⁴⁹



⁴⁸ CWA = Community Workforce Agreement. Some groups use this term (CWA) interchangeably with the term "PLA."

⁴⁹ Dragados USA, Tutor Perini, HNTB - Seattle Tunnel Partners, Proposal for SR 99 Bored Tunnel Alternative - Section 1, page 7, document obtained from: <http://www.thestranger.com/slog/archives/2011/01/18/the-proposal-to-build-the-deep-bore-tunnel&view=comments>

Section E: Responses to Study Questions

The following are questions to be addressed in Sound Transit PLA Study.

1. Were the provisions and performance of Sound Transit's PLA supportive of the Board's objectives to:
 - a. Reasonably achieve Sound Transit's labor, Employment, and economic objectives, which in addition to B-G below include:
 - pay prevailing wage
 - standardize work rules
 - prevent strikes or lockouts on the job site
 - b. Obtain contractual assurances that Sound Transit will have an adequate supply of skilled labor and labor cost certainty.
 - c. Use skilled labor from throughout the Puget Sound region.
 - d. Increase local economic benefits in Employment and contracting on construction contracts.
 - e. Administer construction contracts in a manner consistent with Sound Transit's objectives and federal grant requirements for the participation on local, small, and minority, women and disadvantaged business enterprises (M/W/DBE's), and Equal Employment Opportunity goals.
 - f. Increase opportunities for the participation of people of color, women, economically disadvantaged persons, and locally owned small businesses on construction contracts.
 - g. Increase local job training and apprenticeship opportunities on construction contracts.

2. From readily available Sound Transit data, are there specific areas of cost savings as a result of the PLA?

3. What major issues (including those not anticipated when the PLA was entered into), and/or major formal grievances occurred during the Sound Transit PLA that were related to PLA provisions?

4. How did the use of the PLA impact non-union contractors (including small businesses and minority or women-owned contractors)?

5. Did Sound Transit's PLA's no strike provision remain in effect during area strikes affecting unions that are signatories to Sound Transit's PLA?

6. Since the PLA was executed between Sound Transit and Labor, some Trade Unions signatory to the PLA are no longer a part of the National Building and Construction Trades Department. Has this change in circumstance impacted the PLA and in what

way? What are the implications of this change in circumstances if Sound Transit were to decide to use a PLA in the future?

7. How well did the Sound Transit PLA's Prevailing Wage Escalation provision and wage reimbursement policy work for Sound Transit, labor, prime contractors, and subcontractors (including small, minority, women firms and Disadvantaged Business Enterprises)?

8. The Sound Transit PLA included a unique component regarding community representation. How did this component work from the perspective of Sound Transit and stakeholders (Labor, Contractors and community)?

9. Compare the Sound Transit PLA with the Port of Seattle Airport PLA, Brightwater Conveyance PLA and WSDOT's SR-520 Pontoon Construction Project to identify similarities, differences and unique provisions.

10. If a PLA were used in the future for Sound Transit construction contracts, what suggestions have been identified for improvements? Include what lessons should be learned from the use of Sound Transit's PLA.

Study Question 1a. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to reasonably achieve Sound Transit’s labor, employment and economic objectives which in addition to B-G below include:

- **Pay prevailing wage**
- **Standardize work rules**
- **Prevent strikes or lockouts on the jobsite**

The Davis-Bacon Act and the Washington State Public Works Act require that prevailing wages be paid on state-wide public work and federally-funded construction projects. Section 10.1.a of the PLA cites these two laws and states that the higher of the two rates shall be paid. Section 10.1.b allows for the use of the prevailing wage and fringe benefit rate at the time of the bid until the next State adjustment occurs. Thereafter, and twice annually, the rates paid to employees were to be adjusted in March and September when the new state rates were published.

Part 2.03D in each contractor’s Labor Compliance Manual required specific documentation be submitted to Sound Transit demonstrating that prevailing wages were paid prior to contractors receiving progress payments. While comments were made in interviews about contractors not paying their employees the prevailing wage, there was no indication or assertions made that such violations were prevalent.

Also, Section 11.3 of Sound Transit’s PLA provides a process for dealing with delinquent wage payment and wage payments not compliant with prevailing wages and benefits. Section 11.4 assesses a penalty of 4 hours taxable pay for each 24-hour period or portion thereof after the day in which payroll becomes delinquent. This penalty payment to employees is provided for up to, but not exceeding two weeks. In addition, Article 17 (Grievance Procedure) provides a procedure up to and including binding arbitration to resolve “any question or dispute arising out of and during the term of this PLA (other than trade jurisdictional disputes).”⁵⁰

Several work rules were standardized in the PLA and are discussed in other sections of this report. Those standardized rules and their corresponding PLA articles include:

- Hours of work (Article 9.1)
- Overtime rates (Article 9.2)
- Shifts (Article 9.3)
- Holidays (Article 9.4)
- Reporting pay (Article 9.5)
- Starting time (Article 9.6)
- Wages and benefits (Article 10)
- Payday (Article 11)
- General work rules (Article 14)

The PLA also provides standardized processes and procedures for dispute resolution, hiring, apprenticeship, non-discrimination, safety and drug and alcohol testing. As a

⁵⁰ Sound Transit Project Labor Agreement, Article 17, Section 17.3, p. 23.

result, the Sound Transit PLA has comprehensive, standardized rules with respect to wages, hours and working conditions.

Finally, Article 15 of the PLA provides language prohibiting strikes, picketing, work stoppages, slow downs, lockouts and other disruptive behavior. It also requires employees to cross a picket line, and, if they fail to do so, they are in violation of the PLA and the union could be subjected to significant daily fines. This provision--with its resulting protection of Sound Move projects--is addressed in Question 5.

Conclusion:

Based on the input from stakeholders and review of documents and data from Sound Transit, it is the conclusion of this study's authors that the provisions and performance of Sound Transit's PLA have been supportive of the Board's objectives to pay prevailing wage, standardize work rules and prevent strikes or lockouts on the jobsite.



Study Question 1b. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to obtain contractual assurances that Sound Transit will have an adequate supply of skilled labor and labor cost certainty.

After deliberation and consultation with multiple stakeholders, the Sound Transit Board passed Resolution R99-21, authorizing the use of a PLA on Sound Move projects. The PLA that was negotiated and approved by the Board in Motion 99-80 had provisions to obtain contractual assurances of an adequate supply of skilled labor and labor cost certainty. Key PLA provisions are spelled out below.

Provisions Ensuring Adequate Skilled Labor for Sound Transit Projects: Article 6 of the Sound Transit PLA bound contractors to the use of the hiring halls of the unions who were signatory to the PLA and bound unions in turn to supply journey-level and apprentice workers on Sound Move projects. In Article 6.2 the hiring halls were required to dispatch a worker within 48 hours of receiving a request from the contractor. If the union was unable to dispatch the requested employee(s), the contractor could seek employees from other sources. Those employees would then be referred to the hall for dispatch. Article 6.3 allowed non-union contractors to bring some previous (a.k.a. “core”) employees if that contractor could demonstrate the employee had proper license, expertise and length of employment with the contractor. This clause allowed a contractor to bring qualified staff familiar with the contractor’s business practices and augmented the hiring halls’ supply of workers. It also allowed for non-union and out-of-state contractors to access a workforce that might not otherwise have been available to them.

Access to and utilization goals for apprenticeship were written in Article 7 and the provision gave access to workers in state approved apprentice programs. The provision called for 20% utilization of apprentices. Using the PLA gave Sound Transit access to the pool of trained apprentices, who in turn were available to contractors, whether they were unionized or not.

The Sound Transit PLA contained a no-strike, no lock-out clause, which levied costly penalties if violated. This provision supported both the assurance of a continuous workforce and cost certainty attributable to the prevention of onsite labor disputes and work stoppages. During the PLA at least four area strikes could have impacted Sound Transit projects were it not for the PLA. These strikes each ranged from 10-30 days in length and could have affected multiple projects being built simultaneously. The resulting delays and increased costs would have negatively affected contractors, their employees, Sound Transit and the public.

The twice yearly wage escalation in provision 10.1(c) of the PLA provided assurance of a work force during a competitive, construction boom. State prevailing wage law only requires public works contractors to pay the prevailed rate at the time of bid opening. For multi-year contracts, like many on Sound Move, several prevailing wage adjustment periods could have passed without contractors increasing employee wages. As a result, employees could have easily left one job site for higher wages at another. That would

have resulted in a shortage of labor on Sound Transit projects, especially during peak construction periods, such as between 1999 and 2006.⁵¹

Article 14 gave Sound Transit the right to set general work rules for the worksite and those rules were provided to contractors and subcontractors at the pre-job conferences. In addition, Article 14 prohibited slowdowns, standby crews and featherbedding practices.

Article 16 provides for settlement of jurisdictional disputes in a manner that protects against work stoppages and slow downs. The grievance procedure outlined in Article 17 provides similar protections for dealing with other disputes or issues.

Provisions Ensuring Cost Certainty for Sound Transit Projects: In addition to those called out above, the PLA standardized a number of work rules related to labor costs, including:

- Article 9 established the hours of work, overtime, shifts, reporting pay, and holiday pay provisions for 39 unions signatory to the PLA. This standardization in Article 9, provided labor cost assurances to contractors and Sound Transit on numerous issues affecting the cost of construction.
- Area collective bargaining agreements have differing provisions associated with crew size, organized breaks and payment of industry funds. Those provisions were not included in the PLA and represent another aspect of pre-arranged, standardized rules fostering labor cost certainty.

Conclusion:

Sound Transit's PLA provisions support access to hiring a steady supply of craft workers through labor union hiring halls. It defines hiring procedures, apprenticeship, work hours, wages and benefits, general work rules, and jurisdiction and other dispute resolution procedures should problems arise on the jobsite. From contractor and subcontractor interviews and from the study surveys, it appears that the PLA's provisions performed as intended to ensure an adequate supply of skilled labor and labor cost certainty.

⁵¹ Examples of local projects underway during this time frame include Qwest Field, University of Washington campus and hospital projects, McCaw Hall, Washington Mutual Building, Microsoft campus, Vulcan (Paul Allen) Lake Union projects, and 7-8 major City of Seattle projects. From Greg Mowat, Sound Transit Labor Agreement Specialist - February 1, 2011.

Study Question 1c. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to use skilled labor from throughout the Puget Sound region.

As discussed in the previous study question, Article 6 of the PLA required contractors to hire workers from the PLA signatory unions in Pierce, King, and Snohomish Counties. Table 1c.1, illustrates the eight Sound Transit PLA projects studied in this report and shows that more than 5.7 million hours were worked by apprentice and journeymen.

Contract #	Total Hours
810	263,727
755	1,523,183
510	595,022
710	1,798,320
700	408,872
735	1,076,818
430	10,944
807	95,580
TOTAL	5,772,466

Table 1c1: Hours Worked on Sound Transit Projects⁵²

These workers were dispatched from local-area union halls. Given that unionized workers, particularly at the journey level, have been through a multi-year, on-the-job training program (some as long as 5 years) hiring halls are the primary way to access a skilled, unionized construction labor force.

But were those workers local? Even if a contractor was not local (which most weren’t),⁵³ Article 6.3a of the PLA allowed employers to bring only five of their own employees (from each craft) to Sound Transit projects. The rest were dispatched from local area hiring halls in King, Pierce, and Snohomish Counties. While local hire was not a statistic tracked on Central and Airport Link Projects, the presumption of study authors is that a large percentage were local because, for the most part, they came from union halls in the Sound Transit service area. In fact, one contractor noted in an interview that the hiring halls were an asset for out-of-state contractors because when they arrived there would be a workforce waiting for them. Generally, they would have no need to recruit employees from elsewhere.

Presuming that contractor satisfaction correlates with “skilled labor”, when asked if they were satisfied with the workers dispatched from the hiring halls, 64% of contractors surveyed said, “Yes” and the remaining contractors said they weren’t sure. Fifty-nine percent of subcontractors were satisfied, 18% were not sure, and 23% said they were not satisfied with the workers dispatched from the hiring halls.

⁵² Sound Transit, *Initial Segment Workforce Hours for PLA Projects*, 3/21/11.

⁵³ Contractor List Mark-Up by Greg Mowat, Labor Agreement Specialist, Sound Transit, 3/21/11.

Conclusion:

The PLA provision requiring contractors to hire from the unions signatory to the PLA was supportive of the Board's objectives to use skilled labor from throughout the Puget Sound region. While local hire was not tracked, the study authors have concluded that a very high percentage of the 5.7 million work hours performed on Sound Transit projects were done by local residents.



Study Question 1d. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to increase local economic benefits in employment and contracting on construction contracts.

As discussed in the previous study question, the PLA provisions increased local employment in the Puget Sound region through contractors being bound to hire workers from union halls in the counties in which their work took place (e.g., first Pierce, then King and now King and Snohomish Counties). In addition, apprentices were drawn from locally sponsored programs. In study questions 1e, 1f, and 1g there is analysis and review of employment and contracting related to eight Central and Airport Link projects. While these sections are specific to Sound Transit, this section will focus on the “big picture” economics of construction and postulate on the overall impact of Sound Move on the Puget Sound region.

The study authors draw from two reports produced by Ken Simonson, the Chief Economist for the Associated General Contractors of America (AGC). (Several AGC contractors served on Sound Transit projects and provided interview, survey, and other study background information.)

Construction Spending Has a Triple Multiplier: According to one of Mr. Simonson’s reports, “The Economic Impact of Construction in the United States and Washington [state],” the impact of nonresidential construction on gross domestic product, earnings and jobs:

“An extra \$1 billion in nonresidential construction spending would add about \$3.4 billion to Gross Domestic Product (GDP), about \$1.1 billion to personal earnings and create or sustain 28,500 jobs.

- “About... 9,700 jobs would be *direct* construction jobs located in the state of investment.
- “About... 4,600 jobs would be *indirect* jobs from supplying construction materials and services. Most jobs would be in-state, depending on the project and the mix of in-state suppliers.
- “About... 14,300 jobs would be *induced* when the construction and supplier workers and owners spend their incomes. These jobs would be a mix of in-state and out-of-state jobs.”⁵⁴

Construction Wages Tend to be High

“In 2010, annual pay of all construction workers in the United States averaged \$49,588... construction workers’ pay in Washington averaged \$51,121, 7% more than the average for all private sector employees in the state.”⁵⁵

⁵⁴ The Associated General Contractors of America, website: <http://www.agc.org/galleries/econ/WAstim.pdf> (last viewed 8/30/11). Source: Ken Simonson, Chief Economist, AGC of America, simonsonk@agc.org, from Prof. Stephen Fuller, George Mason University (investment); Census Bureau (spending); Reed Construction Data (starts); Bureau of Labor Statistics (jobs, pay); Small Business Administration (small business), August 23, 2011.

⁵⁵ The Associated General Contractors of American website.

Construction and Small Business

According to the second of AGC's reports,

“The United States had 773,600 construction firms in 2008, of which 91% were small businesses employing fewer than 20 workers. Only 1% had 100 or more employees. The typical construction firm size is very small. In 2008, there were 773,600 construction firms with 7.0 million paid employees. Thus, average employment was less than nine per firm. More than 2.5 million additional construction firms had no paid employees—mainly self-employed individuals but also partnerships and holding companies.”⁵⁶

Sound Move Economics

More than \$1 billion was spent on the 8 PLA projects studied in this report. Using AGC's estimate that \$1 billion spent results in a \$3.4 billion gross domestic product, we assume that a large portion of that \$3.4 billion is captured locally through direct jobs, indirect jobs, local sales taxes and property taxes, etc. Thus, we draw the conclusion that Sound Transit projects studied have boosted the economy of the Puget Sound region, providing economic benefits through direct contracting and employment as well as “indirect” and “induced” benefits.

Conclusion

AGC uses an economic multiplier to demonstrate that \$1.00 spent on non-residential construction results in \$3.40 to the economy. While no effort has been made to quantify the exact economic benefit of Sound Move, the AGC model points out the value construction dollars bring to a community. When this economic construct is combined with PLA provisions for the use of local hiring halls and apprenticeship programs, it is clear that the provisions and performance of Sound Transit's PLA were supportive of the Board's objectives to increase local economic benefits in employment and contracting on construction contracts.

⁵⁶ The Associated General Contractors of American website: <http://www.agc.org/galleries/econ/National%20Fact%20Sheet.pdf>; (last viewed 4/20/11) Source: Ken Simonson, Chief Economist, AGC of America, simonsonk@agc.org, from Prof. Stephen Fuller, George Mason University, and U.S. Government sources Updated: March 4, 2011

Study Question 1e. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to administer construction contracts in a manner consistent with Sound Transit’s objectives and federal grant requirements for the participation of local, small, and minority women and disadvantaged businesses (M/W/DBEs) and equal employment opportunity goals?

What were Sound Transit’s Objectives? Sound Transit’s predecessor, Regional Transit Authority (RTA), set its objectives for hiring and contracting in some of the earliest days of the agency. On March 25, 1994, Regional Transit Authority (RTA) adopted Resolution 19,⁵⁷ establishing the agency’s procurement policies. In Section 14 of the Resolution, RTA established an Affirmative Action policy instructing the Executive Director to ensure that “parties contracting with the Authority fully comply with all federal, state and local laws, regulations and ordinances pertaining to non-discrimination, equal employment and affirmative action.” In addition, the section goes on to state that “The Executive Director is authorized and directed to use disadvantaged, minority and women businesses in contracting.” In Resolution 52 (February 10, 1995) RTA established a policy to maximize construction contract opportunities for local and disadvantaged contractors. The Executive Director was instructed to work with the Minority/Women/ Disadvantaged Business Enterprise Task Force to develop a “Surety Support Program” the purpose of which was to assist small or DBE contractors and subcontractors involved in RTA contracts in securing bonding and technical and business management support. In Motion 17 (November 1, 1996), then-RTA announced its guiding principles for employment and contracting in implementing Sound Move which called for: “maximum local contracting and employment participation; maximum M/W/DBE and EEO commitment that reflects the region’s diversity. The Guiding Principles are implemented in accordance with applicable federal, state and local laws and regulations, including grant agreements.”⁵⁸

Three major contracting documents will be reviewed in this section to understand how they support the Board’s objectives. The documents are 1) The project labor agreement between Sound Transit and the signatory unions; 2) Sound Transit’s Labor Compliance Manual for contractors, and 3) bid documents all of which become part of the conformed construction contracts between Sound Transit and its prime contractors. The interplay between these documents binds contractors to the PLA, binds all players together (Sound Transit, signatory unions, community members, contractors, and subcontractors) and sets performance standards required by Sound Transit, and, in some cases, the Federal Transportation Administration (a key source of funding for Sound Transit projects).

The performance of each of Sound Transit’s objectives will be discussed in Study Questions 1F and 1G where the study will evaluate whether Sound Transit met its federal grant requirements, its EEO goals, and the PLA goals for employment and contracting

⁵⁷ Regional Transit Authority Resolution 19, page 12, <http://www.soundtransit.org/documents/pdf/about/board/resolutions/1994/Reso%20R1994-19.pdf> (viewed 3/7/11).

⁵⁸ Regional Transit Authority Resolution 52, page 2, <http://www.soundtransit.org/documents/html/board/resolutions/html/Reso052.html> (viewed 3/10/11).

that match the diversity of the region and the Board's goals for the use of local, small, minority, DBE and women businesses.

Consistent with its guiding principles, and as a requirement of receiving federal funds for Sound Move projects, Sound Transit and its contractors must adhere to requirements set by the Office of Federal Contract Compliance Programs (OFCCP) in accordance with Executive Order 11246⁵⁹. Those requirements, among others, prohibit discrimination in hiring and contracting, and set forth hiring goals of 7.2% people of color in King and Snohomish Counties and 6.2% in Pierce County for each trade. The goal for female participation in each trade is 6.9%.

Also consistent with its guiding principles as well as a requirement of federal funding, Sound Transit developed and administers a Disadvantaged Business Enterprise (DBE) Program in accordance with 49 Code of Federal Regulations (CRF) Part 26. This program promotes an equal opportunity for disadvantaged businesses to receive and participate in federal Department of Transportation-assisted contracts.⁶⁰ These DBEs are certified by the Washington State Office of Minority and Women Business Enterprise (OMWBE), and the invitation to bid documents provide contact information for that Office. Contracting goals for disadvantaged firms are set each year and are based on potential opportunities for those firms along with the availability of such firms in the market area. Sound Transit then assigns a DBE goal for each contract that bidders are to meet or demonstrate that they made a good faith effort⁶¹ to meet at the time of bidding. In the Section IF of this report, those accomplishments will be spelled out in detail.

To promote the small business aspect of its guiding principles, Sound Transit administers a Small Business Program. Like the DBE program, a goal is set for small business participation that is incorporated in each contract Sound Transit makes with its prime contractors. The bid documents state that in order to ensure participation by small business, Sound Transit will consider unbundling contracts, setting participation goals for contracts and developing procedures, documents and practices that are "small business friendly."⁶² Proof of small business size can be certification from a public agency (like OMWBE or the Small business Administration) or by falling beneath a certain size

⁵⁹ Executive Order 11246--Equal employment opportunity, *September 24, 1965*, www.presidency.ucsb.edu, <http://www.presidency.ucsb.edu/ws/index.php?pid=59153#ixzz1G395qqvV>

⁶⁰ Sound Transit Invitation for Bid No. RTA/LR 001-09, Instructions to Bidders, Link Contract U220, Diversity Program Section 00400 page 2.

⁶¹ "Good Faith Effort' means the Bidder in preparing its bid and the contractor in performing the work under this contract took all necessary and reasonable steps, which by their scope, intensity and appropriateness could reasonably be expected to achieve the applicable small business and DBE goals," Sound Transit Invitation for Bid, page 5.

⁶² Sound Transit Invitation for Bid, page 4.

standard for construction contractors set by the North American Industry Classification System (NAICS). In the case of University Link Light Rail contracts those standards are:

\$31 million	Commercial and Institution Building Construction
\$31 million	Heavy and Civil Engineering Construction
\$18.5 million	Dredging and Surface Cleanup Activities
\$13 million	Specialty Trade Contractors ⁶³

The invitation to bid states that if change orders increase the overall contract price, the contractor shall make good faith effort to meet or exceed their small business commitment when negotiating and performing change orders.

PLA Provisions that Support the Board’s Objectives: The project labor agreement negotiators demonstrated their commitment to the Board’s goals in Section 1 of the PLA by binding the parties to key Board objectives:

“The parties commit to the principles and policies set forth in Sound Transit’s Guiding Principles for Employment and Contracting which identify the following four key objectives:

- a. Workforce diversity reflective of the region
- b. Maximum use of local businesses
- c. Maximum use of small businesses
- d. Maximum use of minority, women and disadvantaged businesses in a manner consistent with applicable federal and state laws, regulations, policies and grant requirements.”⁶⁴

In addition, Section 6.4⁶⁵ of the Project Labor Agreement states, “It is the goal of the parties to increase the membership and participation of under represented groups, including women and people of color in the construction of the projects to which this PLA applies. It is an additional goal of the parties that said underrepresented groups, including low-income women and people of color, will perform one-third or more of the total work hours on this project.” The PLA established hiring sub-goals of 21% for People of Color and 12% for Women.⁶⁶ In addition, the PLA established an overall apprenticeship goal of 20% and required that 33% of all apprentice hours were to be performed by women and people of color.

As previously discussed, the PLA negotiators combined hiring goals for women and people of color into single data measurements. They established goals of 33% of all hours to be worked by “women and people of color,” and 33% of all apprentice hours to be worked by the same group. In the PLA they also established sub-goals of 12% of all hours to be worked by women, while 21% of all hours are to be worked by people of color. While those two numbers add up to 33%, they cannot simply be added together to achieve the desired metric called for in the PLA. Why? Because statistically, minority women fit into two categories--women and people of color--and to add them together

⁶³ Sound Transit Invitation for Bid, page 4.

⁶⁴ Sound Transit Project Labor Agreement, p. 2.

⁶⁵ Sound Transit, p. 11.

⁶⁶ Sound Transit, page 11.

results in double-counting of women of color. Federal goals for contracting are established as two separate metrics (one goal for people of color and a separate goal for women) and Sound Transit tracked their diversity data in the same manner.⁶⁷ Sound Transit also did not track low-income hiring statistics. For the purposes of this report, the authors will analyze the sub-goals (12% and 20%) shown above when evaluating whether Sound Transit met its hiring goals for all hours worked by women and people of color.

The PLA had other elements supporting the Board’s objectives. Article 4⁶⁸ allowed for community monitoring and oversight at the worksite to support those underrepresented in the construction industry. This program will be discussed in greater detail in Study Question 8.

The PLA contains clear non-discrimination language. In 18.1, “The parties agree that they will not discriminate against any employee or application for employment because of race, color, religion, sex, sexual orientation, creed, national origin, age, marital status or physical or mental disability in any manner prohibited by law or regulation.”⁶⁹ Any violations are to be brought to the attention of



the Joint Administrative Committee (JAC) and they have the right to take corrective action. Section 18.2 allows for special procedures to be established for the hiring, employment, training, promotion, transfer, or termination of persons who have not previously qualified to be employed on construction projects of the type covered by the PLA. This language supports pre-apprenticeship and direct entry employment in the trades. The next section in this article acknowledges the parties’ commitment to using business enterprises owned and/or controlled by the disabled, women, and people of color.

The PLA also requires the Joint Administrative Committee (JAC) (comprised of Sound Transit, contractors, labor and community members) to oversee goal attainment throughout the course of Sound Move contracts. At monthly JAC meetings contractors report on workforce utilization and network with community members about possible direct-entry apprentices.

⁶⁷ Greg Mowat, Labor Agreement Specialist, Sound Transit.

⁶⁸ Sound Transit, page 8.

⁶⁹ Sound Transit, p. 24.

Other PLA-Related Documents and Procedures Supporting the Board's Objectives:

As part of any bid package, Sound Transit required its contractors to specify their small, minority, women and disadvantaged business goals. Those goals were placed in the contracts signed between Sound Transit and its contractors.

In Volume 4, Part 3, of the Labor Compliance Manual, more detail is spelled out about the logistics associated with FAST Jobs Coalition. It states that Sound Transit will provide the Contractor with the names of FJC-Reps and FJC-A's to be granted access to the site, reiterates the purpose of these individuals' involvement at the worksite, and notes that an FJC-Rep or FJC-A who are employed on the site cannot be dismissed for FJC-Rep or FJC-A activities.

Pre-bid conferences, held by Sound Transit and widely advertised to draw potential bidders, also include agenda items to support the Board's contracting and hiring objectives. The pre-bid conferences for every Central and Airport Link project were held to explain the work to be performed and specific bidding requirements. At the conference a networking session was offered for prime contractors, subcontractors, and minority businesses to meet (presumably) to discuss potential project collaboration. Following the networking session, Sound Transit's Diversity Office conducted break-out sessions to assist Small business and other interested firms in how to complete Bid Forms and meet Sound Transit requirements. While attendance was not mandatory for this training, attendance counted as activities toward documentation of good faith efforts used to help meet the small business and DBE goals and small business and DBE outreach requirements.

While not necessarily PLA-related, Sound Transit Diversity Office's practice of initial and ongoing contact with these businesses is intended to help small and minority owned subcontractors be successful. When initially listed as a subcontractor on a winning bid, Sound Transit staff meet with these subcontractors to qualify them as small or disadvantaged firms and to inform them of Sound Transit's processes and support mechanisms. Sound Transit staff "takes time to answer subcontractors' questions, informs them of the assistance available from the agency and conveys their desire for the subcontractor to succeed."⁷⁰ Once a bid has been awarded, staff also performs a commercially useful function review to assure that the subcontractor is set up and able to provide the products or services they have been hired to do. On some projects, bi-monthly meetings were established with the primes contractor's project leadership team and Sound Transit to discuss workforce utilization and contracting issues. When necessary, Sound Transit followed-up directly with a subcontractor to provide assistance and guidance through specific challenges they might have faced. Diversity specialists also attend weekly construction progress meetings to check for any potential issues that may adversely affect subcontractors or minority and women employees. Finally, on labor relations issues, project specialists work with subcontractors when requested to on issues related to the PLA, unionized workforce, grievances, etc.

⁷⁰ Greg Mowat telephone conversation, 3/15/11.

Included in the Invitation to Bid documents is the Federal Transportation Administration's grant requirements for disadvantaged businesses. This section states that it is the bidder's responsibility to comply with all applicable provisions in 49 CFR Part 26 and in Section 0400 (the-19 page Diversity Program).⁷¹ Placing this information in the bid documents, which become part of the construction contract, further affirms Sound Transit's commitment to its DBE and EEO goals. It also informs Sound Transit business partners that federal grant requirements are at stake and that compliance is essential for all parties in the agreement.

Another tool to ensure Sound Transit's goals are being advanced is the agency's ability to choose the "lowest, responsive, and responsible bidder."⁷² Part 3 Bid Evaluation describes criteria for evaluating each of the above terms and gives Sound Transit an opportunity to look not only at a contractor's bid, but also their financial strength, their legal status, their record of performance, who they anticipate as their subcontractors, their intentions regarding apprenticeship, as well as small business and DBE utilization. Section 3.03E states, "Contractor will be evaluated on its performance relative to schedule, budget, quality, management, responsiveness of key staff and socio-economic programs." By evaluating and hiring contractors based on a set of criteria that is broader than just price, Sound Transit is able to choose contractors who meet the agency's interests and conform to its goals for hiring and contracting.

In Section 00500 of the Invitation to Bid document are forms useful to monitor compliance with respect to the Board's objectives for hiring and contracting. For example:

- Bidders must complete a small business commitment form that spells out the small businesses who will participate on the contract, a description of the work they will be doing, their proposed contract amount, and percent of the contract, along with whether those businesses are a DBE, MBE, WBE, or small business.
- Bidders also complete the Apprentice Utilization Plan describing the crafts, estimated hours, and estimated apprenticeship hours, along with a description of how the Contractor will meet their goal for woman and people of color apprentices. This form asks the Contractor if they need assistance from Sound Transit to meet their apprenticeship goals.
- Included in the bid documents is a required "Buy America" certification that the bidder either meets certain requirements that all iron, steel and manufactured products used in the project are produced in the United States or that the bidder may qualify for an exemption to the requirement.
- Finally, there are four forms that awarded contractors must submit with monthly requests for progress payments. The forms are:
 1. Affidavit of Amounts Paid to All Businesses (to monitor DBE and small business goals);
 2. The Monthly EEO Report on apprentice and journey-level workers
 3. The number of man hours (to track the amounts due for the pre-

⁷¹ Sound Transit Invitation to Bid, p. 12.

⁷² Sound Transit Invitation for Bid, p. 17.

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- apprenticeship, 5 cent/hour training fund discussed in another section of this report); and
4. Current Employee Report (to track craft hiring, local union, whether journeyman/ apprentice status, start date, etc.)

Diversity Oversight Committee

Providing advocacy for the Board's hiring and contracting principles is the Diversity Oversight Committee (DOC). In interviews we learned this committee was established in 2006 in response to concerns raised by minority communities during the construction of the Rainier Valley and Beacon Tunnel segments of Central Link. This advisory committee reports to the CEO (and on occasion the Board) regarding Sound Transit's compliance with the guiding principles for employment and contracting established in Motion No. 17. The DOC is comprised of members from throughout the Sound Transit District (King, Pierce, and Snohomish Counties), and includes representatives from small business, trade and craft organizations, communities and community organizations in impacted neighborhoods. Committee members are independent of Sound Transit, meaning they have no contracts with Sound Transit and no plan to compete for bid on Sound Transit contracts or subcontracts. The committee reflects the cultural and ethnic diversity of the communities in the Sound Transit Service Delivery District.⁷³

University Link Phase Incentives

U-220 and U-230, two tunnel-building contracts that are part of the downtown to University of Washington light rail project, include new provisions in their labor compliance manuals. These provisions provide financial incentives up to \$300,000 to go beyond the contractors' goals for small and disadvantaged businesses, apprentice and preferred entry hiring as well as EEO goals. Since both projects just began in September 2010, it is too early to evaluate programmatic success. However, financial incentives are commonplace in construction, and can be effective tools as evidenced by the recent \$280,000 bonus that Skanska Construction received for finishing the Highway 99 detour two weeks ahead of schedule.⁷⁴

Conclusion

The PLA provisions have been supportive of the Board's objectives and consistent with federal equal employment opportunity hiring goals and grant requirements for participation of local, small, minority, women and disadvantaged businesses (M/W/DBEs). Section 1 of the PLA binds the parties to the guiding principles for employment and contracting. In addition, the PLA establishes overall hiring subcontractor goals of 21% for People of Color and 12% for Women, and an apprenticeship goal of 20%. The PLA contains clear non-discrimination language, supports pre-apprenticeship and direct-entry employment for those underrepresented in the trades, and allows for community monitoring and support at the worksite. Furthermore, several key elements of the labor compliance manual and bid documents contain provisions binding the parties to perform in a manner consistent with not only the Board's goals for contracting and employment, but also with federal grant requirements.

⁷³ <http://www.soundtransit.org/Working-With-Us/Public-Oversight/Diversity.xml> (last viewed 3/10/11).

⁷⁴ Seattle Times, March 12, 2011, p. B3.

Other programs and policies have been put in place over time to ensure the Board’s goals were pursued, including the Diversity Oversight Committee and financial incentives to meet apprenticeship and hiring goals for the University Link projects. Finally, PLA performance in relation to the goals and board objectives will be reviewed in Study Questions 1F and 1G, which follow.



Study Question 1f: Did Sound Transit increase opportunities for participation of people of color, women, economically disadvantaged persons and locally owned small businesses on construction contracts?

The Central and Airport Link projects are now completed, and the diversity goals and achievements on this billion dollar section of the light rail system are studied in this section. Because construction projects underway (i.e., University Link) cannot yet provide a complete picture of performance, they will not be evaluated at this time.⁷⁵

Project Labor Agreement Diversity Hiring Overview:

Section 6.4 of the Sound Transit Project Labor Agreement states, “It is the goal of the parties to increase the membership and participation of underrepresented groups, including women and people of color, in the construction of the projects to which this PLA applies.” This provision set forth hiring goals of 21% of the work to be performed by people of color (POC)⁷⁶, while 12% was to be performed by women.

This explicit and detailed diversity component makes the Sound Transit PLA unique compared to other Puget Sound-area agreements that were reviewed for this study (detailed later in Study Question 9). Except for diversity goals for apprentices, the other agreements do not mention any goals for overall representation of women and people of color in hiring.

Setting these goals in the PLA incorporated them into every Sound Transit job. Also called out in the PLA, contractor goals are reviewed at the monthly Joint Advisory Committee (JAC) meetings. Here, the contractors meet with Sound Transit, labor, and community members to share their progress toward attaining these hiring and contracting goals. This meeting was, and continues to be, an opportunity for networking between contractors, community and apprentice advocates, the unions, and Sound Transit.

Diversity Advocates

The Sound Transit PLA negotiators included not only labor and Sound Transit staff, but also a community component: Fair Access to Sound Transit (FAST) Jobs. This group’s inclusion at the table was unique compared to other PLAs that were studied. As a result of their participation, FAST Jobs negotiated provisions for community monitoring and support for disadvantaged employees on PLA jobs. FAST Jobs Reps were to be hired as journey-level employees on each jobsite and for each shift. In addition, FAST Jobs Agents, who represented FAST Jobs, were to be given access to jobsites for monitoring, review and compliance.

Alec Stephens, a civil rights attorney and member of the Diversity Office, was also on the PLA negotiating team. Initially, only two members, the Sound Transit Diversity Office

⁷⁵ Other projects associated with the PLA do not have information that is readily available from Sound Transit.

⁷⁶ *People of Color* is a term used, primarily in the United States, to describe all people who are not Caucasian.^[1] Style guides for writing from American Heritage,^[2] the Stanford Graduate School of Business,^[3] Mount Holyoke College,^[4] recommend the term over other alternatives. - Wikipedia

now includes a director who also oversees labor relations and a staff of six. From the PLA's inception to the present, this team has and continues to emphasize the Board's goals in construction hiring and contracting. From interviews it is apparent that the director is also highly respected by various stakeholders involved in the PLA.

As mentioned earlier, the Diversity Oversight Committee (DOC) is charged with monitoring compliance and reporting to the CEO and Board of Sound Transit.

Federal Goals Exceeded:

Sound Transit receives federal funds for its construction projects from the Federal Transportation Administration (FTA). The FTA set goals of 7.2% for minority participation and 6.9% for women in each trade. While Sound Transit did not track employment data by trade, Sound Transit proposed goals double and triple what the federal numbers represented (minority goal 21% and women goal 12%).

Employment By the Numbers—People of Color and Women:

The statistics on PLA projects on Central and Airport Link demonstrate that Sound Transit construction projects increased employment for women and people of color. But did Sound Transit reach its goals?

From Table 1f-1 information provided by Sound Transit it appears that the agency did meet its goal for hours of people of color (sub-goal of 21%) on these Central Link projects. Also, Sound Transit exceeded, by 3.5 times, its federal funding goal.

Contract #	Total Hours	POC	% POC
810	263,727	60,204	22.83%
755	1,523,183	404,377	26.55%
510	595,022	112,380	18.89%
710	1,798,320	501,217	27.87%
700	408,872	104,685	25.60%
735	1,076,818	283,111	26.29%
430	10,944	3,187	29.12%
807	95,580	17,268	18.07%
TOTAL	5,772,466	1,486,429	25.8%

Table 1f-1 Percentage of Hours Worked by People of Color on Sound Transit Projects⁷⁷

⁷⁷ Sound Transit, *Initial Segment Workforce Hours for PLA Projects*, 3/21/11.

Some contractors and subcontractors discussed shortages of women available for their projects. Table 1f-2 below shows that the Sound Transit goal of 12% of hours worked by women was not met.

Contract #	Total Hours	Women	% Women
810	263,727	16,035	6.1%
755	1,523,183	119,637	7.9%
510	595,022	25,037	4.2%
710	1,798,320	116,626	6.5%
700	408,872	47,367	11.6%
735	1,076,818	99,237	9.2%
430	10,944	862	7.9%
807	95,580	723	.8%
TOTAL	5,772,466	425,524	7.4%

Table 1f-2 Percentage of Hours Worked by Women on Sound Transit Projects⁷⁸

Chart 1f-3 contrasts Federal and Sound Transit goals for participation of people of color and women as well as the actual employment percentages Sound Transit projects achieved.

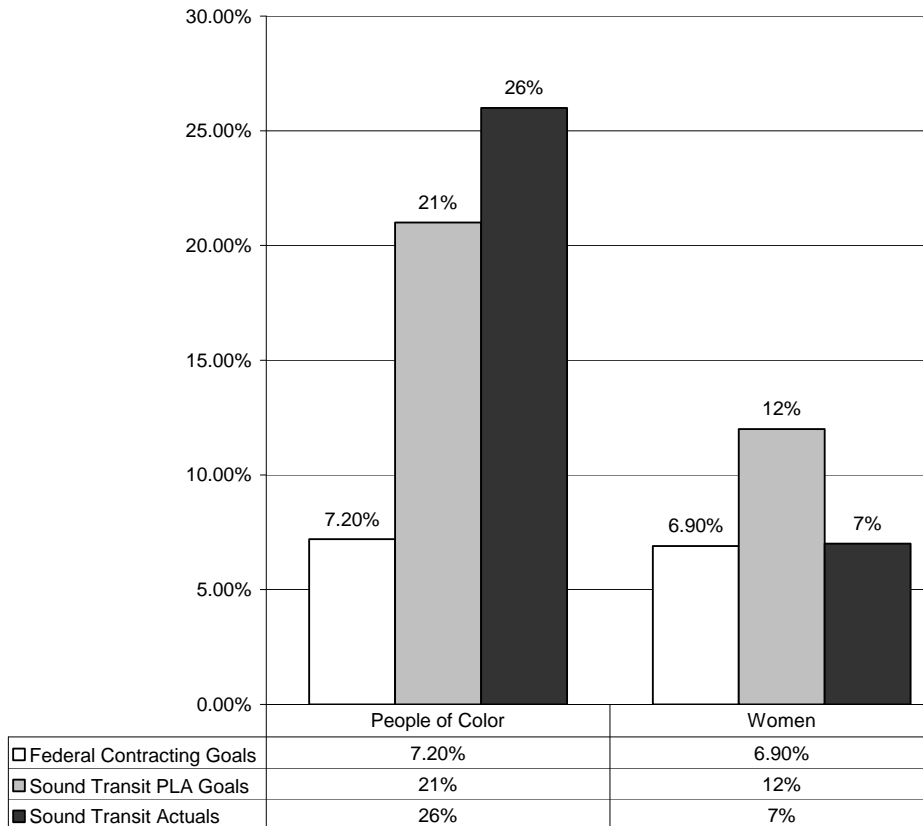


Chart 1f-3 Employment Goals Versus Achievements

⁷⁸ Sound Transit, *Initial Segment Workforce Hours for PLA Projects*, 3/21/11.

Local Businesses Utilization on Sound Transit Construction Projects

Another aspect of Sound Transit’s contracting has been the emphasis on use of local businesses. Ranging from small projects to multi-million dollar efforts, more than 662 individual contractors performed work on Sound Transit projects. Of the 662 contractors, 49% (or 323) originated⁷⁹ from the Puget Sound Region.

Small Businesses Utilization on Sound Transit Construction Projects

A key provision uniting the PLA with contracting equity is Article 1 that states, “The parties commit to the principles and policies set forth in Sound Transit’s Guiding Principles for Employment and Contracting.” The provision goes on to call for maximum use of small businesses.

Sound Transit tracked the contracting dollars for PLA projects in this study. Overall, their small business utilization on the contracts studied was more than 26%--in other words, for every dollar spent on construction, 26 cents was spent on small businesses.

Contract ⁸⁰	Prime Contractor	Amount of Contract Invoiced	Small Business Dollars	Sound Transit Goal for SB Usage	Contractor Goal for Small Biz Usage	% of Small Business Usage
810	Kiewit Pacific	\$ 61,658,552	\$ 18,513,749.00	18%	18.05%	30.03%
755	PCL	\$ 239,877,490	\$ 69,789,514.00	20%	20%	29.09%
510	Balfour Beatty	\$ 93,141,792	\$ 20,854,210.83	15%	16.21%	22.39%
710	Obayashi	\$ 312,631,708	\$ 48,745,600.21	11%	6.7%	15.59%
735	RCI - Herzog	\$ 155,602,101	\$ 75,262,318.70	20%	15.56%	48.37%
700	Kiewit Pacific	\$ 45,536,261	\$ 16,062,440.00	18%	18.32%	35.27%
807	Mass Electric	\$ 41,433,503	\$ 5,708,960.00	9%	9%	13.78%
430R	Mowat	\$ 57,579,769	\$ 14,887,180.62	15%	13.71%	25.85%
		\$1,007,461,176.00	\$269,823,973.36		TOTAL	26.78%

Table 1f-4 Small Business Utilization on Sound Transit Projects

As described earlier, each contract was analyzed by Sound Transit prior to bid letting, and a goal was set for small and minority/women businesses based on likelihood of existence in the marketplace. Table 1f-4 shows the small business utilization on Sound Transit projects. See the column above labeled “Sound Transit Goal for SB Usage.” When bids are submitted, each contractor commits to a goal for their small business utilization (see column above “Contractor Goal for Small Biz Usage”). The column entitled “% of Small Business Usage” is the actual usage of small businesses attained on all Central and Airport Link projects studied. All contractors exceeded their small business goals. Some projects were exceptional at small business utilization--notably RCI-Herzog at 48.37%. Tasked with building the longest stretch of at-grade track and

⁷⁹ Greg Mowat, Sound Transit Labor Agreement Specialist, email 3/21/11.

⁸⁰ Drawn from Sound Transit Reports: Diversity Report (Construction Summary Sheet), 2/28/11; Initial Segment Construction Costs, 2/17/11; Small Business Participation Document, 3/7/11.

three stations, RCI-Herzog was a joint venture combining RCI Robinson from the Pierce County town of Sumner, Washington with the Saint Joseph, Missouri firm of Herzog. The local firm was bought out by Parsons Constructors, Inc. during the Sound Transit project.

Other top achievers were Kiewit Pacific (with two projects at 30.03% and 35.27% respectively) and Mowat (25.85%). When considering overall dollars spent on small business, PCL spent over \$69 million on small businesses, the second highest dollar figure after RCI-Herzog.

In follow-up interviews, some contractors were asked why they were so successful in utilizing small businesses. The common elements seem to be 1) realistic goal setting, research and outreach to small businesses; 2) certain kinds of projects are more suited to including small businesses; 3) experience and good rapport with small businesses they have already worked with who tend to move with them from one job to the next.

Minority and Women Business Utilization on Sound Transit Construction Projects

A subset of small business contracting is the utilization of businesses owned by women and people of color. Sound Transit tracked this group with breakdowns between the categories of African American, Asian, Hispanic, Native American and women.

Table 1f-5 below shows that nearly \$200 million of the studied Sound Transit projects were contracted to minority and women businesses during Central and Airport Link construction, which is 19.65% of all construction expenditures on this set of projects.

Contract	African American	Asian American	Hispanic American	Native American	Women
810	\$916,713.00	\$ 206.00	\$ 16,477.00	\$377,514.00	\$ 6,716,141.00
755	\$5,610,491.00	\$ 750,763.00	\$ 2,920,515.00	\$ 15,636,799.00	\$ 19,999,818.00
510	\$ 10,814,926.73	\$ 729,291.00	\$ 1,844,947.00	\$ 2,828,301.00	\$ 896,016.10
710	\$ 12,012,774.89	\$ 6,489,072.77	\$288,167.33	\$ 6,380,794.63	\$ 14,005,982.36
735	\$ 27,795,294.73	\$ 10,268,175.69	\$ 16,892,376.82	\$ 1,932,088.37	\$ 6,995,920.02
700	\$ 3,907,929.00	\$ 699,791.00	\$ 62,970.00	\$ 5,078,720.00	\$ 2,166,607.00
807	\$255,656.00	\$-	\$ -	\$ 1,253,548.00	\$ 2,353,340.00
430R	\$ 4,291,180.05	\$ 7,401.00	\$608,919.00	\$539,399.00	\$ 3,642,095.00
Subtotal Dollars	\$ 65,604,965.40	\$ 18,944,700.46	\$ 22,634,372.15	\$ 34,027,164.00	\$ 56,775,919.48
				TOTAL OF COLUMNS	\$197,987,121.49

Table 1f-5: Utilization of Minority and Women Businesses on Sound Transit Projects

While aggregate numbers are impressive, it's also important to examine how individual businesses and their owners benefited from Sound Transit's small and minority firm hiring practices.

One such owner is Tim Pickney of Environmental Management Training (EMT). In only his second year of business, Tim was hired to train agency engineers in the handling of hazardous materials. Their Safety Officer was so impressed with the training, he

encouraged all contractors and subcontractors working on Tacoma Link projects to send their staff to Tim’s trainings. Most did, and in addition, EMT got an underground storage removal contract from Sound Transit that spurred a second line of business which continues today.

When asked what it meant to have Sound Transit projects at the early stage of business development Tim said, “It was huge. Having Sound Transit as a client gave us credibility in the eyes of other public entities. Also, the Sound Transit contractors we trained continue to be our clients today.”⁸¹

Started in 1998 as a one-person operation, EMT has grown to six staff and offers classroom and online hazardous materials training and certification programs. EMT also serves the construction industry with remediation and abatement services, biological and site evaluations, and hazardous cleanups.

Utilization of Disadvantaged Business Enterprises

Finally, disadvantaged business enterprises (DBE) were also tracked on Sound Transit projects. A DBE is a for-profit business in which at least 51% of the business is owned and controlled by a woman or minority and that owner’s net worth does not exceed \$750,000.⁸²

Sound Transit’s goals for utilization of DBEs during this time frame were set on a contract by contract basis. Table 1f-6 below shows that over \$100 million dollars (or roughly half of all small business dollars and 10% of total construction dollars) went to disadvantaged business enterprises. Based on Sound Transit’s goal, all contractors except Balfour Beatty met the agency’s goal. As for contractors meeting their own commitment for contracting with disadvantaged businesses, all but three contractors did so (Kiewit, Balfour-Beatty and Mowat).

Contract	Prime Contractor	Amount	ST's Goal	Contractor Commitment	Calculated/Contract as a % of SB Dollars
810	Kiewit Pacific	\$2,281,444	12%	13.18%	12%
755	PCL	\$40,349,445	12%	12%	58%
510	Balfour Beatty	\$691,515	10%	5.64%	3%
710	Obayashi	\$20,378,165	7%	6%	42%
735	RCI - Herzog	\$26,885,011	10%	14.86%	36%
700	Kiewit Pacific	\$5,559,973	12%	14.43%	35%
807	Mass Electric	\$3,598,927	6%	6%	63%
430R	Mowat	\$1,042,798	0%	13.54%	7%
Total \$		\$100,787,278.00			

Table 1f-6: Utilization of Disadvantaged Businesses on Sound Transit Projects

⁸¹ Tim Pickney telephone interview, 2/17/11.

⁸²Washington State Office of Minority and Women Business Enterprises: http://www.omwbe.wa.gov/certification/certification_dbe.shtml

Note that PCL, the contractor on Project 755, while not showing the highest percentage of small business utilization, spent the most dollars at disadvantaged businesses. Over \$18 million was spent at one woman owned firm, while \$15 million was spent at three Native American businesses (Allindeska Electrical Contractors, Anco/Calcos, JKT Development).⁸³

Conclusion

Sound Transit did increase opportunities for participation of people of color, women, economically disadvantaged persons and locally owned small businesses on construction contracts. Their federal obligations for hiring and contracting were much lower than the goals that Sound Transit set. Sound Transit met their own higher goals for hiring of people of color on construction projects, but not for the hiring of women. Contractors on Sound Transit projects met or exceeded the agency's goals for small business utilization. However, on utilization of disadvantaged businesses, one contractor did not meet the Agency's goals and three contractors did not meet their own goals for DBE contracting. Ten percent of all Central and Airport Link contact dollars were spent at disadvantaged businesses, which was nearly half of all small business dollars spent.

Overall it appears that the provisions and performance of Sound Transit's PLA, along with its contractor and labor partners, overseen by the Diversity Office, Diversity Oversight Committee, and the community helped Sound Transit achieve the results set forth in Resolution M99-21 and Motion 99-80.



"Please consider this, as a DBE our goals are the same as any other quality contractor...to provide a quality schedule sensitive product to the owner within specification parameters. Just because we happen to be DBE doesn't mean we expect a "free ride" or come with the expectation that "you owe me". We, too, aspire to grow and thrive to the point where we can one day transition out into the public market without any designations or modifiers and be a predictable, reliable, quality driven, safety conscious contractor."

- Quote from a survey respondent
See page 211 in the Appendix

⁸³ Diversity Report - 2/28/11, p. 5.

Study Question 1g. Were the provisions and performance of Sound Transit’s PLA supportive of the Board’s objectives to increase local job training and apprenticeship opportunities on construction contracts.

Apprenticeship--A Primer

Apprenticeship is a combination of on-the-job training and classroom instruction under the supervision of a journey-level craft person. For union craft workers, apprenticeship is the primary door into the profession and apprentices earn as they learn. The building trades present an alternate career path for those who do not choose college.⁸⁴ Also, unlike many jobs, those in construction are not going to be threatened by import competition because these jobs are almost impossible to outsource to offshore businesses.

Many in the industry view the apprenticeship program as an investment in a future workforce. Construction apprenticeships, depending upon the trade, last from 2 to 5 years and after completing an apprenticeship program, the workers graduate to a journey-level status.⁸⁵ On average, a new apprentice earns about 50% of the journeyman wage and that percentage increases up to 90% for the most senior apprentices.⁸⁶ Apprentices may progress to not only journeyman and supervisory positions, but also the highest levels of construction management. A survey conducted by the Associated General Contractors of America showed that 90 percent of the top officials of construction companies who replied (presidents, vice presidents, owners, and partners) began their careers as apprentices. Many of the project managers, superintendents, and craft supervisors employed by those companies also began as apprentices.⁸⁷

Apprenticeship and the Sound Transit Project Labor Agreement

The Sound Transit Project Labor Agreement (PLA) has two articles dealing specifically with training and apprenticeship opportunities. “Article 7 Apprenticeship” calls for the parties to develop and implement an apprenticeship program that will, “increase the skill of the Puget Sound region work force, specifically women, people of color, and individuals who are low-income or under-represented on the work force, so that these workers can enter the pool of skilled labor and fully qualified for living wage jobs.”⁸⁸ The program was to include key components:

- A project-wide goal of 20% utilization of Washington State Apprenticeship Council (SAC) approved apprentices;
- Means and methods to identify apprenticeship opportunities; to report, collect, and analyze apprenticeship utilization; and to monitor and enforce the apprenticeship efforts of the parties;
- Women and people of color were to perform at least 33% of all apprentice hours worked.

⁸⁴ Mayor’s Advisory Commission on Construction Industry Diversity, Report and Recommendations, Philadelphia, PA, March 2009, p. 12.

⁸⁵ <http://www.lni.wa.gov/TradesLicensing/Apprenticeship/About/WhatIs/default.asp> - 3/1/11

⁸⁶ Mayor’s Advisory Commission on Construction Industry Diversity, Report and Recommendations, March 2009, p. 62.

⁸⁷ <http://www.lni.wa.gov/TradesLicensing/Apprenticeship/About/History/default.asp>

⁸⁸ Sound Transit Project Labor Agreement, Article 7.1, page 11.

PLA Section 7.2 addresses barriers and recommends the tri-county trade councils, affiliate unions, and state approved apprenticeship councils (SAC) cooperate with Sound Transit and FAST (Fair Access to Sound Transit) Jobs to assist low-income residents in entering and successfully completing SAC apprenticeship programs. The PLA cites examples of advocacy and assistance that the parties agree to collaborate to provide such as:

- Discussions between various apprentice programs with FAST to identify policy or program enhancements to increase participation of women and people of color;
- Reporting from each SAC program on the number of male, female, and minority apprentices from 1994-1999;
- Projection of apprenticeship class size by trade from 2000-2005;
- Report of internal diversity goals and timelines for the participation of people of color and women;
- Joint recruitment between SAC programs and community-based organizations to recruit communities of color and women.

Section 7.3 calls for good faith and affirmative efforts to remove barriers that prevent women, people of color and under-represented/low income people from entering apprentice programs. The PLA recommends removing barriers, such as: requirement of a driver's license if it's not a requirement of work, questions about criminal history when work doesn't involve security requirements, apprentice application fees and non-standardized testing.

Article 8 regarding the pre-apprentice training program is the second section of the PLA dealing with apprentices. This article calls for the development of a Regional Apprenticeship Preparation Integrated Delivery System or RAPID, as the program is called. The purpose of RAPID has been to prepare unemployed and underemployed people to compete for entry-level positions as apprentices in the building and construction trades. Unions and contractors agreed to actively recruit RAPID pre-apprentice graduates for entrance to apprenticeship programs. The RAPID model contains several key elements:

- A pre-apprentice training program funded by a nickel per trade hour worked under the PLA
- A tiered program for residents interested in construction and transit projects that:
 1. Provides individuals case management services like, development of an individual work plan, career counseling, drug testing/rehabilitation, reinstatement of driver license or transportation assistance, immigration assistance, child care, ex-offender life skills training, English as a second language, paid stipends, problem solving skills, work ethics mentoring, leadership development training and work experience.
 2. Places individuals in approved pre-apprenticeship training programs;
 3. Places “**direct entry**” into an apprenticeship program once pre-apprenticeship training is complete, and assigns trade mentors throughout their apprenticeship.

The parties agreed to use existing community-based organizations and resources in King, Pierce, and Snohomish Counties to implement RAPID.

The “direct entry” apprenticeship program on Central Link utilized minorities, women, and disadvantaged workers from certain zip codes (Central Area, Rainier Valley, Burien-White Center). Targeted individuals were screened by RAPID program organizations and deemed to be “apprentice-ready” for five programs: Laborers, Carpenters, Cement Masons, Painters, and Teamsters. By being considered “apprentice-ready,” these individuals needn’t attend any pre-apprenticeship training program to meet the state certified program entry standards. These individuals were entered into a pool administered by Sound Transit and when a contractor needed an entry-level apprentice, three names, randomly drawn, would be forwarded to the contractor for interview. The contractor would provide a letter of hire to the chosen candidate. That individual would then enter the trade apprenticeship program and start work as soon as they were registered as an apprentice. Direct entry workers were able to “pass-through” or go directly to work on Sound Transit projects, and bypass other individuals who were either in line to enter apprentice programs or were existing apprentices waiting to be called out for work.⁸⁹

While not specifically a training and apprenticeship provision, Article 4 of the PLA calls for onsite monitoring through FAST Jobs agents and reps to ensure the securing and successful retention of people of color and women on Sound Transit jobsites. The involvement of these journey-level workers held out great promise of support and mentoring for apprenticeship employees. The performance of this article is explored in Study Question 8.

RAPID and Direct-Entry Results:

To fund apprenticeship preparation for the disadvantaged, Sound Transit collected five cents for every craft hour worked under the PLA. A Fund Administration Committee, comprised of one representative each from labor, Sound Transit, and FAST Jobs, reviewed proposals and recommended funding of community groups and educational organizations who provided a myriad of pre-apprentice services to minorities, women, and disadvantaged workers. For Central Link, more than \$420,000 has been granted to pre-apprenticeship programs as follows:

⁸⁹ Greg Mowat, Sound Transit Labor Agreement Specialist, email dated 2/28/11.

Years	Recipient	Purpose of Grant	Amount
2003-2004	Apprenticeship Preparation Training Consortium	Outreach and pre-apprentice training	\$85,700
	Metropolitan Development Council	Outreach and pre-apprentice training	\$50,628
	Edmonds Community College Carpentry pre-apprentice training	Pre-apprentice training	\$28,600
	Center for Career Alternatives	Outreach	\$15,000
	Refugee Federation Service Center	Outreach/ESL program development	\$15,000
	William M. Factory Sm. Business Incubator (for Pierce Co. BCTC)	Outreach	\$5,000
2004-2005	Apprenticeship Preparation Training Consortium	Case management / Outreach	\$90,000
	Central Area Motivation Program	Outreach and case management	\$35,000
	Metropolitan Development Center	Pre-apprentice training	\$20,000
	Seattle Conservation Corps	Outreach	\$20,000
	Center for Career Alternatives	Outreach and case management	\$35,000
201090	Seattle Vocational Institute	Pre-apprenticeship training, retention and support	\$21,000
			\$420,92891

Table 1g.1-Rapid Funds Dispersed on Central and Airport Link Projects

According to Sound Transit, 225 individuals benefited from this program, either through the pre-apprentice training (180 people) or through outreach and targeting for direct entry to the Sound Transit worksite (45 on Central Link). The diversity breakdown for these individuals is: 12 women, 211 people of color, and 2 Caucasian men. In addition, at least eight of these apprentices worked long enough on Sound Transit projects to complete their apprenticeship training and advance to journey-level workers. Greg Mowat, Labor Agreement Specialist for Sound Transit, described the outcome of their efforts, “My experience in the region encompasses several other agency supported programs with similar mandates; to date, I am not aware that any other agency-supported program has accomplished comparable numbers.”⁹²

Aimed at increasing more direct entry onto Sound Transit projects, a new program for pre-apprenticeship entry was adopted on August 29, 2009 through a Memorandum of

⁹⁰ “The five-year gap was a payback period. Sound Transit Board front-loaded the fund in 2003-2004 with money from the agency budget, with the understanding that the agency would be reimbursed from the nickel/hour fund.” Greg Mowat, Sound Transit Labor Agreement Specialist, email dated 3/17/11.

⁹¹ Greg Mowat, Sound Transit Labor Agreement Specialist, email dated 2/28/11.

⁹² Greg Mowat, Sound Transit Labor Agreement Specialist, email dated 2/28/11.

Understanding (MOU) between Sound Transit and the Washington State and Seattle/King County Building and Construction Trades Councils.

The new program called for preferred entry participation and contained several key differences between the Central Link Direct Entry program: 1) The MOU opened up more apprenticeship programs (in addition to the five basic trades) for the “direct entry” pass through; 2) The apprenticeship prep programs promote their candidates to the contractors directly, providing resumes and facilitating interviews; 3) Veterans are a recognized group for focus, along with minorities, women, and disadvantaged workers; 4) It contains the commitment that within the 20% apprenticeship goal on Sound Transit projects, at least 1 of every 5 apprentices should be a preferred entry apprentice; 5) Preferred Entry Apprentices are to be guaranteed 6 months of employment (or 1000 hours) if working for a prime contractor or three months (or 500 hours) of employment if working for a subcontractor.

As discussed earlier, the University Link Phase includes an incentive of up to \$30,000 for preferred-entry hires. The incentive is \$5,000 for each preferred-entry hire who completes an apprenticeship assignment. If only five preferred entry apprentices are assigned (and complete assignment) and Sound Transit and the Building Trades agree that the contractor made good faith efforts to recruit the sixth, the contractor may be awarded the final \$5,000.

Finally, Sound Transit is currently developing an RFP for an apprenticeship retention, coaching and mentoring activity with RAPID funds to begin in the next two to three months.

Other Practices Supporting Apprenticeship on Sound Transit PLA Projects

The Joint Administrative Committee, comprised of labor, management, Sound Transit and community members, meet monthly to discuss the progress of the current construction project(s) underway. An apprenticeship utilization subcommittee was formed in 2008 among JAC members to focus group efforts on enhancing utilization of apprenticeship and direct entry. Later the subcommittee recommended an Apprenticeship Hour be a regular part of the JAC meeting, suggesting this as a discussion to involve the entire JAC, and for approximately a year, has been the first hour of the JAC’s regular business. In addition to reviewing the status of projects for EEO and apprenticeship compliance, the JAC provides a networking opportunity for contractors, pre-apprentice program administrators, FAST Jobs, labor and Sound Transit to discuss potential candidates for preferred entry apprenticeship.

Awareness of Sound Transit’s commitment to apprenticeship is outlined to contractors at the earliest stages of their engagement. Contractors must submit an apprenticeship utilization plan during bid evaluation. This plan lays out the estimated number of labor and apprentice hours. It also requires contractors to detail how they will meet their apprentice utilization goals for women and minorities. They also sign a statement indicating they have read and understand apprentice utilization goals in the contract and

that they will make good faith efforts to achieve those goals throughout the performance of the contract.

Submitted with each monthly progress report are documents to track apprentice utilization. The Monthly EEO report, the pre-apprenticeship training fund, and the current employee report contains all required information on hours worked and employee status.

Spelled out in the labor compliance manual is the contractor's ability to amend their Apprentice Utilization Plan if it becomes apparent that there are not sufficient apprentices to meet the project's goals. Also contained in this manual is notification that Sound Transit has a jobsite mentoring coordinator for apprentices and agreement to cooperate with and utilize the program to support apprentice goal attainment. The preferred entry program is also called out and "Contractors awarded construction contracts by Sound Transit shall accept, support, participate in, and enable this preferred entry program as part of its good faith efforts to meet apprenticeship utilization goals."⁹³ Finally, the Labor Compliance Manual (LCM) stipulates that progress payments can be withheld if the contractor fails to meet the provisions of the section (Part 5, Workforce and Apprenticeship Goals), and evidences a lack of good faith in so doing.

Preferred Entry as a Tool for Veterans, Minority and Women Recruitments

While it is too early to tell if the preferred entry program will be successful (University Link contracts have just begun, which will be the first to use preferred entry), it appears that having a mechanism to recruit and place targeted individuals directly on a Sound Transit jobsite meets the Board's objectives for increasing local apprenticeship and job training on Sound Transit contracts. The commitment that 1 of 5 apprentices will be preferred entry along with the commitment for extended employment periods further promotes apprenticeship growth opportunities for this targeted group.

Apprenticeship by the Numbers on Certain Central Link Projects:⁹⁴

Apprenticeship was tracked by the number of hours worked. All total, more than 800,000 apprentice hours were worked on the projects studied and Table 1g-2 shows apprentice hours broken down by contract. Two contractors exceeded the PLA's 20% apprenticeship goal, Kiewit on Contract 810 and Mowat on Contract 430 who utilized more than 32% apprenticeship hours. All total, Sound Transit achieved 13.96% apprentice utilization, which falls short of the state's 15% contracting requirement for apprenticeship⁹⁵ and short of Sound Transit's higher 20% goal.

⁹³ University Link Light Rail TBM Tunnel UWS to CHS Link Contract U220 Labor Compliance Manual, December 2008, p. 12.

⁹⁴ Contracts 802, 803, and 759 data was not available for this study.

⁹⁵ SB 5097 put into statute Gov. Locke's executive order on a 15% apprenticeship utilization standard at \$1 million-plus public works projects. Passed and signed into law in 2005. From Washington State Labor Council website, <http://www.wslc.org/legis/apprenti.htm> (viewed 3/25/11).

Contract #	Contractor	Total Hours	Apprentice Hours	Percentage: Apprentice Hours
810	Kiewit pacific	263,727	54,034	20.5%
755	PCL	1,523,183	267,823	17.6%
510	Balfour Beatty	595,022	105,850	17.8%
710	Obayashi	1,798,320	181,844	10.1%
700	Kiewit Pacific	408,872	57,656	14.1%
735	RCI-Herzog	1,076,818	118,636	11.0%
430	Mowat	10,944	3,535	32.3%
807	Mass Electric	95,580	16,491	17.3%
TOTAL		5,772,466	805,869	13.96%

Table 1g-2 Total Apprenticeship Hours

As shown below, apprentice utilization for women achieved double-digit percentages on all projects but two (Contracts 510 and 807) and women worked 14.2% of all apprentice hours. Since apprenticeship is the entry to the trades, and some stakeholders commented on the difficulty of meeting goals for women employees, in general these statistics indicate the potential for increasing the number of women in the trades over time.

Contract #	Contractor	Total Apprentice Hours	Women Apprentice Hours	Percent Utilized
810	Kiewit Pacific	54,034	8,018	14.8%
755	PCL	267,823	42,217	15.76%
510	Balfour Beatty	105,850	5,740	5.42%
710	Obayashi	181,844	31,219	17.1%
700	Kiewit Pacific	57,656	13,735	23.82%
735	RCI-Herzog	118,636	13,190	11.1%
430	Mowat	3,535	586	16.6%
807	Mass Electric	16,491	0	0%
TOTAL		805,869	114,705	14.2%

Table 1g-3 Women Apprenticeship Hours and As a Percentage of All Apprentice Hours

Table 1g-4 below illustrates that people of color (POC) worked 35.6% of apprentice hours. This utilization rate for apprentices exceeds both King County's 33.7% minority population and Washington state's 26.6% minority population, according to 2010 census data.⁹⁶

Based on these statistics it appears that the efforts made by the community, pre-apprentice advocates, Sound Transit, labor unions and contractors resulted in strong minority participation in the agency's apprentice programs. According to Diane Davies, a

⁹⁶ U.S. Census Bureau: <http://quickfacts.census.gov/qfd/states/53000.html> (viewed 3/22/11).

pre-apprenticeship organizer at SVI-Pact, “I think Sound Transit’s numbers were better than many people realized. There were successes that are not well known, not celebrated. We had students who not only started at Sound Transit, but made careers out of it. We are the only people who seem to know this.”⁹⁷ Davies went on to explain that the contractors ultimately made the difference in terms of minority and female hiring. “Contractors who came in determined to make it work, like PCL, who employed over 100,000 apprentice hours (the most of all the contractors) did very well, actively worked with us, and actively hired women and minority apprentices. But there were other contractors who did not do well. For these contractors, we believe the only stick that works is to withhold a check and for the owner to make the goals become requirements.”⁹⁸

Contract #	Contractor	Total Apprentice Hours	POC Apprentice Hours	Percent Utilized
810	Kiewit Pacific	54,034	16,918	31.3%
755	PCL	267,823	111,534	41.6%
510	Balfour Beatty	105,850	23,559	22.3%
710	Obayashi	181,844	72,215	39.7%
700	Kiewit Pacific	57,656	20,091	34.9%
735	RCI-Herzog	118,636	38,735	32.7%
430	Mowat	3,535	1,221	34.5%
807	Mass Electric	16,491	2,467	15%
TOTAL		805,869	286,740	35.6%

Table 1g-4 People of Color Apprenticeship Hours and As a Percentage of All Apprentice Hours

Conclusion

The Board’s objectives to increase local job training and apprenticeship opportunities on construction contracts were supported by several PLA provisions. The PLA set a 20% goal for apprenticeship and authorized a pre-apprentice recruitment, training and direct entry program to get targeted populations working as apprentices on Sound Transit construction projects. This unique program was paid for by the “nickel an hour fund” as it became known, gathering five cents for each hour worked on all Sound Transit PLA construction projects. Apprentice advocacy efforts by the Joint Administration Committee, community and labor, in partnership with motivated contractors, resulted in double-digit apprentice numbers. While 13.96% overall utilization of apprentices did not meet Sound Transit’s goal, the utilization rates for women apprentices (14.2% of apprentice hours) and people of color apprentices (35.6% of apprentice hours) were higher than the apprenticeship subgoals.

⁹⁷ Diane Davies interview, SVI-Pact, 11/16/10.

⁹⁸ Diane Davies interview, 11/16/10.

Apprenticeship: Federal and Sound Transit Goals Versus Achievement

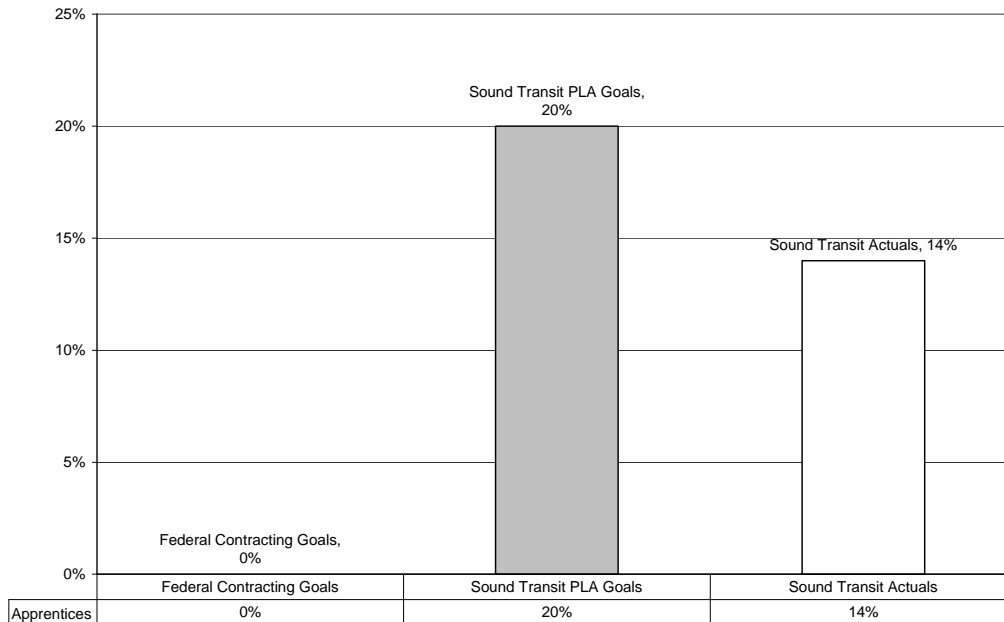


Chart 1g-5-Federal Contracting Goals for Apprentices vs. Sound Transit PLA Goals vs. Actual Apprenticeship Achieved

Sound Transit PLA Study Key Contracting and Employment Statistics

From the Sound Transit Projects included in the study:

- More than 269 million contracting dollars (27%) went to small business
- Nearly 198 million contracting dollars (19%) went to minority- and women-owned businesses
- Approximately 5.7 million hours were worked by apprentice- and journey-level employees under the Sound Transit PLA
- 14% of apprentice hours were worked by women
- 36% of apprentice hours were worked by people of color

Study Question 2. From readily available Sound Transit data, are there specific areas of cost savings as a result of the PLA?

There were areas of cost savings attributable to the use of the PLA. There were also costs associated with the PLA. As a result, we sought to calculate the actual costs/savings that materialized as a result of utilizing the Sound Transit PLA as compared to a hypothetical scenario where the work was not done under a PLA.

Agreement Dynamics interviewed Reggie Phelps, who conducted the original Bechtel Costs/Savings Study⁹⁹ for the Sound Transit project prior to the signing of the PLA agreement, and reviewed the financial data and other relevant information provided by Sound Transit. Based on this research, Agreement Dynamics does not believe that there is enough available data to provide a standard comparison (“apples-to-apples” comparison) between the costs/savings projections in the Bechtel Study and what costs/savings have actually materialized to date as a result of the Sound Transit PLA. The primary reasons why an “apples-to-apples” comparison cannot be conducted between the Bechtel projections of costs/savings and actual Sound Transit PLA costs/savings are as follows:

1. The Bechtel study and the costs/savings projected in that study was based on a different set and sequencing of projects than what was actually built through the Sound Transit PLA. For example, there are 5 link light rail stations that were part of the original assumptions in the Bechtel study as well as the significant U-Link section. U-Link is under construction now and some of the stations are still in design or bid phase, so their actual costs/savings cannot yet be analyzed. The Bechtel study also included an assumption of \$457 million for the Regional Express, which was not included in the Sound Transit PLA.¹⁰⁰ Thus, since the scope of work is different for the Bechtel assumptions and what has actually materialized as a result of the PLA, the resulting costs/savings projections that were done for the Bechtel study will also be very different, as well. It is not valid to go back and simply “subtract” the cost of the un-built Link Light Rail stations and the Regional Express from the Bechtel study since the study was done over a decade ago, and construction costs and contexts are significantly different now than they were when the study was conducted.
2. Bechtel’s assumptions on scope of work are different than what actually has happened under the PLA. For example, Bechtel’s assumption that total project cost would be \$2.103 billion is also different than project costs that are readily available for the Sound Transit PLA study.¹⁰¹ The projects being studied total approximately \$1.007 billion. Since the scope of work and total project costs are different between the Bechtel study and the Sound Transit PLA, the initial Bechtel savings estimates of \$15.1 million and \$9 million (after the PLA was actually negotiated) are no longer accurate numbers.
3. The construction schedule in the Bechtel study is also for 7 years (2000-2006), and since the Sound Transit construction schedule has been lengthened, some of

⁹⁹ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, Author Reginald Phelps, Vice President of Industrial Relations, Bechtel Corporation.

¹⁰⁰ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 3.

¹⁰¹ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 3.

the projections in the original study will not have accounted for this extended construction schedule.¹⁰²

Due to the above cited reasons, Agreement Dynamics does not believe that it is possible to compare the cost/savings projections in the Bechtel study with what has actually transpired as a result of the Sound Transit PLA.

Even though it is not possible to do a standard comparison between the costs/savings projected by the Bechtel study and actual costs/savings under the Sound Transit PLA, Agreement Dynamics developed another type of analysis to examine basic costs/savings that have occurred under the Sound Transit PLA as compared to what would have happened without the PLA in place. Many of the original assumptions from the Bechtel study will be used in order to maintain as much consistency as possible. The 12 categories of costs/savings in the Bechtel study (which Bechtel called “12 issues commonly found in union collective bargaining agreements”¹⁰³) are as follows:

1. Apprentice Utilization
2. Crew Size
3. Holidays
4. Hours of Work/Work Week
5. Industry Funds
6. No Strike/No Lockout
7. Organized Breaks
8. Overtime
9. Premiums for Type of Work
10. Prevailing Wage
11. Shift Differentials/Shift Premiums
12. Show-Up/Reporting Time

For a few of the categories, namely Holidays, Hours of Work/Work Week, Overtime, and Premiums for Type of Work, the data is too difficult to acquire and/or will not significantly impact the result, so these categories will not be studied in this analysis. Also, as noted below, at least one category (hours of work/work week) was cost/savings neutral.

With respect to Holidays worked, the Bechtel analysis assumes that for every holiday worked, there would probably be an additional cost of \$21,582 under the PLA as compared to local bargaining agreements.¹⁰⁴ However, there were probably very few holidays that were actually worked under the PLA, and attempting to data mine the status of holidays worked/not worked over the past 11 years would be both excessively time intensive and cost prohibitive. Since the \$21,582 amount per holiday worked is not significant--given more than a billion dollars worth of PLA contracts studied--we have decided not to focus on determining how many Holidays were worked, by how many people, and what the resulting additional costs were.

¹⁰² Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 7.

¹⁰³ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 9.

¹⁰⁴ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 17.

For the Hours of Work/Work Week category, we agree with Bechtel's assumption that, "Essentially, there is no difference in the hours of work/work week allowed in either the local agreements, the existing national PLAs, or as required by the State or Federal Fair Employment Laws."¹⁰⁵ This means that there would be no differences in costs/savings, either.

Regarding Overtime, the Bechtel study assumes that all overtime under the PLA would be paid at time and one-half, which is consistent with the requirements of pay under Washington State and federal laws for non-union contractors not under PLA, as well.¹⁰⁶ This means that there would not be significant differences in costs/savings due to overtime if the project was done under a PLA or under local collective bargaining agreements. However, the Sound Transit PLA does have a stipulation that increases the time and one-half to two times the rate of pay when workers have already completed a full day of overtime (8 or 10 hours depending) with time and one-half pay, and then are asked to stay longer past this full work day. We do believe there may have been some additional costs to the Sound Transit PLA due to this 2 times pay policy. However, this data is not readily available and given that it likely would have minimal impact on project costs, it is not included.

With respect to Premiums for Type of Work, we agree with Bechtel's assumption that for the type and nature of construction work that was required for the projects, union contractors would not have had to pay much for craft premiums within local collective bargaining agreements and non-union contractors generally do not have to pay any craft premiums.¹⁰⁷ Since there is no requirement of payments for craft premiums under the PLA, then we would assume that there would be no craft premiums paid by any contractors under the PLA, either. Thus, since non-union and union contractors would not have had to pay much for craft premiums under local bargaining agreements and do not have to pay any craft premiums under the PLA, we can assume that there are no significant costs/savings differences for the purposes of this analysis.

There is also an added cost to the PLA, which the Bechtel study did not account for, which is to reimburse contractors who have to pay dual benefits as a result of participating in the PLA. Some non-union contractors who already provide their workers benefits packages also had to pay into the union benefit pools, therefore having to pay "dual benefits." Sound Transit established a system where those contractors who were already paying for benefits packages for their workers that are as comprehensive as the union packages would be able to be reimbursed for the costs of having to pay the benefits twice. Therefore, it is a cost that is included in this analysis.

¹⁰⁵ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 18.

¹⁰⁶ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 23.

¹⁰⁷ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 24

Thus, from the original list of 12 categories and the dual benefits category we added, we have focused on analyzing the following 9 categories in more detail:

1. Apprentice Utilization
2. Crew Size
3. Industry Funds
4. No Strike/No Lockout
5. Organized Breaks
6. Prevailing Wage
7. Shift Differentials/Shift Premiums
8. Show-Up/Reporting Time
9. Dual Benefits

Costs/Savings Analysis Data

This costs/savings analysis does not cover all the work that has been done under the Sound Transit PLA. This analysis only covers the portion of the work that is listed by the contracts listed below and encompasses the data that was available from Sound Transit.¹⁰⁸

Contract #	Prime Contractor	Total Work Hours	Apprentice Hours	Percentage: Apprentice Hours
810	Kiewit pacific	263,727	54,034	20.5%
755	PCL	1,523,183	267,823	17.6%
510	Balfour Beatty	595,022	105,850	17.8%
710	Obayashi	1,798,320	181,844	10.1%
700	Kiewit Pacific	408,872	57,656	14.1%
735	RCI-Herzog	1,076,818	118,636	11.0%
430	Mowat	10,944	3,535	32.3%
807	Mass Electric	95,580	16,491	17.3%
TOTAL		5,772,466	805,869	13.96%

Table 2-1: Sound Transit PLA Study Contractors and Apprenticeship Utilization

We primarily used data from the Diversity Reports provided to us by Sound Transit. We also used basic assumptions from the Bechtel study in order to keep the costs/savings analysis consistent with the original Bechtel study projections.

Total work days were calculated using the start/end dates for the contracts listed above, and assuming 240 work days per year (Same as Bechtel assumption).¹⁰⁹

¹⁰⁸ Sound Transit Diversity Tables, 3/21/11.

¹⁰⁹ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 28. Also, the Federal Highway Administration's Office of Operations estimates there are typically [15-] 20 contractor work days per month, times 12 months equals approximate 240 work days each year, the same assumption as the Bechtel study.

Table 2-2: Total Work Days Between 12-17-03 to 12-1-09

Year	Work Days
2003	10
2004	240
2005	240
2006	240
2007	240
2008	240
2009	224
TOTAL	1,434

According to the actual contract amounts for the contracts listed above, total construction spending between December 17, 2003 to December 1, 2009 totaled **\$1,007,461,176**¹¹⁰

Apprenticeship Utilization

There were savings associated with the utilization of apprentices by non-union contractors under the PLA. Sound Transit is federally funded and is regulated by the Davis-Bacon provisions regardless of whether the work was done under a PLA or not. Davis-Bacon provisions state that only certified apprenticeship programs or certified journey-level workers are allowed to work on projects that are governed by Davis-Bacon. Since most non-union contractors do not have certified apprenticeship programs, they would have, for the most part, been required to utilize their journey-level workers to do the work and to pay them full wages/benefits if there had been no PLA. Since the Sound Transit PLA allows for non-union contractors to use apprentices from certified union apprenticeship programs, the non-union contractors could utilize these apprentices, save money by paying reduced wage/benefits rates, and thus increase savings for the project overall. Since union contractors would utilize apprentices regardless of whether the project was under a PLA or not, there were no costs and/or savings differences associated with their apprenticeship utilization.

Several assumptions were used in order to analyze the savings from the utilization of apprentices by non-union contractors under the Sound Transit PLA.

1. Average hourly wage/fringe rate = \$31.09 (Same assumption as Bechtel cost study)¹¹¹
2. Savings per hour from apprenticeship utilization is the average cost differential between a 65% apprentice and a journey-level worker = \$8.00 (Same assumption as Bechtel cost study)¹¹²
3. 80% of all construction dollars went to union contractors and 20% went to non-union contractors¹¹³

¹¹⁰ This is the total construction spending, as reported for the 8 project listed above.

¹¹¹ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 33.

¹¹² Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 14.

¹¹³ 80/20 percentage estimate provided by Sound Transit.

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4. 27% of all non-union hours worked are covered by non-union apprenticeships (Same as Bechtel Assumption that non-union apprenticeship programs are available for \$24.93 million of non-union labor dollars out of a total of \$92.33 million of non-union labor dollars.¹¹⁴ \$24.93 divided by \$92.33 equals 27%). This means that non-union apprenticeship programs are not available for 73% of non-union hours worked.
 5. Apprentices account for 13.96% of all hours worked (According to Sound Transit PLA Diversity Reports)

In order to calculate savings due to apprenticeship utilization under the Sound Transit PLA, we started with the Total Hours Worked for the portion of the Sound Transit projects that we analyzed. According to Sound Transit's Diversity Reports, the total hours worked was 5,772,466. We then multiplied this number by the estimated percentage of all hours worked by non-union contractors, which we are assuming is 20%. This results in 1,154,493 hours worked under non-union contractors. Utilizing Bechtel's assumption that there are enough non-union registered apprenticeship programs to cover 27% of non-union hours worked, this leaves 73% of non-union hours that are not covered by registered apprenticeships.¹¹⁵ We multiplied the total non-union hours worked by 73% to get the total hours worked by non-union contractors that are not covered by non-union registered apprenticeships, which is 842,780 hours. Of these 842,780 hours, we assumed that apprentices would account for 13.96% of the hours worked. When we multiply 842,780 by 13.96%, then we are left with 117,652 hours that could have been worked by a registered apprentice, but that the non-union contractors would not have utilized apprentices for without a PLA. We then multiplied 117,652 hours by \$8, which is the estimated savings per hour from apprenticeship utilization in order to get the total savings due to apprenticeship utilization under the Sound Transit PLA. The total savings due to apprenticeship utilization under the Sound Transit PLA is \$941,217.

¹¹⁴ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 13

¹¹⁵ Bechtel assumed non-union apprenticeship programs are available for \$24.93 million of non-union labor dollars out of a total of \$92.33 million of non-union labor dollars (Bechtel Project Labor Agreement Cost Study page 13); \$24.93 divided by \$92.33 equals 27%. This means that non-union apprenticeship programs are available for 27% of non-union hours worked and not available for 73% of non-union hours worked.

Savings From Apprenticeship Utilization	
Total Hours Worked	5,772,466
Percentage of total hours worked by non-union	20%
Total Hours Worked under non-union contractors	1,154,493
Percentage of non-union hours not covered by registered apprenticeships	73%
Total Hours worked not covered by non-union apprenticeships	842,780
Average percentage of apprentices for all hours worked under PLA	13.96%
Total Hours affected by non-utilization of apprentices	117,652
Savings Per Hour from Apprenticeship Utilization	\$8
Total Savings due to Apprenticeship Utilization	\$941,217

Table 2-3: Calculation of Apprentice Utilization Savings

Crew Size

Unlike many local collective bargaining agreements, there are no Crew Size restrictions in the Sound Transit PLA. Since the Sound Transit PLA does not restrict crew sizes, there are savings that have materialized as a result of not needing to hire additional foremen in order to maintain a certain crew size ratio.

In order to do the calculation, we used two assumptions:

1. Unionized workers accounted for 80% of all construction hours worked.
2. Local Union Crew Size Restriction would affect 62% of union craft hours (Same as Bechtel study assumption)¹¹⁶

Since non-union contractors would not have been subject to crew size restrictions regardless of whether there was a PLA or not, we only analyzed the savings due to no crew size restrictions on union contractors. First, we began with total hours worked, which was 5,772,466. We multiplied that by the percentage of total hours that we estimated were worked by union contractors, which is 80%. Thus, total union hours worked was 4,617,973 hours. We then multiplied the total union hours worked by 62%, which is the percentage of union craft hours affected by crew size restrictions (Bechtel study assumption) in order to calculate the total union hours subject to crew size

¹¹⁶ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 16.

restrictions (without the PLA).¹¹⁷ The total unions hours subject to crew size restrictions is 2,863,143. Using Bechtel’s assumption that 9.22 million union hours worked would require 10-25 additional foremen if there are crew restrictions, we assumed that 2.86 million union hours worked would require 4-8 additional foremen if there were crew size restrictions in place.¹¹⁸

Number of Additional Foremen Required (w/o PLAs)	
Total Hours Worked	5,772,466
Percentage of union hours worked	80%
Total Union Hours Worked	4,617,973
Percentage of union craft hours affected by Crew Size Restrictions	62%
Total Union Hours subject to Crew Size Restrictions (w/o PLA)	2,863,143
Approximate Number of Additional Foremen Required (w/o PLA). Utilizing estimates from Bechtel that 9.22 million union hours subject to crew size restriction worked would result in 10-25 additional foremen required, 2.964 million union hours worked would result in 4-8 additional foremen required.	4 to 8

Table 2-4: Calculation of Additional Foremen Required Without PLA

Once we determined the number of additional foremen needed with crew size restrictions, we calculated the added costs over the life of the project to hire these additional foremen. We began with the number of total work days for the project, which we have calculated to be 1434 days, and multiplied that by 8 hours a day which equals 11,472 total hours worked by each foreman. Since foremen are generally paid more in order to perform added responsibilities, we estimated the pay premium to be \$2.75/hour, which is the same as the Bechtel assumption.¹¹⁹ When we multiply the total hours, 11472, by the additional cost per hour for a foreman, \$2.75, we are left with an added cost of \$31,548 for each additional foreman over the period that we are analyzing. Thus, for 4 additional foremen, the added costs would be \$126,192. For 8 additional foremen, the added costs would be \$252,384. See below for a table that lists the added costs for the range of 4-8 additional foremen. Since these additional foremen did not need to be hired under the Sound Transit PLA (as would have probably been required under collective bargaining agreements), there was a savings ranging from \$126,192 to \$252,384 due to the PLA having no crew size restrictions. For the purposes of this study, we will use the mid-range estimate of savings (i.e., 6 additional foremen), which is \$189,288.

¹¹⁷ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 16.

¹¹⁸ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 16.

¹¹⁹ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 16.

Additional Foremen	No. of Hours Worked over life of Sound Transit PLA	Foremen Increase	Added Cost
4	1,434 days X 8 hours/day = 11,472	\$2.75	\$126,192.00
5	1,434 days X 8 hours/day = 11,472	\$2.75	\$157,740.00
6	1,434 days X 8 hours/day = 11,472	\$2.75	\$189,288.00
7	1,434 days X 8 hours/day = 11,472	\$2.75	\$220,836.00
8	1,434 days X 8 hours/day = 11,472	\$2.75	\$252,384.00

Table 2-5: Calculation of Additional Foremen Cost

Industry Funds

The Sound Transit PLA did not specifically require contractors to pay “industry funds.” Industry funds are usually required under local collective bargaining agreements. This means that there are savings as a result of contractors not having to pay industry funds and thus not passing on the costs to Sound Transit. However, this apparently did not prove to be universally true. It appears that the PLA was interpreted differently by different contractors, with some making these industry fund payments while others did not. As a result, it is not possible to calculate actual savings in this area.

Also, Sound Transit provided information that the RAPID “nickel fund” discussed below was negotiated into the PLA in lieu of industry fund payments. The nickel-per-hour fund was originally established with the assumption that there would be industry fund contributions that the AGC contractors would not be required to make when working under the PLA. Sound Transit did not track this data, but believes that the practice during most of Central Link was that \$.05 per hour was contributed to RAPID instead of to industry funds.¹²⁰

RAPID

The Sound Transit PLA contains a program called the Regional Apprenticeship Preparation Integrated Delivery System (RAPID) that required contractors to pay at least \$.05 for every hour worked by employees covered under this agreement to fund the RAPID program (Sound Transit PLA Article 8.1). This fund has also been referred to as the “Nickel Fund” by Sound Transit staff. Even though there might have been savings to Sound Transit resulting from contractors not having to pay industry funds to participate in the PLA, these savings were likely offset by the costs incurred to fund the RAPID program.

¹²⁰ Greg Mowat, Labor Agreement Specialist, Sound Transit, email 4-4-11.

Sound Transit reports that the RAPID program collected \$460,000 over the life of the PLA. Sound Transit informed us that the agency “would have devoted money to apprenticeship workforce development in the absence of the PLA as there was money in the Diversity Programs Office budget that would have covered that scope vis-à-vis EEO inclusiveness, whether a PLA existed or not.”¹²¹ However, because the RAPID program is in the PLA we are noting it as a PLA cost. Also, since industry funds are not specified in the PLA, and there is evidence from Sound Transit staff who were involved in the original PLA negotiations that industry funds were not required by the PLA, we are assuming this was a savings to the PLA. We are therefore, assuming that overall, the cost of the RAPID program under the PLA cancelled any savings from non-payment into industry funds.

No Strike/No Lock-Out

When a strike, lock out or other labor disruption occurs, there are costs that the project must absorb. When a project schedule is delayed and the total number of days until project completion is extended, the owners and contractors will have to pay more to: 1) maintain administrative staff and other professional staff for a longer period of time, 2) pay additional overtime premiums to staff workers and supervisors in order to make up lost days in the construction schedules, 3) hold on to expensive construction equipment such as large machinery for a longer period of time due to work delays, 4) pay more for materials (such as steel) due to increased prices, shipping and storage costs, 5) pay other job-site overhead costs, and 6) pay any special fees associated with the delay of project completion. While these costs to the project owners and contractors are very hard to estimate, the costs are generally significant to the project, especially if the work disruption lasts longer than a few days. Bechtel’s PLA cost study states, “The owner could suffer substantial cost increase or lost revenues from schedule delays caused by strikes or lockouts.” They also maintain that estimating these cost impacts can only be done by the owner.¹²²

There were at least four strikes during the life of the Sound Transit PLA that lasted a total of 74 days. Had there not been a PLA, Sound Transit would have been affected by every strike, study interviewees maintain. Even though the amount of savings from not having strikes during the Sound Transit PLA cannot be calculated exactly, we can assume that there were savings and that these savings are significant. Also, study participants have cited numerous other types of labor disputes that would have resulted in work stoppages without the PLA’s no strike/no lock out provision. This issue is addressed in detail in Study Question #5, beginning on page 104.

Organized Breaks

There are savings that have materialized as a result of not requiring “Organized Breaks” under the Sound Transit PLA. Union contractors are not required under local and national bargaining agreements to provide breaks with or without a PLA, so there are no potential savings from not requiring breaks for union contractors under the PLA. However, non-union contractors are typically required by state and federal law to provide

¹²¹ Greg Mowat, Sound Transit Labor Agreement Specialist, 4/4/11 email.

¹²² Bechtel Project Labor Agreement Cost Study prepared for Sound Transit July 1999, p. 21.

two breaks of 10 minutes each during an 8-hour shift. Non-union contractors using the Sound Transit PLA did not have to provide organized breaks, so there are savings resulting from not needing to pay for these breaks.

We started out with one main assumption:

1. Non-union hours accounted for 20% of all hours worked.

We calculated the total hours worked, which is 5,772,466 with the percentage of total hours worked by non-union, which is 20%. Thus, total non-union hours worked were 1,154,493, which we divided by 8 hours in order to calculate the total non-union work days, which is 144,312 days. We then multiplied this number by 20 minutes, which is the average number of minutes for organized breaks (2 10-minute breaks), in order to get the total minutes that would have been used for organized breaks without the PLA. The total minutes for organized breaks is 2,886,233 minutes, which we then divided by 60 minutes in order to get the total organized break hours, 48,104. Assuming that the average hourly rate of \$31.09/hour, we multiplied this hourly rate by 48,104 organized break hours in order to calculate the total savings by not having organized breaks. The total savings by not having organized breaks is \$1,495,550.

Savings from No Organized Breaks	
Total Construction Labor Hours	5,772,466
Percentage of total hours worked by non-union	20%
Total non-union construction hours	1,154,493
Average hours per work day	8
Total non-union work days (8hrs/day)	144,312
Average number of minutes for organized breaks (Two 10-min. breaks)	20
Total organized break minutes assuming (20 minutes/day)	2,886,233
Minutes in one hour	60
Total organized break hours	48,104
Average Hourly rate (Same as Bechtel Assumption)	\$31.09
Total Savings by Not Having Organized Breaks	\$1,495,550

Table 2-6: Calculation of Savings From No Organized Breaks

Prevailing Wage

Since federal funds were used to build the Sound Transit system, contractors who worked on the project would have been required to pay prevailing wages under Davis-Bacon provisions regardless of whether the project was under a PLA or not, and regardless of whether the contractor was union or non-union. Similarly, the State of Washington requires public works contractors to pay prevailed rates.

However, there were costs associated with the process primarily for non-union contractors due to Sound Transit's PLA provision 10.1b which requires twice annual prevailing wage adjustments. Union contractors would be adjusting wages according to their collective bargaining agreements, which are generally at or above prevailing rates. Some union contracts contain a provision which allows for no prevailing wage escalation

for the first 24 months from the notice to proceed as well as a freeze on fringe benefit rates for 12 months.¹²³ Please note that Sound Transit did institute a prevailing wage escalation reimbursement policy, but did so outside the PLA provisions. Sound Transit does not have wage escalation costs broken down by union versus non-union contractors.¹²⁴ This policy is discussed in Study Question 7.

Shift Differentials/Shift Premium

The Bechtel study estimated that there would be savings to union contractors if shift differentials and shift premiums were not required in the PLA, as they are typically under collective bargaining agreements. However, since shift differentials and premiums are required under the Sound Transit PLA, the savings Bechtel projected from not having shift differentials did not materialize.¹²⁵

In addition, non-union contractors traditionally do not utilize shift differentials/premiums, so the requirement of shift differentials/shift premiums under the Sound Transit PLA does require *additional* costs to be accrued by the non-union contractors. Even though it is hard to calculate how many 2nd or 3rd shifts were actually worked by non-union contractors under the Sound Transit PLA, we have provided a range of percentage of hours (5-20%, same as Bechtel assumption) when non-union workers worked on a 2nd shift in order to get an approximate range of what these additional costs were.¹²⁶

We started out with the total number of hours worked by non-union contractors, which is 1,154,493. Then, we multiplied this number by the percentage of hours that we assumed would be worked during a 2nd shift (5%, 10%, 15%, and 20%). We then took this new number, which represents the number of hours affected by the shift differential, and divided it by 8 hours in order to get the number of days affected by the shift differential. Since the shift differential accounts for one half hour daily, we determined that the shift differentials ranged from 3608 hours (at 5%) to 14,431 hours (at 20%) over the PLA study period. This means that because of shift differential policies within the PLA, 3608 to 14,431 additional hours of work were billed to Sound Transit by non-union contractors than without the shift differential policies. We then took these new numbers and multiplied them by the rate of pay per hour (\$31.09) in order to get the total increased costs to Sound Transit due to shift differentials in the PLA. The total increased costs range from \$112,166 (at 5%) to \$448,665 (at 20%). For the purposes of this analysis, we used 10%, which is the mid-range percentage of hours that would be worked on a 2nd

¹²³ Local agreements reviewed that contain 24 and 12 month freezes on prevailing wage rates and fringes respectively include Teamster Locals, Carpenters, Operating Engineers, Cement Masons, Laborers. Other collective bargaining agreements had no such exception and require the signatories pay the contractual rate even if that rate is higher than prevailing wage law requires. Examples of unions with these provisions include IUEC Local 19 (International Union of Elevator Constructors), International Brotherhood of Electrical Workers, United Association of Plumbers and Pipe Fitters, United Association of Sprinkler Fitters, Bricklayers and Allied Craft Workers, Roofers, Sheet Metal Workers.

¹²⁴ Ahmad Fazel, Sound Transit Executive Director, Department of Design, Engineering and Construction Management, November 28, 2011.

¹²⁵ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 26.

¹²⁶ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 28.

shift by non-union contractors. At 10% of total non-union hours worked on a 2nd shift, the estimated increased costs to Sound Transit is \$224,332 for having shift differentials within the PLA policy.

Shift Differentials						
Total Non-Union Hours Worked	% of hours worked on 2nd shift	# of work hours affected by shift differential	# of work days affected by shift differential	Shift differential (in hours)	Rate of Pay/hr	Increased Cost
1,154,493	5%	5,7725	7,216	3,608	\$31.09	\$ 112,166
1,154,493	10%	115,449	14,431	7,216	\$31.09	\$ 224,332
1,154,493	15%	173,174	21,647	10,823	\$31.09	\$ 336,499
1,154,493	20%	230,899	28,862	14,431	\$31.09	\$ 448,665

Table 2-7: Calculation of Shift Differential Cost

Show-Up/Reporting Pay

The Sound Transit PLA does require Reporting Pay equivalent to two hours of work if an employee shows up to the job site and there is no work for that employee. In the Bechtel study, the calculations assumed that there would be no reporting pay, or that there would be a \$30 flat rate for reporting pay under the Sound Transit PLA. However, since reporting pay for 2 hours is required under the PLA, the projected savings that the Bechtel study had calculated did not materialize. In addition, there are increased costs for non-union contractors to comply with show-up/reporting pay in the PLA since non-union contractors typically do not pay this without a PLA.¹²⁷

We calculated the costs to non-union contractors by starting with total hours worked, which is 5,772,466 hours, then multiplied this by the percentage of hours estimated to be worked by non-union contractors, which is 20%. The result is 1,154,493 non-union hours worked over an estimated 1434 total number of days worked. We divided the total non-union hours by the number of days in order to get the average number of non-union hours worked each day, which is 805 hours. We then divided this number by 8 hours, which is a typical work day, in order to calculate the average number of non-union workers per day, which is 101 workers. We then multiplied 101 workers by the average cost of 2 hours of reporting pay (\$62), which then gave us the daily rate of show-up pay for non-union workers. which is \$6,239.

¹²⁷ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 29.

Daily Rate of Show-Up Pay for Non-Union	
Total Hours Worked	5,772,466
Percentage of non-union hours	20%
Total non-union hours worked	1,154,493
Total number of days worked	1,434
Average non-union hours worked per day	805
Average hours per work day	8
Average number of non-union workers per day	101
Average cost of 2 hours reporting pay	\$62
Daily rate of show-up pay for all non-union workers	\$6,239

Table 2-8: Calculation of Daily Rate of Show-Up Pay for Non-Union

Since we could not access the data for the actual number of days where work may have been prevented due to weather and other unforeseen events during the period of the PLA we are studying, we decided instead to calculate the costs associated with a range of 1% to 5% of the available workdays (1434 days) resulting in the need to utilize show-up pay. We did this by multiplying the estimated percentage of lost work days (1% to 5%, same as Bechtel assumption) by the total number of work days (1434 days) in order to get the number of lost work days.¹²⁸ We then multiplied this number by the daily rate of show-up pay for all non-union workers in order to get the total increased cost for Sound Transit for having to pay show-up pay as a result of the PLA. We will utilize the mid-range estimate of 3% lost work days to calculate the costs of show-up pay for non-union contractors under the PLA, which is \$268,420.

Costs of Show-Up Pay to Non-Union under PLA			
% of Lost Work Days	Lost Work Days	Daily Rate	Total Cost for Non-Union
1%	14	\$6,239.42	\$ 89,473
2%	29	\$6,239.42	\$178,946
3%	43	\$6,239.42	\$268,420
4%	57	\$6,239.42	\$357,893
5%	72	\$6,239.42	\$447,366

Table 2-9: Calculation of Show-Up Pay Costs for Non-Union Contractors

Dual Benefits

There is also an added cost to the PLA, which the Bechtel study did not account for, that is the reimbursement of contractors who have to pay dual benefits as a result of participating in the PLA. Some non-signatory contractors who already provide their workers benefits packages also had to pay into the union benefit pools, therefore having to pay “dual benefits.” Sound Transit established a system where those contractors who

¹²⁸ Bechtel Project Labor Agreements Cost Study Prepared for Sound Transit, July 1999, p. 29.

were already paying for benefits packages for their workers that are as comprehensive as the union packages would be able to be reimbursed for the costs of having to pay the benefits twice. Even though this number is not very significant considering the total size of the project, it is a cost that we believe should be included in the analysis.

The data below represents the Central Link change orders that responded to a search for “Dual Benefits” and “Dual Benefits Reimbursement” on Sound Transit's "Live Link" document system. Sound Transit staff obtained and reviewed 165 records.

Dual Benefits Reimbursements Paid by Sound Transit¹²⁹	
Coates Survey Services (C700/810)	\$672.00
Steve Sauer trucking (C700/810)	\$18,048.55
Clear Creek Contractors (C735)	\$2,485.13
Pacific Mobil Structures (C810)	\$735.00
Grady Excavating (U230)	\$200,000.00
Mountain Pacific Rail (C700)	\$33,807.82
Total	\$255,748.50

Table 2-10: Dual Benefits Reimbursements Paid by Sound Transit

Summary Narrative of Costs/Savings

Based on the previously referenced assumptions and available data, there have been savings for Sound Transit as a result of using the PLA as compared to not using the Sound Transit PLA in these areas: 1) apprenticeship utilization by non-union contractors (reduced overall labor costs), 2) no crew size restrictions in the PLA (no need to hire additional foremen), and 3) non-union contractors not having to pay for organized breaks under the PLA. PLA costs came from: 1) non-union contractors having to comply with shift differentials, 2) non-union contractors having to pay show-up/reporting pay, and 3) some non-union contractors having to pay dual benefits. In addition to these cost and savings components, there are three known categories of costs/savings that we have not been able to quantify, namely no strike/no lock-out, prevailing wage escalations, and jurisdictional language. We assume that there were significant savings as a result of having the no strike/no lock-out clause, but cannot reliably calculate how much those savings were. That analysis is found on page 107, in the Section on Study Question 5. Also, we know that there are costs associated with the twice annual prevailing wage adjustment requirement, but have not been able to access those costs. Finally, the protections afforded Sound Transit due to its jurisdictional language (which are detailed beginning on page 115) have cost savings implications that are not quantifiable.

¹²⁹ Greg Mowat, Labor Agreement Specialist, Sound Transit, email 3/9/11.

Table 2-11: Sound Transit PLA - Examples of Costs/Savings*

Item	Savings/Costs	Notes
Apprenticeship Utilization	\$ 941,217.00	
Crew Size	\$ 189,288.00	
Organized Breaks	\$ 1,495,550.00	
Shift Differentials	\$ (224,322.00)	Assuming 10% of all non-union hours worked were on the second shift
Show Up/Reporting Time	\$ (268,420.00)	
Dual Benefits	\$ (255,750.00)	

**Based on available data and assumptions previously noted.*

Table 2-12: Sound Transit PLA - Examples of Non-Quantifiable Costs/Savings**

Item	Savings/Costs	Notes
Industry Funds/RAPID		Assumes a cost/savings offset
No Strike/No Lock-Out		Significant savings, but cannot calculate exact number. See Question 5 for more information.
Prevailing Wage Escalation		Cost due to required escalations by non-union contractors not available. See Question 7 response for more information.
Jurisdiction Disputes Cost of Process and Protections		Cost savings, but not quantifiable

***Based on available data and assumptions previously noted.*

Conclusion

The data associated with Sound Transit's PLA is scientifically non-determinative as to whether the PLA has increased or decreased costs. A case can be made that this PLA has resulted in net cost savings (primarily due to language protecting the agency against labor disruptions), but cannot be conclusively proven. The analysis provided in this report does point to areas of savings and areas of costs related to Sound Transit's PLA that may be instructive as future PLA related decisions are made. It also demonstrates the difficulties involved in efforts to objectively evaluate overall PLA costs versus savings.

Study Question 3. What major issues (including those not anticipated when the PLA was entered into), and/or major formal grievances occurred during the Sound Transit PLA that were related to PLA provisions?

Based on interviews, survey responses, and data provided by Sound Transit and other stakeholders, major issues (including those not anticipated as well as grievances) that have arisen over the course of the PLA include: ¹³⁰

- a. Pre-cast work
- b. Pre-job and jurisdiction
- c. Lunch provisions
- d. Drug Testing
- e. Parking
- f. Safety at the Beacon Hill Tunnel
- g. PLA Administration.

Grievances

Sound Transit's PLA states in Article 17 that "any questions or dispute arising out of and during the term of this PLA (other than trade jurisdictional disputes) shall be considered a grievance." Grievances are subject to resolution under steps outlined in the PLA.

Sound Transit began tracking formal grievances in 2008 and has provided this data for analysis in responding to this question.

Based on Sound Transit's grievance log compiled from 2008 to 2010, there have been 267 grievances filed on Sound Transit projects. This number includes grievances that were still active from as far back as 2004. However, a log tracking grievances did not exist prior to 2008. Therefore, only grievances that were filed before 2008 and were still active at that time are incorporated in this analysis. That represents an average of 38 grievances per year. There are presently 36 grievances pending resolution (as of March 2011). "Most of these grievances were serious enough to have caused some kind of work action had there not been the existence of the Sound Transit PLA."¹³¹

¹³⁰ Issues are not listed in any priority order. Different stakeholders consider different issues to be more significant than others.

¹³¹ Dallas Delay, Sound Transit Labor Agreement Specialist, 12/15/10.

The Top Issues Grieved and the Average Time to Resolve the Issue

Issue	No. of Grievances/ Percentage of Total	Average # of Days to Resolve¹³²
1. Pre-Job Issues	62 = 23% of all grievances	Varies: 33 grievances @ 61 days 16 grievances @ 8 days or less 13 grievances – pending
2. Dispatch	28 = 11% of all grievances	135 days
3. Jurisdiction ¹³³	27 = 11% of all grievances	Varies: 27 grievances @ 52 days 6 grievances - pending ¹³⁴
4. Parking	17 = 6% of all grievances	198 days
5. Trust Fund Payments	16 = 6% of all grievances	238 days
6. Wage	12 = 5% of all grievances	20 days
7. Apprentice	10 = 4% of all grievances	25 days
8. Prevailing Wage	10 = 4% of all grievances	747 days
9. Drug Test	9 = 3% of all grievances	95 days
10. Lay off Pay off	9 = 3% of all grievances	34 days
11. Improper Discharge	7 = 3 of all grievances	268 days
12. Labor Compliance	6 = 2% of all grievances	389 days

Table 3-1 Grievances and Time to Resolve

Time Line for Grievance Resolution

On average, it took 151 days to resolve 231 grievances. As of this analysis, the latest filing date is 11/24/10.

There are 36 grievances still pending. The pending issue grieved most often has been regarding pre-job, with 13 grievances. Contractor, TFK, received nine of those grievances, JCM 3, and SCI 1. The earliest grievances (four of them) filed that are still pending are with contractor, Kiewit Pacific, regarding contract 700 and the issue of jurisdiction. They were filed on 5/12/06.

¹³² Pending grievances are counted and included by issue. Pending grievances are not included in the calculation of average days.

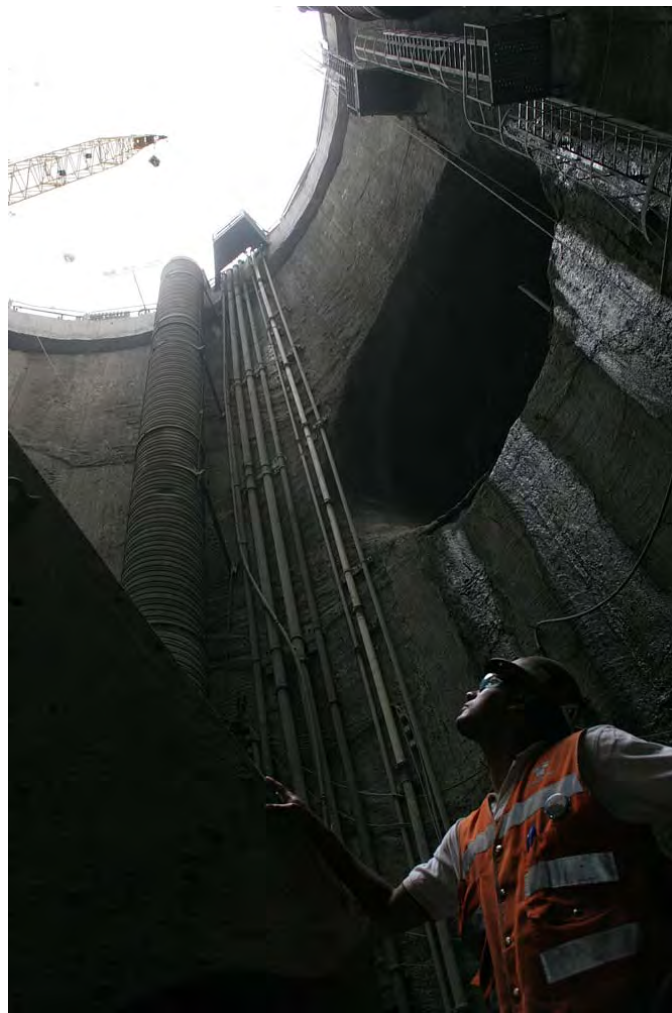
¹³³ Jurisdictional disputes are resolved via a different process than the grievance procedure. However, because jurisdictional disputes are often major issues and are recorded in Sound Transit's grievance log, they are included in this analysis. Also, parties to the PLA sometimes refer to jurisdictional issues as "grievances."

¹³⁴ Four jurisdiction grievances are the longest pending grievances and date back to May 12, 2006.

There were five grievances that took two to four years to resolve and were regarding the issues of prevailing wages and trust fund payments. Contractor RCI/Herzog received two grievances filed under prevailing wage issues/violations and both were the issues that took the longest to resolve; one taking 1,611 days, the second taking 1,402 days. Mass Electric followed in the third longest grievance, also due to prevailing wage. The next longest was an issue regarding trust fund payments, filed with the contractor Obayashi. The pre-cast off site issue, filed under the topic of prevailing wage, with contractor PCL, is no longer active as a grievance, but is ongoing in the form of a law suit. It will be discussed later in this section as a major issue.

There were 12 grievances that took between one and two years to resolve. Five grievances were under labor compliance manual requirements. Two grievances were under prevailing wage issues. Two were under drug testing. Two were dues remittance. One was a type of termination grievance.

Two hundred-twelve grievances were resolved in less than one year. Six of those grievances were resolved on the same day they were filed (all different issues).



Most Grievances Were Resolved Through the PLA:

A majority of all grievances evaluated were resolved through the PLA. Out of the total 231 resolved grievances, 52% (119) of them, were resolved using the PLA. Based on information provided for this study, 13% (or 28 grievances) were resolved using collective bargaining agreements. The rest were resolved through a mix of methods not tracked by this study.

Issues Involved in PLA Grievances	#
Pre-Job	46
Dispatch	20
Parking	12
Drug testing	6
Jurisdiction	6
Lay off pay off	4
Lunch language in PLA	4
Apprenticeship	3
Pay	3
Trade Assignment	3
Prevailing Wage issue/violations	2
4/10workday Article 9.1	1

violation	#
Damages sought	1
Dues remittance	1
ERI Shift language	1
Improper discharge	1
LOA Approved on late waver	1
Medical release Pre-employment	1
No assignment of work	1
Shop Steward language/FAST language	1
Work performed per the Trade Assignment	1
TOTAL NUMBER	119

There were 28 grievances that were resolved using collective bargaining agreements (CBA). The CBA was used in cases where the PLA was ‘silent’.

Issues Involved in CBA Grievances	#
Jurisdiction	8
Improper Discharge	5
Lay off Pay off	4
Dues Remittance	3
Bull Gang Language	2
Pay	2
Dispatch	1
Management Performing Craft	1
Pre Job	1
Shop Steward Language	1
TOTAL NUMBER	28

Contractors with the Most Grievances

There were 90 grievances filed with prime contractor, TFK. That stands for 34% of all 267 grievances. The issue of pre job was grieved the most with TFK with 34 total grievances. One is still pending, filed 11/16/10. The remaining pre job issues were resolved under the PLA.

There were 38 grievances filed with prime contractor Obayashi Corporation (14% of all grievances). Though several different issues were grieved, the issue of drug testing was the highest with five grievances. These were all resolved under the PLA. Obayashi has one grievance still pending under the issue of harassment by management and is stated as a legal issue.

NRCES received 23 grievances (9%). Dispatch was the issue responsible for the most grievances. There were 12 dispatch grievances total out of NRCES's 23 grievances and were all resolved under the PLA.

The prime contractor, RailWorks, received 21 grievances (8%). The issues of pre job and dispatch were both grieved five times each. The PLA was used to resolve six of them, and it is unclear at this date how the remaining four were resolved.

There were 18 grievances filed with prime contractor, JCM (7%). JCM has six grievances still pending. The top issue grieved was involving pre job. There were nine grievances filed with JCM regarding pre job issues and three are still pending. The remaining six were resolved under the PLA.

3a Pre-Cast

The study authors heard differing versions of the events, perceptions and communication between the parties on the issue of pre-cast. This issue involved a multi-faceted disagreement between labor unions, Sound Transit, the contractor PCL and its subcontractor Bethlehem Construction. Based on interview comments, it appears the pre-cast issue involved unfulfilled expectations, miscommunication, and disagreements over PLA interpretation that deteriorated over time and still continue to this day.

According to interviews, the disagreement was over how to build the aerial guide way segments on the elevated light rail line between Boeing Access Road and South 154th St. in Tukwila. A disagreement arose about whether to build onsite or offsite (in a pre-cast yard or factory). Onsite prevailing wage rates were higher than prevailing wage rates at a pre-cast yard. According to Sound Transit, while labor pushed for onsite construction, the engineers' estimates demonstrated a savings to build offsite. Interviewees indicated the cost savings ranged from \$10-\$25 million.¹³⁵

Related to how the pieces were to be built was where they would be built. An existing yard in Pierce County was considered, as was building a yard in King County to construct the pieces.

¹³⁵ John Littel, Political Director, NW Carpenters, interview, 12/2/10; interview and Alec Stephens, Diversity Technical Advisor, Sound Transit, interview 10/15/10.

Labor maintained that construction should occur in the Sound Transit service area, as instructed by the PLA.¹³⁶

According to Sound Transit staff, when the bid was let, it left the decision up to the contractor to choose who they would use to produce these segments. PCL had a relationship with Bethlehem Construction in Cashmere, WA. The pieces were built in their facility and trucked over to Seattle for placement. Some interviewees and class action suit documents reviewed for this study assert that workers at the pre-fab facility were paid minimum wage.¹³⁷

Stakeholders recounted differing recollections regarding discussions involving the King County Executive, Sound Transit's CEO, and Building Trades representatives about this issue. Some recall a meeting at which the Executive committed to labor officials to resolve things by instructing that the work be done in King County. One interviewee stated that labor did not follow up to ensure a Board resolution to this effect was drafted. Others asserted that this was Sound Transit staff's responsibility and that they did not follow through. Finally, some interviewees were uncertain about the sequence of events and who exactly was involved in resolution efforts.

A grievance by Ironworkers Local 86 was filed against PCL that went to Labor and Industries (L&I) in April 2006.¹³⁸ In 2008, L&I agreed with labor, that the work should have gone to local employees at the prevailing wage rate in King/Pierce County. However, because of confusing bid documents, L&I didn't deem the contractor liable for back wages.¹³⁹

Also in 2008, former Bethlehem employees filed a class action lawsuit in King County Superior Court alleging that Bethlehem Construction, Inc. failed to pay the proper prevailing wage to ironworkers, carpenters, laborers and others who worked for BCI on Sound Transit's Central Link Light Rail project. Rather than paying these workers at the construction trades rates of pay, it is asserted that BCI paid them at the lower pre-cast concrete rate of pay. Trial in the case is currently set for November 7, 2011.¹⁴⁰

Sound Transit staff has provided information regarding another issue pending around the tunnel lining segments for University projects 220 and 230. Labor and Industries has found that the outside construction rates should be paid for these segments. As of April 5, 2011, the contractor has 30 days to appeal this decision. Labor and contractor stakeholders have expressed agreement about the need to get clarity in the PLA prior to starting the next phases of Sound Transit construction.¹⁴¹

¹³⁶ Alec Stephens, Diversity Technical Advisor, Sound Transit; interview, 10/15/10.

¹³⁷ John Littel, Political Director, NW Carpenters interview. Class Action Compliant for non-payment of wages, 10/27/08.

¹³⁸ Sound Transit Grievance Log, 2010.

¹³⁹ John Littel, Political Director; NW Carpenters Union, 12/10/10 interview

¹⁴⁰ From Schroeter, Goldmark and Bender law firm website; <http://www.sgb-law.com/case-updates/bethlehem-construction-class-action> (last viewed 4/14/11).

¹⁴¹ Dallas Delay, Sound Transit Labor Agreement Specialist, 4/25/11 email.

3b. Pre-Job and Jurisdiction

While pre-job and jurisdiction issues were listed under separate categories in Sound Transit's grievance log, they are often related.

Between 2008 and 2010 Sound Transit has information indicating that 62 pre-job grievances were filed and 27 jurisdiction issues were processed. Information about the nature of each pre-job grievance was not provided; however, labor union study respondents often commented that pre-job meetings were not held before work commenced, and/or some labor representatives were not notified when certain pre-job meetings were scheduled.

Among other things, the pre-job meeting provides an opportunity to convey information regarding work assignments and jurisdiction. If there are issues about work being assigned in a manner that raises concerns with a particular craft or trade they can be communicated and possibly resolved as a result of the pre-job meeting.

Timely pre-job meetings, with advance notification to all parties, was cited by labor representatives as the most effective way to prevent or reduce pre-job grievances. It also was reported to help minimize jurisdictional disputes.

3c Lunch Issue

While only pertaining to one jobsite on Central Link, the lunch issue on the Beacon Hill Tunnel was one that required arbitration and intervention by the Joint Administrative Committee (JAC).

Attachment E was added to the PLA January 8, 2009 by the Joint Administrative Committee. Dubbed the "Lunch Provisions Amendment," the language spelled out strict schedules for how long an employee can be worked before a lunch break of at least ½ hour is provided. It also includes sections requiring additional meal periods when employees worked more than two hours past the regular shift and states that "if impractical for the employee to leave the worksite (to get lunch), the employer must provide lunch." If lunch and meal breaks were not given, the provision also carried additional pay for the employee of ½ hour overtime pay, and in certain instances, up to an hour of overtime pay. There are also specifications for what the pay rates are for delayed/missed meals that range from 1-½ to 2-½ times the straight-time pay rate.

Why, when Sound Move projects had been operating for nearly nine years, was there a need to add such a detailed and comprehensive policy to accommodate the tunnel project? According to interviews of Sound Transit staff and other stakeholders, the typical practice on tunnel work is that employees who don't get the set lunch period (as in the PLA, which calls for 1/2 hour) receive additional compensation (according to work rules devised by the contractor) to make up for this. Also, according to labor representatives, the tunnel contractor refused to pay the additional compensation and worked employees 10-12 hours a day without lunches or breaks.¹⁴²

Greg Mowat explained the agency's perspective:

"The intent of the framers of the PLA was to sit down with the first underground contractor when the initial tunnel work was awarded to finalize work rules and other labor-

¹⁴² Lee Newgent interview, Executive Secretary, Seattle King County Building Trades, 12/7/11.

management matters. When the Beacon Hill Tunnel was awarded to Obayashi, we worked diligently to facilitate that conversation without success. Obayashi implemented its own meal and break period protocol, which was different than the approach in the AGC and national labor agreements. This led to a grievance and, ultimately, an arbitration between Obayashi and Operating Engineers Local 302, Carpenters 131, Cement Masons 528, and Laborers 440. The arbitrator decided in favor of the contractor. That ruling initiated the amendment process for the JAC to add the language that now is part of the PLA.”¹⁴³

3d. Drug Test

Drug testing was raised in interviews and on surveys as a major issue. In addition, there were grievances filed related to drug testing.

First, the Substance-Free Workplace program at Sound Transit was initially negotiated in the PLA. But, to be compliant with federal regulations (49 CFR Part 40)¹⁴⁴, the program had to be moved to the labor compliance manual (LCM) when the Bush Executive Order banned federal funding for projects with mandatory PLAs.¹⁴⁵ Then in 2009, after the Obama Executive Order allowed for mandatory PLAs, the Seattle/King County Building Trades proposed reinstating the program back in the PLA. Instead, the parties agreed to a third-party administrator selected by Sound Transit to implement and coordinate the program. However, the Substance Abuse Prevention Program language, while no longer enforceable under the PLA, has remained a part of the document for historical reference.¹⁴⁶

Next, the drug testing program at Sound Transit evolved over time. According to staff, the most simple iteration required the contractor to institute a program, and was used in many of the initial Segment Link Construction Contracts. The next iteration has the Contractor implementing a program that is substantially the same as that in the initial PLA, except that the Contractor is responsible for implementation instead of a Sound Transit “Substance Abuse Coordinator.” The latest iteration rests with a Third Party Administrator designated by Sound Transit to provide those services to the Prime Contractor and its subcontractors.¹⁴⁷

In interviews and surveys, concerns were raised by contractors around the confusing nature of the program. That may have been due, in part, to the evolution and changes identified above.

Concerns were raised in interviews with labor representatives about neutrality issues around contractor-based drug testing programs. One example cited was the contractor on the Beacon Hill Tunnel, the Obayashi Corporation. According to interviewees, the contractor didn’t use professionals to test, rather they had their own people on the job site taking swab samples. While random testing is allowed, IBEW alleged it was used in retaliation toward IBEW as their workers were the only ones randomly tested on the job site.

¹⁴³ Greg Mowat, Sound Transit Labor Agreement Specialist, email 1/13/11.

¹⁴⁴ http://www.dot.gov/ost/dapc/NEW_DOCS/part40.html (last viewed 4/13/11).

¹⁴⁵ Alec Stephens, Diversity Technical Advisor, Sound Transit, telephone conversation, 1/11/11.

¹⁴⁶ Greg Mowat, Sound Transit Labor Agreement Specialist email, 12/15/10.

¹⁴⁷ Greg Mowat, Sound Transit Labor Agreement Specialist, interview 10/29/10.

Another issue raised in interviews and on surveys was the issue of confidentiality in drug testing. It has also been a topic of discussion at a recent Joint Administrative Committee (JAC) meetings. Cited as HIPAA (Health Insurance Portability and Accountability Act) violations in interviews, the sanctioned vendors are supposedly sending detailed test results directly to the contractors, rather than just information outlining whether they have passed or not. As one interviewee summarized, “What if someone is on anti-depressants? Why should anyone know this?”

The database for tracking of drug testing results is not effective or comprehensive, some in labor have said.

“We don’t necessarily get notice if someone is ineligible and we may find out six months later, after we dispatched them to another Sound Transit job. This should be tracked by the agency. This is a guideline for Federal funding.”

At a recent JAC meeting, concerns were raised that the testing agencies are not open at nights or weekends, which, according to Sound Transit, is in violation of their contract with the agency.¹⁴⁸

There were 9 grievances over drug testing, five of them with Obayashi. One of Obayashi’s grievances took nearly two years to resolve.

A trucking subcontractor described the work loss his employees suffered on their last few Sound Transit projects in order to fulfill the pre-job drug testing requirements. This subcontractor typically makes one to two deliveries, that are usually spaced months between each other on longer projects. Because the employees have not been on the jobsite, they are required to re-test each time. Because their deliveries are at night and because there are federal and state rest periods required between shifts, “We are always caught in a situation where we are losing production for three workdays just to complete one shift on the PLA jobsite.” This subcontractor went on to explain that the testing protocol his company already adheres to is required by the Federal Highway Administration. And related to this, one contractor in interviews inquired whether Sound Transit would “entertain a submittal for approval of the contractor’s drug and alcohol testing.”

3e. Parking

Under PLA Article 14.11: “

“Parking will be provided at the jobsite. If parking is not available at the jobsite, compensation in accordance with determinations issued by the Washington State Department of Labor and Industries will be required, (Attachment H).”

Attachment H contains two letters dated September 9, 1992 and December 29, 1993 from the Department of Labor and Industries (L&I) and referenced in the table of contents as “Parking Interpretation.”¹⁴⁹ Written by Greg Mowat, when he was Employment Standards Manager at L&I, the letters affirm that employers must pay their employees for time spent traveling from an

¹⁴⁸ JAC meeting discussion notes, 2/23/11.

¹⁴⁹ Sound Transit Project Labor Agreement, p. 54-55.

offsite parking lot to the job site. In both cases, an offsite parking lot was provided where employees were to park their cars and board the contractors' bus to travel to the jobsite.

Section X of the Labor Compliance Manual references the same letters: "The Contractor and each of its subcontractors shall comply with the Parking Interpretation set forth in Attachment D to this Manual."¹⁵⁰

The PLA's parking interpretation appears straightforward about payment of wages to travel to a job site. However, what's not clarified in the PLA is what happens if there is no parking at the jobsite. Will there be a bus, will parking be paid for, will employees be required to walk, if so how far can they be expected to walk?: The issue and how to resolve it is addressed in at least two local area agreement with AGC contractors (Laborers and Operating Engineers),

"...where the Employer prohibits private vehicles beyond a designated area, which in either case is more than **reasonable** walking distance from the job site, the Employer, the District Council representative and the Chapter representative concerned shall be required to enter into immediate negotiations to establish all conditions of travel and/or transportation from the ... parking area to the place of work on the job site."¹⁵¹, ¹⁵²

Contractors in surveys called out parking as "not defined in the PLA." One respondent added that other PLAs he had worked with had specific parking locations, a fixed time for employee travel to and from the parking areas and those agreements specified that fringe benefits were not paid for travel time.

Sound Transit construction manager Dick Sage cited the parking issue as an example of omissions in the PLA that resulted in PLA revisions. Article 2.3, amended the PLA on January 29, 2009, to revert to area agreements if the PLA were silent on any specific issues. At that point, the area agreements were referred to, which didn't always resolve the matter because, as in the Laborers' Agreement, "What is a reasonable distance?" is not specified.

There were, in total, 17 grievances on parking. Two of the grievances were filed by the Laborers 440 and Operators 302 on the Beacon Hill Tunnel project. In interviews, labor officials claimed Obayashi and Sound Transit dealt with the parking issue by delaying until the project ended.

Interviewees have noted that the start of the U-Link was plagued with the same parking issue as Central Link.

Laborers 440, Operating Engineers 302, Iron Workers 86 and IBEW 46 all grieved the parking on the University Link Tunnel project in 2009, after the amendment reverting to local agreements. From interviews it appears the issue at the University of Washington arose because the parking that was provided was too far away from the jobsite. Some labor reps asserted that employees had to walk nearly a mile around Husky Stadium, sometimes in the dark, to get to and

¹⁵⁰ Sound Transit and Obayashi Corporation Central Link Light Rail Beacon Hill Project Labor Compliance Manual Contract No. RTNLR 105-03, p. 16.

¹⁵¹ From the AGC-Laborers Union 2007-2012 Agreement, <http://www.agcwa.com/client/assets/files/labor/Laborers20072012Updated%20609rev.pdf> (last viewed, 4/18/11).

¹⁵² From data Ironworkers

from the jobsite. Also, from Sound Transit's Grievance Log, it appears the contractor TKF paid parking to settle two grievances and began providing a bus, as well as back-parking payments for one union.

Parking issues still continue and according to some, resolution attempts have for the most part "just been temporary band aids." At the March 23, 2011 JAC it was decided a final review was needed in light of the upcoming projects that would be working simultaneously at or near Husky Stadium, the Hoffman Station construction for Sound Transit, and the two UW projects (the Stadium Renovation and the UW Medical Center addition).¹⁵³

Current unresolved parking issues filed with TFK-JV will likely be decided by an arbitrator if discussions underway do not produce agreement.

The need for better labor-management collaboration and explicit PLA language regarding parking issues are examples of unanticipated difficulties that numerous study respondents wish to see resolved once and for all.

3f. Safety at the Beacon Hill Tunnel:

The issue of safety on the Beacon Hill Tunnel project was raised by numerous Sound Transit stakeholders. From interview and newspaper accounts, this section will summarize the events, before and after, as well as the perspectives of stakeholders regarding a fatality accident on the Beacon Hill Tunnel project.

Article 19.1 of the PLA states, "It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules established by Sound Transit, or the Contractor, and in accordance with applicable Federal or State laws including, but not limited to OSHA, WISHA, and IMSHA."¹⁵⁴

According to labor officials, they expressed concern to Sound Transit about safety issues on the Beacon Hill Tunnel project months prior to a fatal accident on that site.

According to newspaper accounts, workers on the Beacon Hill Tunnel project "have been involved in at least 3 major accidents. But no workers had been seriously hurt or killed at the site until the Wednesday, February 7, 2007 crash."¹⁵⁵

"Sound Transit's audit, released Friday, further found that while the company has good safety procedures, its Beacon Hill managers were not participating in safety meetings and inspections. Those duties were left to Obayashi's safety manager. Frequent employee turnover made it difficult to promote safety awareness, said the audit, completed last month by an independent consultant."¹⁵⁶

¹⁵³ Dallas Delay, Sound Transit Labor Agreement Specialist discussion 4/26/11.

¹⁵⁴ Sound Transit Project Labor Agreement, p. 25.

¹⁵⁵ Seattle Post Intelligencer, Feb. 7, 2007.

¹⁵⁶ Seattle Times, Feb. 10, 2007.

“Last summer an inspection by the State Department of Labor and Industries found zero violations.”¹⁵⁷

Later, in an August 10, 2007, Seattle PI report,

“A state investigation into a worksite train accident at the Beacon Hill light rail tunnel found that a lack of training contributed to the deadly wreck -- a deficiency spotted months before by Sound Transit inspectors looking into another train wreck at the site.

“According to investigators, the service locomotive crash that killed 49-year-old mechanic Michael Bruce Merryman occurred in part because locomotive operators weren't taught to drive loaded locomotives downhill or how to stop runaway trains.

“The operator was not adequately trained in how to operate that locomotive,” said Elaine Fischer, spokeswoman for the Department of Labor and Industries.

“Obayashi Corp., the general contractor at the site, was fined \$29,000 earlier this week for five safety violations deemed serious by inspectors, according to a Labor and Industries report. In addition to poor training practices, the company was cited for having a lax inspection regime, allowing unsafe conditions on the train track and other problems.”¹⁵⁸

According to a *Real Change* article dated March 25, 2009, the L&I fine was overturned on appeal because the train operator told Obayashi he was experienced at driving locomotives but was not according to Judge David Crossman of the appeals board. However, in an interview with *Real Change*, the driver said he never told anyone that he had experience.

That same article states that L&I is appealing the Appeals Board ruling, “which is somewhat unusual. ‘Most cases are settled before they get to this point,’ L&I spokesperson Elaine Fischer says.”¹⁵⁹

Several interviewees expressed strong opinions about “lax” PLA administration by Sound Transit that they viewed as related to safety and other major issues. Labor representatives characterized this fatal accident as the low point of their relationship with Sound Transit and what they deemed as Sound Transit’s lack of commitment to PLA enforcement. Following this accident, debate ensued within the Building trades about whether to take a vote of “no confidence” in Sound Transit and the PLA. Sound Transit’s CEO met with union officials and changes were instituted. The Director of Diversity Programs, Leslie Jones, was hired and her efforts have been viewed as a positive step toward improving Sound Transit’s relationship with organized labor. Also, Sound Transit hired an additional PLA specialist to help with PLA administration. His efforts have been consistently applauded by study respondents from labor. Other changes were also made. Study respondents from all stakeholder groups expressed their

¹⁵⁷ Seattle Times, Feb. 10, 2007.

¹⁵⁸ Seattle PI, August 10, 2007.

¹⁵⁹ Real Change News, March 25, 2009; Vol. 16, No. 13.

appreciation for the “open ears” and the respect for their concerns that has consistently been evidenced from both the CEO and the Director of Diversity Programs, among others at Sound Transit. Deep concern still exists, however, by numerous union representatives regarding PLA administration and this fatality, among other issues. Other stakeholders also criticized some administrative practices. Specifics will be provided in the next section G.

3g. PLA Administration

How the Sound Transit PLA has been administered is the issue that was raised more often than any other by study respondents.

Labor representatives voiced (almost without exception) concerns that Sound Transit has been too “hands off” in relation to PLA compliance. Interviewees recounted detailed examples of instances where some contractors refused to comply with PLA provisions in the presence of Sound Transit staff who did not intervene or make it clear that the agency requires PLA compliance by all signatories.¹⁶⁰

Contractors and subcontractors provided fewer comments on this issue, but did express concerns about excessive paperwork associated with the PLA and its administration, the lack of knowledge by some Sound Transit staff about the PLA and how it modifies local union labor agreements, as well as frustration that Sound Transit did not take charge on some issues. As a result, some contractors felt that Sound Transit allowed the unions to dictate management decisions and/or require too many unnecessary meetings that drove up costs.

Subcontractors asked for better communication and direction to mandate the prime contractor’s responsibility to inform them about their obligations under the PLA. They cited several examples of severe cost impacts due to trust fund payment penalties and other PLA-related issues that they would not have suffered if they had knowledge up front of these requirements. Also, when they were hit with unexpected costs, subcontractors commented that no one helped them get extra time to make certain payments or negotiate smaller penalties. One subcontractor summed up a common sentiment by stating that the PLA “really needs to be monitored by the owner—not the prime contractor—and there should be consequences when things don’t get done.” Finally, several comments were received about non-union contractors not being made aware of PLA requirements before they bid. One



¹⁶⁰ It should be noted that this was not reported to be the case by all Sound Transit PLA staff and that one PLA specialist, in particular, is viewed by labor as very supportive of PLA compliance and enforcement.

such comment came from a union representative who said, “Non-union contractors would come in like deer in the headlights. They were shocked they had to use union workers. Some had to put their houses at risk.”

While there was an appreciation expressed about Sound Transit’s commitment to diversity, community study respondents echoed other stakeholders’ concerns about PLA administration. Their feedback tended to focus on a perception that the PLA was not always administered consistently in terms of emphasizing achievement of diversity and apprenticeship goals. They also cited the need for stronger enforcement of PLA provisions.

Sound Transit staff readily acknowledged internal differences about their role (as the owner) in relation to PLA administration. These differing views have led to inconsistent administrative practices that are still an ongoing source of frustration, both inside the agency as well as with labor unions and contractors. Suggestions from study respondents to remedy this situation are provided in Question 10 beginning on page 168.



Study Question 4. How did the use of the PLA impact non-union contractors (including small businesses and minority or women-owned contractors)?

PLA Article 6 requires non-union contractors to hire union employees to work on Sound Transit projects. We learned from some subcontractors that they weren't aware of this requirement until after they had signed the contract with their prime contractors. This article also gave non-union contractors and subcontractors access to an existing workforce. Some contractors cited the advantage of this, particularly for out-of-state contractors. There was no need to recruit, screen or hire workers; they could just call the union hall.

Based on survey and interview comments, for most non-union contractors, this was their first experience working with unions. This meant interfacing with a new "bureaucracy" as one survey respondent put it. For some contractors, their work may have involved multiple unions. Union dispatch rules, dues requirements and trust payments were some of the new rules for these businesses which, if violated, had potentially costly consequences. Multiple subcontractors commented on the financial squeeze resulting from late payments to them and union trust fund due dates. All employers were required to pay into the trust by a certain date. If the prime contractor paid the subcontractor late and the subcontractor didn't have sufficient cash flow to advance the money to the trust, their payments would be late. Late payments resulted in fines and interest, and for one subcontractor interviewed, the situation snowballed. The owner of a small, minority trucking firm said he was fined over \$22,000 in late payments and interest. Two related survey comments include:

- "Pay issues are big. As a small business, we can't go without pay any longer than 60 days. At that point we start to encounter problems. Right now, as an example, I am waiting for money that has gone past 60 days on a Sound Transit project that is 99% complete for us...we still need predictable cash flow, as a subcontractor it's critical. Those that are Sub Tiers are most at risk (and we fall into this category quite often)..."
- "I think the unions need to work closer with the DBE contractors. I think most of the PLAs have not been a good fit for DBEs."¹⁶¹

Article 6.3 allowed contractors to bring up to five "core employees" to a Sound Transit jobsite. For non-union contractors this is a new business model. We heard contractors say the key to success in construction is to have a crew you have groomed to your way of doing business and keep them busy and happy. Accordingly, those contractors were dissatisfied with this limitation on core employees. As revealed in Study Question 1c, while most contractors and subcontractors were satisfied with the employees dispatched from the halls, a number of concerns were raised. In response to a question rating PLA effectiveness, one respondent said:

- "[My rating] could have been higher but the quality of manpower issue is disconcerting. I had people arrive on site--journeymen--that could not install rigid conduit. To have to turn manpower around is a waste of time and money for us. Picking through the manpower available is risky to do as we always risk a grievance along the way."

The non-union employees who came to a Sound Transit jobsite paid initiation fees and monthly dues or a representation fee. (We heard in some cases the subcontractor paid those fees.) Some subcontractors expressed concern that the jobs were short enough that their employees' did not

¹⁶¹ Sound Transit PLA Study Survey – Subcontractor Responses, see page 204.

work enough time to qualify for union benefits.

“...Our employees, truck drivers, had to join the union or sign an agreement. The duration of the project never allowed them to become vested, therefore their initiation and monthly dues never benefitted them.”

Various PLA articles bound non-union contractors to a specific set of work rules. Subcontractors described the differences they encountered with the union(s) over the interpretation of those rules.

- “Absolutely a miserable experience fighting both Sheetmetal Workers Local 66 and Roofers and Waterproofers Local 54. Came to a stalemate with the Local 54. I was required to have all of my employees that were going to be on the project go down to the union shop headquarters and sign up with the Union. I had to pay union dues for the project costing me around \$6,000.00 on a job that was already bid very tight. In addition, I have been audited by both the Local 66 and the Local 54 since then. In hind site, I should have told the general contractor that I could not do the project and suffer whatever consequences were imposed by the GC. It wouldn't have been near as bad as what I went through dealing with the PLA.”
- “The local union interpreted sections of the PLA to require that the 4-10 hour days we worked be changed to M-Th from the established T-F we had worked for many months. It was an unnecessary hardship on some members of the crew. Not all Sound Transit representatives were well acquainted with the PLA and how it modified Local Union labor agreements.”

Article 10 required an employer pay fringe benefits (health and retirement). If a subcontractor didn't provide those benefits to their employees as their business model, this would be a new cost for them. If a subcontractor did provide those benefits, Sound Transit would reimburse them for the cost of dual benefits. (This was previously discussed in Study Question 2.)

Article 10 also required an employer to pay prevailing wage¹⁶² and to adjust that wage twice yearly. While twice-yearly wage adjustments may not be the norm with most non-union contractors, it was a requirement at Sound Transit. However, because of concerns that this requirement would be a disincentive for non-union contractors to bid, Sound Transit decided to reimburse contractors for the difference in wage rates from the prevailed rate as adjusted and the wage rate in the contractors' initial bids. Based on the number of contractors who received this payment and survey comments made, this opportunity didn't appear to be universally known. (Study question 7 discusses this issue in greater depth.)

Were the small, minority, women and DBE non-union firms who worked on Sound Transit projects impacted differently from other non-union firms? Forty-two subcontractors were surveyed from a list provided by Sound Transit, and 28 responded. According to staff, most of those subcontractors were women, minority, and DBEs.¹⁶³ However, no attempt to ascertain a firm's size or ownership was made in the survey or interviews. As a result, there's no feedback

¹⁶² The requirement to pay prevailing wages was cited in the PLA but was mandated by State and Federal law whether the PLA existed or not.

¹⁶³ Alec Stephens, Diversity Technical Advisor, Sound Transit, email, 11/15/10.

or indication that small, minority, women and DBE non-union firms were impacted differently than other non-union firms.

Sound Transit staff recommended the study authors research whether the PLA encouraged or discouraged non-union firms from bidding on their projects. The majority of prime contractors interviewed and surveyed said, “yes,” they heard of or had experience with non-union businesses who were not willing to bid on PLA projects (7 out of a total of 12 prime contractors surveyed and interviewed). An example of their comments¹⁶⁴ are illustrative:

- “...The majority of subcontractors, regardless of classification, who have gone through the PLA process have said they would not do it again. The smaller the subcontract value, the more likely that the subcontractor would not bid on a PLA project again.”
- “We did have a couple of SM/WBE contractors who were only willing to quote us if we did not sign-up for the PLA...”
- “... For some contractors, there are some benefits in here for their people that they don’t want to expose their employees to. They are a small business, they’re trying to be competitive and they may not get all the bells and whistles in their programs for their employees. I think some of them were concerned that their employees may leave them if they go to work on a job like that.”

Non-union subcontractors interviewed and in survey responses nearly mirrored the 20% participation of non-union subcontractors in the Sound Transit projects studied. One non-union subcontractor was interviewed, which is 20% of subcontractor interviewees. Four non-union subcontractors responded to the survey, which is 14% of all subcontractor respondents. When asked if they would bid on future Sound Transit work if there were a PLA, those five non-union contractors’ responses (from surveys and interviews combined) were:

2 said, “no,” 1 said, “not sure,” and two said “yes.”

Based on the sampling of non-union contractors above, it’s inconclusive whether this group would find a PLA to be a disincentive to bidding. However, when including the opinions of prime contractors surveyed and interviewed for this study, the PLA is seen as a disincentive for non-union contractors to participate on Sound Transit projects.

From interviews, surveys, and research for this study, it’s apparent there was often an adversarial relationship between non-union subcontractors/non-union contractors and the unions signatory to the PLA. According to this group of contractors, their business models don’t necessarily support the wage and benefit levels negotiated by a unionized workforce. Out of concern they’ll lose employees or employees will try to unionize their shops, most contractors refuse to mix their non-union and union employees. As one subcontractor put it in a survey response:

“The PLA works to keep the project moving without threat of strike and have everyone working together. But non-union contractors have trouble working their staff with union rules and wages and benefits.”

On the other hand, the Board of Sound Transit wanted to ensure local hire, living wages and benefits, and contracting and employment that met certain diversity goals. From interviews and

¹⁶⁴ Sound Transit PLA Study, Prime Contractor compilation, page 224.

survey comments, the unions defend the Board's objectives. Union respondents spoke of employees and their families who received benefits for the first time with the Sound Transit PLA and, as a result, were able to receive dental and vision care.

To be explored in greater depth in Question 10 is the recommendation from various study respondents that more assistance and information be given to non-union subcontractors and contractors prior to the bidding process. This would level the playing field for them so they have priced their bids according to the PLA requirements. Other suggestions from study respondents have included providing ongoing support for this group, and greater understanding and collaboration from the unions who will be working with these non-union employers.



Conclusion

The PLA required non-union contractors to operate nearly the same as union contractors. They were to hire employees from the unions signatory to the PLA, to pay wages and benefits commensurate with prevailing wage rates, to adjust those rates twice a year, to pay into union trust funds, and to operate with a set of work rules determined by the PLA. For all but one of the non-union contractors in this study, this was their first experience working with unions. From the subcontractors interviewed and surveyed and from the prime contractors' opinions, it appears that most non-union subcontractors feel a PLA is a disincentive to bid on Sound Transit projects.

Study Question 5: Did Sound Transit’s PLA no strike provision remain in effect during area strikes affecting unions that are signatories to Sound Transit’s PLA?

Many comments were received from Sound Transit stakeholders during interviews and in some written submittals about the value of preventing project delays and disruptions due to labor-management disputes. Several study respondents pointed out that the primary reason for entering into a PLA has traditionally been to provide strong, project-length protections against labor disruptions. Most PLA studies also cite this as both an essential and a major benefit of project labor agreements.

Sound Transit has a relatively standard provision (Article 15 - Work Stoppages and Lockouts). However, Sound Transit provides some of the strongest language found in such agreements to deter work stoppages and other disruptive activities in large measure because of substantial monetary penalties for any violations.

It provides that during the term of the PLA, there will be no strikes, picketing, work stoppages, or other disruptive activity for any reason and no lockouts. Unions and employees are in violation of this Article if they do **not** cross any picket line established at the job site. Any employee that disrupts normal operation of the project shall be subject to disciplinary action, including discharge and shall not be eligible for rehire for 90 days. There will be a \$10,000 penalty per shift not worked if a work stoppage is determined illegal by the permanent arbitrator. Of the PLAs studied, only Brightwater has higher liquidated damages for violation of this provision. The King County Brightwater PLA states that “the party invoking the procedure when a breach is alleged shall notify the mutually-determined permanent arbitrator. Liquidated damages for violations are \$10,000 for first shift, \$15,000 for second shift, \$20,000 for third shift and \$25,000 for each additional shift.”

By contrast, the WSDOT CWA has the least restrictive language. While Section 3.5 of that agreement prohibits strikes, picketing, work stoppages, slow downs or other disruptive activity, Article 4 allows the Union(s) to stop work without violating 3.5 in the event of non-payment of wages or delinquencies in paying into Union funds. Also, the CWA has no provisions for arbitration or monetary damages if violations occur.

What Protections Against Work Disruptions are Provided by Sound Transit’s PLA?

At least four major protections are generated by Sound Transit PLA language:

1) No exceptions to the prohibition against work stoppages and lockouts are made in Sound Transit’s PLA. In contrast, many local agreements and the WSDOT CWA specifically state that non-payment of wages and/or delinquent benefit fund payments are circumstances under which unions may engage in work stoppages. Not including these exemptions in the PLA was reported by numerous labor organizations as a concession made that has, at times, been disadvantageous to their members. However, for the most part, it appears to be recognized as a trade-off that is critical to the owner’s interests and therefore fundamental to reaching a project labor agreement at Sound Transit.

Sound Transit has indicated that 1036 individual contracts have been let to 662 contractors for Sound Move projects.¹⁶⁵ Labor union representatives cited numerous examples of delinquent benefit fund payments and wage payment issues they would have resolved via work stoppages if the PLA language prohibiting such actions was not in place. The concern voiced by some was that the arbitration process is often expensive and lengthy, and by the time it is concluded, the contractor may be gone. A work shut down is often viewed by construction labor organizations as a much more effective tool to ensure timely wage and benefit claims resolutions. It should be noted that these issues appeared to be limited to a small number of contractors, but could have resulted in many days of project disruption.

2) This clause has been in effect without interruption for the entire length of the PLA. Sound Transit currently estimates that Sound Move PLA projects will continue at least through mid-2016.

The current Sound Transit PLA was completed in late 1999 and officially signed by all parties in December of 2000.¹⁶⁶ This would mean that Sound Transit's protective language regarding work stoppages and lockouts for Sound Move has been in effect for over 16 years. The implications of this lengthy, uninterrupted protection is important to note.

In King County alone there are currently 26 trades agreements, often with differing durations and expiration dates. Some agreements expire in May, others in June or at other times; contract re-openers during the term of a contract now are common and add to the instances during which an economic strike or lockout could occur. The typical contract duration is three years. Longer contracts often have re-openers at three and four years which permit recourse to strike or lockout.

This means that without the project-long PLA language prohibiting work stoppages and lockouts, Sound Transit would be vulnerable to work stoppages every single year. The analysis provided below illustrates exposure through the conclusion of proposed Sound Transit projects if comprehensive project-long protections against labor-management work disruptions are not secured. Also, as noted above, many local area agreements allow for work actions when a contractor does not pay wages and/or is delinquent in making benefit fund payments.

¹⁶⁵ Dallas Delay, Labor Agreement Specialist, Sound Transit, Email 12-1-10.

¹⁶⁶ Greg Mowat, Labor Agreement Specialist, Sound Transit

Table 5-1: Projected Labor Contract Expirations in King County Area - 2011-2025*¹⁶⁷

UNION	Current CBA Exp.	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Carpenters 1797 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Carpenters 131 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
LADS 1144 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Pile Drivers (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Millwrights 96 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Laborers 242 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Laborers 440 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
IUOE 302 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Cement Masons 528 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Teamsters 174 (AGC Master Agreement)	5/31/2012		X			X			X			X			X	
Insulators 7	5/31/2012		X			X			X			X			X	
Boilermakers 502	9/31/2011	X			X			X			X			X		
Bricklayers I-WA (Brick Marble pcc agreement)	5/31/2012		X			X			X			X			X	
Bricklayers I-WA (Tile & Terrazzo Agreement)	5/31/2011	X			X			X			X			X		
Floor Layers 1238	6/30/2011	X			X			X			X			X		
IBEW 46	5/31/2010			X			X			X			X			X
IUEC 19	7/8/2012		X			X			X			X			X	
Glaziers 188	6/30/2012		X			X			X			X			X	
Iron Workers 86	6/30/2011	X			X			X			X			X		
Painters 300	2/28/2015	X				X			X			X			X	
Painters 300 Drywall	6/30/2013			X			X			X			X			X
UA 32	5/31/2011	X			X			X			X			X		
Roofers 54	5/31/2012		X			X			X			X			X	
SMW 66	5/31/2012		X			X			X			X			X	
Sign Painters 1094	6/30/2011	X			X			X			X			X		
Sprinkler Fitters 699	6/31/2013			X			X			X			X			X
TOTALS		7	16	3	6	17	3	6	17	3	6	17	3	6	17	3
Grand Total		King County CBA Expirations 130														

* Assumes that the length of the collective bargaining agreements (CBA) will be three years, which has been standard in the construction industry. However, current uncertain times may alter the length of CBAs. This analysis also assumes that the AGC agreement for the five basic crafts will remain as a single group. There has, however, been reorganization within the Carpenters' Regional Council. With consolidations, closing and re-chartering of unions, this assumption may not be fully accurate in the future with respect to the Carpenters' Union.

¹⁶⁷ Source: Chris Elwell, 3/31/11, while he was employed as Special Projects Manager for the King County Brightwater project and Agreement Dynamics' review of current collective bargaining agreements.

Economic strikes or lockouts are not a usual occurrence for most contract expirations, but when they occur, they matter in terms of project impacts.

When a strike, lock out or other labor disruption occurs, there are costs that the project must absorb. When a project schedule is delayed and the total number of days until project completion is extended, the owners and contractors will have to pay more to: 1) maintain administrative staff and other professional staff for a longer period of time; 2) pay additional overtime premiums to staff workers and supervisors in order to make up lost days in the construction schedules; 3) hold on to expensive construction equipment such as large machinery for a longer period of time due to work delays; 4) pay more for materials due to storage costs or increased prices¹⁶⁸; 5) pay other job site overhead costs; and 6) pay any special fees associated with the delay of project completion.

Due to the fact that there is a strong presence regionally of unionized contractors, with or without a PLA, it is estimated that the majority of contractors will be union. Under the Sound Move PLA, Sound Transit's data indicates that 80% of the hours worked have been performed by union workers. This underscores the value of protections against labor disruptions.¹⁶⁹

Sound Transit has estimated the average cost per day for construction on Central Link Sound Move projects to be \$702,553.¹⁷⁰ The following are examples of strikes that occurred since the Sound Transit PLA began and could have affected Sound Transit in the absence of its no-strike, no-lockout clause.



¹⁶⁸ For example, if a labor dispute creates delays, the price of steel may increase or if the steel has already been delivered, storage costs are incurred. Sound Transit orders most of its rail materials from Germany, so a schedule disruption has a ripple effect due to costs associated with ordering, delivery, storage, etc. Example provided by Greg Mowat, Labor Agreement Specialist, April 2011.

¹⁶⁹ Washington is the fourth most unionized state as a percent of the employed. From U.S. Department of Labor, Bureau of Labor Statistics Table 5 Union Affiliation of Employed Wage and Salary Workers by State; January 21, 2011. Website: <http://www.bls.gov/news.release/union2.to5.htm> (last viewed 4/15/11).

¹⁷⁰ James Hathaway, Senior Financial Planner, Sound Transit, Email 2/18/11. Updated by Agreement Dynamics based on additional contract information provided by Sound Transit.

Table 5-2: Strikes that Occurred Since Sound Transit's PLA Began*

Local Union	Cause	Date	Length	Other Info	Source
Local 528 Plasterers ¹⁷¹	Negotiations with NW Wall and Ceiling Contractors	2001	30 days	Now part of Local 77 Plasterers and Cement Masons	Royal Robinson, Business Agent
Northwest Carpenters	Negotiations with AGC Contractors	6/2003	13 days	Other carpenter strikes occurred in SW Washington and Oregon in 2007	John Littel, Political Director
International Union of Painters and Allied Trades, DC 5s	Contract negotiations w/drywall contractors	6/2004	21 days	Estimated 120 jobsite pickets over 10-year period, in addition to strike in 2004	Jeff Kelly, Business Agent
Sprinkler Fitters Local 699	Contract negotiations	6/2007	10 days	The only jobs that continued during their strike were those with PLAs; once they were back at work contractors had to pay overtime to meet deadlines	Mike Dahl, Business Manager
TOTAL			74 days		

*** This is not an all-inclusive list, but provides a representative sample.**

¹⁷¹ According to a Local 528 official, 1144 (Wall and Ceiling Carpenters) and District Council 5 (Painters) were also on strike at the same time.

Labor union representatives interviewed for this study virtually all indicated that large public-sector projects, such as Sound Transit, would have been subject to picketing and work stoppages during these strikes as well as during other types of labor disputes without the PLA's no-strike clause. Whether the striking union had members on Sound Transit jobs or not, they have the right to picket any Sound Transit contractor they are on strike against. Union representatives responding to this study maintained that they would have extended their pickets to all visible public projects involving signatory contractors in the absence of the PLA. This, they asserted, is a standard practice during labor disputes.

Financial risk of delay due to labor disputes is allocated in construction contracts between Sound Transit and its contractors. The agency is entitled to liquidated damages if a strike occurs and the associated delay was avoidable under the terms set forth in the contract. However, Sound Transit may grant time extensions for avoidable delays if Sound Transit determines an extension is in Sound Transit's best interest. In the case of unavoidable delays, that "...result from causes beyond the control of the Contractor and that could not have been avoided by the exercise of care, prudence, coordination, foresight and diligence on the part of the Contractor....", "Sound Transit may grant an extension of time to the extent that unavoidable delays necessarily affect the critical path in the Construction Schedule(s). During such extension of time, liquidated damages will not be charged to the Contractor...." "If Sound Transit determines that there are delays to the project as a result of concurrent delays for which both the Contractor and Sound Transit are contributors, Sound Transit may grant a time extension. However, no compensation will be due to the contractor for this time extension due to the concurrent nature of delays."¹⁷²

Sound Transit's initial construction documents stated that all strikes are considered avoidable, but has since amended that provision for the University Link project to provide that a strike is avoidable if it is specific to the contractor.¹⁷³

Sound Transit has indicated that it is not possible to determine the exact savings that the agency has incurred due to its PLA protections against strikes and other labor disruptions. Each day of delay is estimated to cost the agency about 10% of the total daily construction cost due to ongoing administrative and construction management costs.¹⁷⁴ Based on the estimated daily construction cost of \$702,553, each day of a project delay costs Sound Transit about \$70,255.30. Therefore, the 74 strike days set forth on page 108 would have cost Sound Transit at least \$5,198,892.20. This does not take into account any other costs, including contractor claims, legal fees and awards.

Also, strikes are a subset of many kinds of work stoppages and disruptions that can occur without a comprehensive no-strike, no lockout clause. Available data suggests that many delays due to work actions would have occurred since 2000 if the PLA's Article 15 "Work Stoppages and Lockouts" had not been in effect. Delays caused by area strikes (at least 74

¹⁷² Central Link Light Rail South Boeing Access Road to South 159th Station General Provisions Section 00200, p. 84-87.

¹⁷³ Loren Armstrong, Sound Transit Legal Counsel, November 27, 2011.

¹⁷⁴ Ahmad Fazel, Sound Transit Executive Director, Department of Design, Engineering and Construction Management, November 28, 2011.

days), wage and/or benefit delinquency walkouts and other work disruption disputes (such as alleged safety violations, drug testing practices, discrimination claims, pre-cast, unfair labor practice actions, area standards, organizing and informational picketing, etc.) would have occurred frequently according to labor union representatives and some PLA specialists. Labor union officials often expressed frustration to study authors that they had given up their right to resolve issues via work stoppages because of the PLA's strong no strike clause and penalties. As a result, they offered many examples of expensive, protracted grievances and inactions that disadvantaged employees in a myriad of ways.

The magnitude of delays and cost impacts attributable to the above cited labor actions is not available. However, numerous stakeholders maintain that given the history of longstanding, unresolvable issues and conflicts, Sound Transit's PLA protections have saved the agency many millions of dollars.

3) Sound Transit's PLA requires employees to cross picket lines, unlike language in existing local agreements. For example, the current agreement (2007-2012) between the AGC and Western Washington Cement Masons Local 528 provides that members may be disciplined for crossing or working behind a picket line.

“Article 3: Rights of the Parties

Section 1: The Union retains all rights, except as those rights are limited by the express and specific language of this written agreement. Nothing anywhere in this Agreement shall be construed to impair the right of the Union to conduct its affairs in all particulars except as expressly and specifically modified by the express and specific language of this written Agreement. It is further agreed that **nothing contained in this Agreement shall be construed as limiting the Union's right** to control its internal affairs and **discipline its members** who have violated the Union's Constitution and Bylaws, or who have violated the terms of this Agreement, or **who have crossed or worked behind a primary picket line including but not limited to such a picket line at the Employer's premises or jobsite where the Employer is engaged in work.** It shall not be a violation of this Agreement if the Union advises Cement Masons to exercise rights conferred by this Agreement or provided by law.” **[Emphasis provided by study authors.]**

The current (2010-2012) agreement between the AGC and Operating Engineers Local 612 states:

“Section 2: Employees shall **not** be discharged, disciplined or permanently replaced for any protected activity related to the recognition of a primary picket line as recognized in Section 7 of the NLRA.”¹⁷⁵ **[Emphasis provided by study authors.]**

The current (2007-2012) agreement between the AGC and the Teamsters Locals 38, 174, 231, 252, 313, 589 states:

“4.3.2.: Employees will **not** be discharged, disciplined or permanently replaced for any protected activity related to the recognition of a primary picket line approved by the union party to this Agreement.” **[Emphasis provided by study authors.]**

¹⁷⁵ From AGC of Washington website: http://www.agcwa.com/Labor/Union_Resources/

The current (2007-2012) agreement between the AGC and Carpenters, Piledrivers and Millwrights contains language identical to that found in the Teamsters agreements referenced above.

The current (2006-2011) agreement between the Bricklayers and Allied Craftworkers Local No. 1 of Washington and Independent Tile and Terrazo Contractors states:

“It shall not be a violation of this agreement for any employee covered hereby to refuse to pass an authorized picket line or to refuse to work on a job site at which persons are employed on work covered hereby who are not working under a lawful contract with this UNION.”

These are a few examples of common provisions found in local area agreements. This language is typically very important to labor unions and is cited as the reason why Operating Engineers rejected a strike settlement offer on August 20, 2006 (after already being on strike for 20 days). The strike ended on August 26 after language was secured allowing for the honoring of other strikes and picket lines.¹⁷⁶ Labor union representatives acknowledged that relinquishing the right to honor picket lines was a concession made to reach agreement for a PLA at Sound Transit.

4) Sound Transit’s PLA levies large financial penalties for any violation of its no-strike, no lockout provision. While at least one contractor association asserted during interviews that labor can usually find a way around these clauses, the available data indicates that throughout the Sound Transit PLA, no violations have been cited. Labor union representatives interviewed pointed to the monetary penalties and the strict PLA language as strong deterrents to any breaches of this clause. Several study respondents asserted that without Sound Transit’s PLA no-strike, no-lockout language, numerous kinds of labor disputes and work stoppages that would have occurred in the absence of this PLA provision. Information offered by the Building Trades includes:

“There are other sorts of labor disruptions to consider. For unionized contractors even during the term of a labor agreement, lawful strikes can occur. Typically this is due to non-payment of wages or fringe benefits by a contractor (it is common for area trades agreements to contain an exception to a general no strike clause). Unfair labor practice strikes may be exempt under some circumstances from a contractual no-strike clause. It is important also to note that a dispute may not arise from a Sound Transit project, but the contractor still is subject to a strike or a picket: this is because labor law permits a union to strike or picket an employer wherever the employer does business - not just at the narrow situs of the particular dispute. For instance, a contractor that fails to pay fringe benefits on a school job could be picketed at its Sound Transit work site.

“Some might claim that Sound Transit can be exempted from the impact of a strike or picket merely by the erection of a two-gate system. (On a multi-employer multi-craft

¹⁷⁶ *Seattle Times*, “Concrete Workers’ Strike Ends,” by Christine Clarridge (August 26, 2006)

work site, the owner or general contractor tries to insulate labor activity directed to the targeted employer from employees and suppliers of the other employers by posting signs that normally require a union to confine its picketing to a gate used by the target employer's employees, suppliers and visitors, leaving all others free of picketing at a 'neutral' gate') **This contention simply is not true in law or in practice.** A union may be confined to picketing at the 'reserved' gate. But by no means does that insulate the project from disruption, as employees of other employers can (and frequently do) walk off the job in solidarity with the employees of the targeted employer. That action is not legally prohibited so long as other unions do not orchestrate the job action. Those employees may subject themselves to being replaced, but that is the only consequence and one that rarely occurs. It is a demonstrable fact that despite a well-constructed two-gate system (which is not always the case) that attempts to isolate one trade's picket to one employer, an entire job can be shut down for days.

“A comprehensive PLA--one that includes all trades not just some--is the only practical vehicle to make the project run smoothly. PLAs negotiated by the local or state building trades councils contain an ironclad no-strike and no-lockout provision, with no exceptions. This insulates the project from any risk of labor disruption caused by economic strikes caused by negotiation impasses. If any trade is left out of the PLA, it is likely that the Sound Transit project will be a primary site for that trade's lawful picketing activity if only because of the inherent leverage presented by conducting labor activity at such a major project.

“The current Sound Transit PLA contains a severe penalty on unions for unauthorized work stoppages. Some may contend that this no-strike provision is 'just a piece of paper'- in other words, that labor ignores its obligations. This plainly is not true, as is shown by the millions of hours worked in the Seattle area under the Port of Seattle, Safeco Field, Qwest Stadium, Sound Transit, Brightwater, and other PLAs without disruption. Area unions are committed to their no-strike PLA promises. But without a PLA, the Sound Transit job is at risk just as is any other project.”¹⁷⁷

In addition, the Union of Painters and Allied Trades informed us that they are conducting organizing campaigns and picketing non-union contractors for withholding paychecks among other alleged legal violations. Jeff Kelly, Business agent of the International Union of Painters and Allied Trades stated that “The PLA protects Sound Transit from this kind of job action.”

What Exposure Does Sound Transit Currently Have to Work Stoppages and Labor Disruptions? No PLA is immune to certain types of labor disputes. Two primary vulnerabilities exist:

- 1) Wildcat strikes
- 2) Supplier labor disputes

¹⁷⁷ Lee Newgent, Executive Secretary, Seattle-King County Building and Construction Trades Council, 2/23/11.

1) Wildcat Strikes: In April 2000, despite a PLA containing a no-strike clause, a 15-shift strike by the Operating Engineers on the “Vision 2000” Project of the Port of Oakland was supported by the entire work force. Although both the union and the arbitrator agreed that this was an illegal work stoppage, the contractor was compelled to give in to the strikers’ demand for more workers on each shift.¹⁷⁸ Fortunately, this type of work action has not occurred during Sound Move.

2) Supplier Labor Disputes: In 2006, the International Union of Operating Engineers Local 302 struck four companies that supplied concrete for nearly all building projects in King County. The strike lasted 26 days. Other unions, including about 270 truck drivers from Teamsters Local 174, refused to cross the picket lines. Sound Transit was among many area construction projects who experienced delays in obtaining concrete. Some other projects affected included City of Seattle, Brightwater, Olympic Sculpture Park, State Department of Transportation projects and numerous parking garages, hotels and residential buildings. The *Seattle Post Intelligencer* reported on August 24, 2006 that:

“Parts of more than \$600 million in Sound Transit rail projects are being held up because of the strike, now in its 24th day. Construction of carpool/bus lanes linking the Eastgate Park and Ride to Interstate 90 in Eastgate, designed to save travel time, has been stalled long enough so that the ramps won't open the first week of September as scheduled, Sound Transit spokesman Geoff Patrick said.

“Paving also has been delayed on the Rainier Valley segment of the agency's light rail line, meaning traffic will remain restricted through the area. Concrete can't be poured to form the walls and ceiling of a new rail tunnel extension under Pine Street in Seattle.

“Construction of elevated rail tracks and a Mount Baker passenger station in Seattle also have been held up, Patrick said, and work is stalled at the Issaquah Transit Center, which Sound Transit is helping to build.

“Similar holdups are affecting construction of an overpass to car-pool lanes at Totem Lake near Kirkland on Interstate 405 and at the new Mercer Island Park and Ride and Transit Center adjacent to I-90.

“Patrick and other transportation agency spokespeople said the strike shouldn't increase project costs because contractor bids account for some unexpected delay. It's the completion dates that could be in question.

“Patrick said his agency still assumes the initial 13.9-mile segment of light rail will be open by mid-2009, but it's not clear how the timeline of other projects will be affected.

¹⁷⁸ Issue Paper - February 2004 King County Department of Natural Resources and Parks Wastewater Treatment Division, “Issue Paper: Exploring the use of a Project Labor Agreement To Construct the Brightwater Treatment System,” February 2004, p. 15. Source: Paul McNeil.

"We really have to wait and hope, and we'll have to be working on a contract-by-contract basis to look at what the impacts will be...and do our best to try and recover ground schedule-wise," Patrick said.¹⁷⁹

Numerous respondents to study questions expressed concerns about this strike. All indicated that it did adversely affect Sound Transit projects, although views varied considerably on the magnitude of the strike's impact. No one could provide data and some indicated that there was considerable ability to do "work arounds" until the strike



ended. Others disagreed. However, virtually all parties seemed to concur that this supplier strike was problematic. Some Sound Transit staff have suggested that any potential future PLAs prohibit these types of labor disputes. However, such provisions are not allowed under current law. Also, contractor organizations, labor unions and others appear to strongly oppose such language even if it were not subject to legal challenge. With or without a PLA, it appears that Sound Transit and other construction projects will continue to have some vulnerability to supplier's inability to deliver materials or products due to labor disputes.

Conclusion:

Sound Transit's PLA language has strong protections against project delays due to on-site labor disputes. In terms of the actual operation of Sound Transit's no strike, no lockout clause, all indications are that it was honored by contractors, labor unions and employees.

¹⁷⁹ SeattlePI.com, "Concrete Workers Strike Stalling Many Transportation Projects," August 23, 2006, Larry Lange. <http://www.seattlepi.com/default/article/Concrete-workers-strike-stalling-many-1212526.php> (last viewed 4/4/11).

Study Question 6: Since the PLA was executed between Sound Transit and Labor, some Trade Unions signatory to the PLA are no longer a part of the National Building and Construction Trades Department. Has this change in circumstances impacted the PLA and in what way? What are the implications of this change in circumstances if Sound Transit were to decide to use a PLA in the future?

Over the life of the Sound Transit PLA three international union organizations signatory to the PLA left the National Building and Construction Trades Department (BCTD). They are the United Brotherhood of Carpenters (UBC), the International Union of Operating Engineers (IUOE) and the Laborers International Union of North America (LIUNA). The UBC left in 2001, followed by IUOE and LIUNA in 2006. Of these, LIUNA returned to the BCTD in 2008. The change in the status of these unions has had some impacts on how the organizations interact with employers signatory to the PLA but has had no significant impact on the implementation, operation or execution of work performed under the terms of the Sound Transit PLA.

Because PLAs are individual project or policy based documents they are treated as stand alone agreements. Although many concerns have been raised about the effectiveness and the ability of the PLA to cover unions who are not signatory to the document, no notable impact has affected Sound Transit. This is because the Sound Transit PLA is comprehensive, i.e. it includes all building trades unions as well as those who left the building trades. And because the design of the PLA agreement requires construction contractors (both generals and subcontractors) to agree to the terms of the PLA and be subject to all its conditions, all challenges related to construction awards, assignment of work and similar factors have been included in the dispute resolution process of the PLA. This calls for issues such as jurisdictional disputes arising from the assignment of work to be governed by The Plan for Settlement of Jurisdictional Disputes in the Construction Industry (The Plan).

Attachment F to Sound Transit's PLA references The Plan's formation and key elements: "The Building and Construction Trades Department, AFL-CIO, on behalf of its fifteen affiliated National and International Unions and their Local Unions, have joined with five employer associations¹⁸⁰ to establish The Plan for Settlement of Jurisdictional Disputes in the Construction Industry (The Plan). The jurisdictional disputes procedure has been in effect since 1984 and replaced such predecessor plans as the Impartial Jurisdictional Disputes Board and the National Joint Board. The Building and Construction Trades Department's Constitution requires all jurisdictional disputes between crafts to be settled pursuant to The Plan. As The Plan is a voluntary dispute resolution mechanism, however, a case will not be processed unless the employer agrees to be bound to The Plan."¹⁸¹

When a jurisdictional dispute arises, the National or International Unions have five days to resolve the matter. Anytime within the five day period, the involved National or

¹⁸⁰ Mechanical Contractors Association, National Constructors Association, National Electrical Contractors Association, National Erectors Association, and Sheet Metal and Air Conditioning Contractors National Association.

¹⁸¹ An employer may stipulate to The Plan by terms of a collective bargaining agreement, signing a separate stipulation form, or by membership in an employers' association which binds its members to The Plan.

International Unions or the contractor responsible for making the assignment may request the matter be arbitrated. These parties then have three days to select an arbitrator from a permanent panel of arbitrators knowledgeable in the construction industry. Once selected, the arbitrator must hold the hearing within seven days. The arbitrator issues a decision within three days of the close of the hearing.¹⁸² The arbitrator may not award back pay or damages for a mis-assignment of work nor may any party bring an independent action for damages based on the arbitrator's award. The losing party pays the fees and expenses of the arbitrator. The arbitrator's decision is final and binding. There is no appeal procedure.

The Plan prohibits work stoppages, slow downs, NLRB and court actions, and grievances under a collective bargaining agreement where the issues involve a jurisdictional dispute or assignment of work by a stipulated contractor. If the union engages in such activity, The Plan provides for expedited arbitration to resolve the matter. Upon notice by the contractor of an impediment to job progress, the Administrator informs the appropriate General President. If the General President is unable to stop the impediment, the Administrator selects an arbitrator to hold a hearing within 24 hours. The sole issue at the hearing is whether there has been an impediment to the job progress. The arbitrator must issue a decision within three hours after the close of the hearing. If court enforcement is necessary, the Administrator is authorized to file a court action to enforce the decision.”

Most PLAs refer jurisdictional dispute issues to The Plan for settlement. Some contain their own procedures for resolving disputes, usually because a non-building trades union or employer who does not agree to use The Plan are involved.¹⁸³ Again, Sound Transit, under its current PLA, covers all contractors and construction unions in the use of The Plan.

Sound Transit has benefited from its jurisdictional language in the PLA because it mandates that “All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, slow-down of any nature, and the Contractors’ assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.”¹⁸⁴

Based on interviews and survey responses, the prohibition against strikes, work stoppages or slow-downs cited above has been adhered to for the past 11 years of Sound Transit’s PLA. One of the primary benefits of a PLA (some maintain this is the greatest benefit of the PLA) is the ability to prevent project work stoppages or slow-downs and the often exorbitant costs caused by such delays. Also, Sound Transit as the owner, is adversely affected if drawn into jurisdictional disputes and their associated legal claims. Sound Transit benefits greatly from well established resolution procedures that are handled between labor and management.

¹⁸² The Criteria utilized by Plan arbitrators in rendering decisions are: 1) whether a previous decision or agreement of record between the parties to dispute governs; 2) if not, whether there is an applicable agreement between the crafts governing the case; and 3) if not, the arbitrator then considers the established trade prevailing practice in the locality. In addition, The Plan provides that because efficiency, cost or continuity and good management are essential to the well-being of the industry, the arbitrator shall not ignore the interest of the consumer or the past practice of the employer.

¹⁸³ From “Economic Policy Institute briefly paper #274. August 11, 2010

¹⁸⁴ Sound Transit Project Labor Agreement, Article 16, Section 16.3, p. 22.

Dissatisfaction about the administration of Sound Transit PLA's jurisdiction language and particularly the use of The Plan has been voiced by the Operating Engineers, who, with the Carpenters, have split from the Building Trades and formed the National Construction Alliance (NCA). Concerns were raised that Sound Transit allowed some contractors to conduct pre-job conferences (where jurisdictional issues can be raised and often resolved quickly) post-job or after the project was underway. Also, it is alleged that Sound Transit failed to notify some unions that a pre-job was scheduled, thereby effectively excluding them from asserting a jurisdictional claim. These situations result in work being assigned and performed, which disadvantages the union who raises a jurisdictional claim, because reversal after the fact under The Plan is perceived to be unlikely.

The Carpenters now oppose inclusion of The Plan in PLAs. However, they have recently signed PLAs in the Northwest (including the WSDOT 520 Pontoon CWA) which includes The Plan for settlement of jurisdictional disputes.

Most construction-related unions at this point, characterize the relationship between the Building Trades and specifically the Carpenters with strong words such as “nasty, bitter, ugly, combative” and “war”. Few see this acrimonious situation ending soon. Because Sound Transit needs significant numbers of workers from several trades to build its next phase of projects, effective jurisdictional language is imperative. Current PLA jurisdictional provisions are highly protective of Sound Transit's interests because they include four key elements: 1) work assignments are the contractor's responsibility and should be made in accordance with The Plan (i.e., any past decisions or agreements); 2) if disputes arise they should be decided through Plan procedures; 3) no job actions should occur over such disputes, and any individuals ceasing work are “subject to immediate discharge” and 4) contractors must conduct pre-job conferences, presumably to head off jurisdictional disputes.¹⁸⁵

While a different procedure could replace The Plan if a new PLA were to be negotiated, it would be difficult to reach such an agreement with the Building Trades involved. They have a long history of use of The Plan and are concerned that to abandon it would, among other things, result in more jurisdictional fights and more takeovers of the crafts' traditional work. The Building Trades assert that the Carpenters have been pursuing work that has been traditionally performed by other trades and The Plan utilizes its historical identification of work jurisdiction and its own precedent setting cases along with legal precedence to make decisions on jurisdiction. For example, because painting, plumbing and electrical work have traditionally been performed by certain trade unions, there is significant history and precedence to continue to assign that work to those unions when using The Plan. Without The Plan, assignment of work could be made on a different basis that would exclude those craft unions. The Carpenters, while opposed to signing new agreements with The Plan, are required to continue to use Plan provisions in existing agreements. The Carpenters have, however, stated that they expect Sound Transit to recognize their organization, NCA, and

¹⁸⁵ “Economic Policy Institute briefly paper #274. August 11, 2010

specifically the Northwest National Construction Alliance (NWNCA) as the agency prepares to build additional projects.

The primary implication for Sound Transit from this conflict between labor organizations is that its risk of exposure to legal actions and work stoppages is significantly greater without the protections provided by the jurisdictional language in its current PLA. Opening up this provision of the PLA--at this time--exposes Sound Transit to the potential loss of this protective language and the requirement that all unions comply with this jurisdictional dispute resolution procedure.

Conclusion:

Sound Transit has been protected from involvement in potentially costly and time consuming jurisdictional disputes because of comprehensive resolution procedures required by the PLA and adhered to by all parties. This language has insulated Sound Transit from being adversely affected by the departure of some labor organizations from the National Building and Construction Trades Department and the on-going conflicts associated with this separation.



Study Question 7: How well did the Sound Transit PLA’s Prevailing Wage Escalation provision and wage reimbursement policy work for Sound Transit, Labor, Prime contractors and Subcontractors (including small, minority, women firms and Disadvantaged Business Enterprises)?

What is Prevailing Wage Escalation?

Prevailing wages¹⁸⁶ (which include hourly wages, benefits and overtime) are established by the state of Washington for each trade employed in the performance of public works projects. Those rates are adjusted semi-annually on March 1 and September 1 by the Washington State Department of Labor and Industries (L&I). All Sound Move contractors (whether signatory to the PLA or not) are required to comply with prevailing wage requirements as well as the Federal Department of Labor (DOL) prevailing wage requirements. Usually the federal prevailing rates lag behind the Washington State rates for most trades. This is due to the slower rate at which the USDOL does surveying to determine rates. Contract documents for Sound Transit contractors state that “the higher of the two prevailing wage rates will prevail”.¹⁸⁷

However, the state prevailing wage law only requires public works contractors to pay the prevailed rates in effect at the time of bid opening. Thus, if a project spans several years, there is no violation of the state prevailing wage requirements if contractors pay the same prevailed rate as set at the time of bid opening. The state does not legally require that contractors escalate the prevailed rate based on subsequent publishing of rate increases. If a project is covered by a PLA then the contractor need only pay the prevailed rate as fixed at the time of the bid opening, unless the PLA or contractor and/or bid documents require escalations.

Sound Transit’s PLA states in Article 10, Section 10.1(b) that:

“The published prevailing hourly wage and fringe benefit rates set forth in the bid specifications for each contract in effect at the time of the bid shall remain in effect until the effective date of the Washington State prevailing rate adjustments published twice each year. Twice annually and effective on the date that the March and September adjustments are published and made effective for public works projects, the Contractor’s wage rate(s) paid to its employees shall be adjusted to such newly published rate(s).”

This requires contractors to increase compensation in accordance with State of Washington, twice-yearly published rates and is therefore known as “Wage Escalation.”



¹⁸⁶ See Appendix Section G2, page 197, for more detailed information about prevailing wages for public work.

¹⁸⁷ Sound Transit Labor Compliance Manuals, Section 11

Why was a Wage Escalation Provision Included in the PLA?

Without an escalation clause in the PLA, contractors could move through several increases in the prevailed wage without paying workers on the project any additional wage beyond the prevailing wage rates in effect at the time of the bid. During a busy construction period (as was experienced in the region between 1999-2006¹⁸⁸), Sound Transit would have been at risk for labor shortages and associated delays if competitive compensation was not paid. The length of construction contracts on Central Link ran from two years to nearly five years. The five big contracts (Kiewit Pacific, Balfour Beatty, Obayashi, RCI-Herzog, and PCL) were all multi-year and ran across several wage escalations. As a result, Sound Transit, along with some other public agencies with large, complex, multi-year projects (such as the Port of Seattle Airport), decided to include escalation language in their PLAs. This was done primarily to prevent adverse impacts on workforce availability based on wage differentials. Other large public projects in the region (notably the baseball and football stadiums) had experienced worker retention issues due to increases in the prevailing wage rates and Sound Transit sought to avoid a similar problem.¹⁸⁹

What is Wage Escalation Reimbursement and Why is it Paid?

Sound Transit decided to reimburse PLA contractors for the prevailing wage delta--the difference between the prevailing wage at the time of the bid and the twice annual state adjustments.

This decision was separate and apart from the PLA and not required by the PLA. It was born out of a concern that many contractors (especially small, minority, women and DBE subcontractors) could not absorb prevailing rate increases in multi-year contracts because they generally had no experience bidding with compensation escalator estimates. Without prevailing rate wage escalation reimbursement, there was believed to be the probability that small and non-union contractors and subcontractors either would be financially unable to successfully perform or would be discouraged from bidding on Sound Transit projects altogether.

As of February 1, 2011, one general contractor, 47 subcontractors and four second-tier subcontractors have applied for and received the prevailing wage escalation delta from Sound Transit. The reimbursement amount to date (February 1, 2011) is \$11,150,000¹⁹⁰

Wage escalation reimbursement was generally not offered by other large public projects such as the Seattle-Tacoma Airport Modernization Project.¹⁹¹ The WSDOT SR 520 Pontoon Community Workforce Agreement and the Brightwater Conveyance System PLA both require the contractors to adjust wages and fringe benefits on the effective dates of the

¹⁸⁸ Examples of local projects underway during this time frame include Qwest Field, University of Washington campus and hospital projects, McCaw Hall, Washington Mutual Building, Microsoft campus, Vulcan (Paul Allen) Lake Union projects, and 7-8 major City of Seattle projects. From Greg Mowat, Sound Transit Labor Agreement Specialist - February 1, 2011.

¹⁸⁹ Allan Darr, Deputy Executive Secretary, Washington State Building and Construction Trades Council as quoted by Greg Mowat, Sound Transit Labor Agreement Specialist.

¹⁹⁰ Data provided by Dick Sage, Director of Construction Management, Sound Transit

¹⁹¹ Data provided by David Leon, Benefits Manager | Port of Seattle, in Email dated 2/4/11.

changes made in individual local collective bargaining agreements. This essentially ensures that compensation will remain at or above prevailed rates and in sync with labor contract adjustments. It also places the responsibility on contractors to include labor contract adjustments in their bids.¹⁹² The prevailed rates in King, Pierce, and Snohomish Counties are tied to the Associated General Contractors (AGC) area agreements and are regularly escalated as those AGC labor agreements are re-negotiated. Until recently, most AGC area agreements had wage increases in January and June of each year, which the state uses to set its rate effective each March and September.

As economic conditions have changed, the five basic crafts (Carpenters, Cement Masons, Laborers, Operating Engineers and Teamsters) have agreed to a two-year wage freeze. These labor contracts are due to expire in 2012.¹⁹³ However, except for the Teamsters Contract, this is not a freeze that pertains to benefits, which is also a component of the prevailing wage rate.¹⁹⁴ As a result, union contractors have experience and expertise factoring prevailing rate adjustments in their bids that non-union contractors may not.

How well did Sound Transit PLA's Prevailing Wage Escalation Provision and Wage Reimbursement work for Sound Transit, Labor, Prime Contractors and Subcontractors?

The prevailing wage escalation provision appeared to work well from the standpoint of supporting efforts to provide an adequate supply of skilled labor, especially during the first five to six years of Sound Move when demand for construction workers was high. It is a fairly standard requirement and does support recruitment and retention, as well as real time prevailing wages.

There is, however, mixed reaction to Sound Transit's policy to reimburse PLA contractors for the prevailing wage escalation delta rather than expect it to be included in their bid documents.

Almost half of the prime contractors who were interviewed or responded to the study survey reported that the wage escalation process worked well. The rest reported that it worked "somewhat" [well] or they were unsure about how well it worked. Subcontractors were less supportive, with nearly half responding that they thought the process worked "somewhat" [well], with the remaining half split between those who felt it didn't work well and those who were not sure.

The primary concern raised by both contractors and subcontractors was that the amount of paperwork required for reimbursement seemed excessive. Also, there was confusion about

¹⁹² When contracts were put out to bid by King County for Brightwater, the bidders were instructed to include wage escalation in their bids. However, on all change orders or new work, the County is using the "current at the time of work" wage rates with one exception. One electrical contractor has worked out a "crew blended rate" for new work or change order work. From Chris Elwell, King County Special Projects Director email 2-8-11.

¹⁹³ AGC Website: http://www.agcwa.com/Labor/Union_Resources/#Wage & Fringe Summaries

¹⁹⁴ The Teamsters contracts provide for a one-year freeze on fringe benefits. From AGC Website: http://www.agcwa.com/Labor/Union_Resources/#Wage & Fringe Summaries

what was included in the prevailing rate for reimbursement purposes as well as how the escalation was to be calculated. If it is used again, the contractors have requested Sound Transit prepare a template for the reimbursement process which details calculation components and specifies all trades expected on the project. They indicated that such a template needs to be provided in the bid documents. Also, because subcontractors were relying on their prime contractors for information about this policy, there were significant variations in what was communicated to them. For some, the reimbursement itself came as a surprise. Others were unclear how it was calculated and when it was applicable.

Labor unions tended to support both the PLA provision requiring prevailing wage adjustments and wage escalation reimbursement to contractors. Some union representatives noted that one wrinkle occurred because local agreements call for wage increases in January and June, which is three months before state prevailing wage adjustments are published. In times of high demand for labor, contractors often have to pay increases when they are effective under local labor contracts. Sound Transit did not reimburse contractors who elected to increase wages prior to the state's publication of these rates. Most labor representatives (along with some Sound Transit staff members and some contractors) advocated that increases should be tied to the dates specified in the individual craft local collective bargaining agreements.

Sound Transit staff members who have been tasked with administering reimbursements for the wage escalation delta have consistently described it as burdensome, time consuming and expensive to administer. It was characterized as “a bearcat,” “a nightmare,” and “unfair to subcontractors.” Examples were provided that indicated that this policy has not only been excessively burdensome to Sound Transit but that it has been difficult for subcontractors who don't have the staff or expertise to calculate the reimbursement amounts. As a result, Sound Transit has required some subcontractors to re-do their calculations multiple times. Also, one prime contractor was over four months late in submitting correct wage escalation information, which significantly delayed reimbursement to subcontractors. Finally, due to schedule changes or rework, this policy has required Sound Transit (in some instances) to pay this delta twice for the same work. As a result, some Sound Transit construction managers have expressed their preference for requiring contractors to include wage escalation projections in their bids, which they point out is more the industry norm.¹⁹⁵

Conclusion:

The prevailing wage escalation provision appeared to work well from the standpoint of supporting efforts to provide an adequate supply of skilled labor, especially during the first five to six years of Sound Move when demand for construction workers was high. It is a fairly standard requirement and does support recruitment and retention, as well as real time prevailing wages. There is, however, mixed reaction to Sound Transit's policy to reimburse PLA contractors for the prevailing wage escalation delta rather than expect it to be included in their bid documents.

¹⁹⁵ Some staff from other large public construction projects have stated that wage escalation reimbursement requires a “Herculean effort” and is not an approach that seems practical or efficient.

Study Question 8: The Sound Transit PLA included a unique component regarding community representation. How did this component work from the perspective of Sound Transit and stakeholders (labor, contractors and community)?

Article 4¹⁹⁶ of the PLA provided for community involvement at the worksite to support those underrepresented in the construction industry. This was to be accomplished through jobsite monitoring and advocacy by FAST Jobs Coalition representatives (FJC-Reps) and agents (FJC-As) to ensure the underrepresented were hired and retained on Sound Transit projects. FJC Reps were to be journey-level employees with one FJC-Rep working per shift. FJC-Reps were chosen and trained by Fast Jobs, were to be hired by contractors, and could be paid up to one-half hour per week for their FJC-Rep duties at their normal rate of pay. Article 4.3 of the PLA states that “FJC-Reps may be designated on any project or contract valued at \$1 million or more.”¹⁹⁷

Twenty-five reps and 10 agents were trained during the initial stages of the PLA. Anyone trained to be a FAST Jobs Rep was an experienced tradesperson, as they were required to be journey-level to work on the projects. However, the Sound Transit projects were reordered, and work began first on the Tacoma Link. According to a FAST Jobs representative,¹⁹⁸ only one FJC-Rep was hired in Pierce County and four FJC-Reps were employed on all of Central Link projects: one in the downtown tunnel, one in the Beacon Hill tunnel, one on the south of downtown to O&M site, and one on the Rainier Valley station and track project.

In their interview, FAST Jobs members described four key barriers to getting their reps on the ground: First, some union hiring halls dispatched based on a waiting list. As a result, FAST Jobs reps had to “wait their turn” to be dispatched to Sound Transit jobs. And, in the instances where a contractor could “call out” by name a foreman, general foremen, or superintendent to serve as a FJC-Rep on a job, they often didn’t, according to interviews. They also talked about “turn-arounds,” where contractors would not accept FAST Jobs employees and return them to the hiring hall. Finally, FAST Jobs expressed concern about a lack of enforcement by Sound Transit and frustration that they had to “file grievances” in order to get contractors to follow the rules.¹⁹⁹

When FAST Jobs reps were working onsite, they faced other challenges like jobsites being very large and difficult for one person to monitor. Where they did have reps, they didn’t have coverage on second or third shifts called for by the PLA. They also indicated that some contractors were not receptive to them and never used FAST as a resource for their minority employees. Because of the nature of construction, FAST Reps were only temporarily on any jobsite which precluded continuity of oversight. Also, in the early days, FAST Jobs had one paid staff member, but over time FAST dwindled to an all volunteer organization.

¹⁹⁶ Sound Transit PLA, p. 8.

¹⁹⁷ Sound Transit PLA, p. 8.

¹⁹⁸ Telephone conference with FAST Jobs reps Frederick Simmons, March 21, 2011.

¹⁹⁹ Interview with FAST Jobs reps Elwood Evans, Ray Hall, Frederick Simmons, and Michael Woo on November 15, 2010.

What's the status of FAST Jobs now? FAST volunteers have recently begun attending the Joint Administrative Committee meetings and are meeting directly with contractors. Their hope is to influence prime contractors to hire FAST jobs reps onsite as well as to encourage prime contractors to also advocate for FAST Jobs inclusion with their subcontractors. Some FAST Jobs reps have also stated that the model would work better if it were a program handled internally in Sound Transit.

Stakeholder Perspectives

There were mixed reactions to FAST Jobs from various stakeholders. By all accounts, the concept of onsite reps to monitor jobsites and support underrepresented workers was a laudable one. But most study respondents were clear that the FAST Jobs model has not worked as well as intended and may not be the best or most practical approach. Some study respondents have recommended funding a FAST Job coordinator or bringing this function in-house to Sound Transit. The following are perspectives of the various stakeholders of the PLA as expressed in either interviews and/or surveys.

- Concerns were raised by the community that a volunteer organization didn't have the structure in place for long-term sustainability.
 - *“Fast Jobs, being an unfunded community group, was able to achieve great things going into the PLA but was not able to sustain its momentum. This could be fixed with the funding of a community coordinator.” (From a Survey Respondent)*
 - *“I would be fine with Sound Transit taking over the role intended for FAST Jobs and had in-house staff conduct jobsite monitoring and compliance.” (From a FAST Jobs member)*
 - *“We all hold other positions and come together without any central point person.” (From a FAST Jobs Interview)*
- Community members also described frustrations about compliance and enforcement.
 - *“If a FAST Jobs Rep were on a jobsite and found a problem, then what?” (From a Community Member Interview)*
 - *“Sound Transit could have made it work had they took control of the project.” (Community Member Interview)*
- Some contractors had no experience with FAST Jobs. Two who had FAST Jobs members on their work site indicated it had either “limited impact” on them or they weren't sure of the impact.
- The role and status of FAST Jobs was not always clear. For example, some contractors questioned why FAST Jobs was made a part of the management caucus



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- during the PLA negotiations, particularly since they were neither managers nor employers.
- Sound Transit staff who were interviewed acknowledged the dedication of this group and respected their advocacy on behalf of women, minorities, and disadvantaged businesses. Some staff explained the differing views held between Sound Transit and FAST Jobs about Sound Transit's role in enforcement of this and other provisions of the PLA. Also, some staff were disappointed that there wasn't more of a collaborative working relationship developed between Sound Transit and FAST Jobs. Some staff recommended tightening the language around worksite monitors and establishing a more sustainable structure for FAST Jobs with clearer representation.
 - Concerns were raised by the Carpenters Union about the level of work FAST Jobs was able to accomplish, given they are a volunteer organization. The Carpenters also recommended that either the FAST language be stricken or there be a formal review of the group's accomplishments before including them in any future agreements.²⁰⁰
 - The Building Trades acknowledged that FAST Jobs was a good idea that didn't work out as well as intended. They also recognized that there is no funding for community participation and that it's difficult to expect volunteers to attend all the requisite meetings and represent the community on a large scale PLA.²⁰¹

Conclusion:

Article 4²⁰² of the PLA provided for community involvement at the worksite to support those underrepresented in the construction industry. This was to be accomplished through jobsite monitoring and advocacy by FAST Jobs Coalition representatives (FJC-Reps) and agents (FJC-As). Twenty-five reps and 10 agents were trained during the initial stages of the PLA. However, only one FJC-Rep was hired in Tacoma, and four FJC-Reps on the Central and Airport Links. In addition, other challenges arose which limited the effectiveness of this effort.

There were mixed reactions to FAST Jobs from stakeholders. Study respondents agreed that the concept was a laudable one. Most stakeholders raised concerns about the sustainability of an all-volunteer organization for this function, and would like to see changes made to better accomplish the original objectives of this model. Some have recommended funding a coordinator for FAST Jobs or bringing this function in-house to Sound Transit.

²⁰⁰ John Littel, Political Director, Northwest Carpenters Union, 3/24/11.

²⁰¹ Lee Nugent, Executive Secretary, King County Building Trades, 3/24/11.

²⁰² Sound Transit PLA, p. 8.

Study Question 9: Compare the Sound Transit PLA with the Port of Seattle Airport PLA, Brightwater Conveyance PLA and WSDOT’s SR-520 Pontoon Construction Project to identify similarities, differences and unique provisions.

The following is a comparative analysis between: 1) The Sound Transit Central Puget Sound Regional Transit Authority Project Labor Agreement for the Construction of Sounder Commuter and Link Light Rail Projects (will be called “**Sound Transit PLA**”), 2) The King County Project Labor Agreement for the Brightwater Conveyance System (will be called “**Brightwater PLA**”), 3) The Port of Seattle Seattle-Tacoma International Airport Modernization Project Labor Agreement (will be called “**Airport PLA**”) and 4) is The Community Workforce Agreement for the Washington State Department of Transportation (WSDOT) SR 520 Pontoon Construction Design Build Project (will be called “**WSDOT CWA**”).

Responses to this question are provided in three sections:

- Part I is a brief summary of key differences between these four agreements.
- Part II is a comparison matrix that outlines the categories and related provisions for each of the four agreements listed above.
- Following the matrix is Part III, a narrative designed to summarize and in some cases, further explain differences, similarities and unique provisions. For easy reference, an index of topics and page numbers is provided prior to both the matrix and the narrative. Because parties sometimes interpret provisions differently, or have practices not reflected in written form, this comparative analysis is based on the actual language contained in each of the four agreements. Interpretation questions, potential differences, or practices are noted in the narrative when they were specifically provided by study survey and/or interview respondents.



Study Question 9, Part I, Comparison Summary

Parties to the Agreement:

The WSDOT SR 520 Pontoon design-build project Community Workforce Agreement (CWA) has unique language on one page attached to the agreement in which the Building Trades Councils “acknowledge” and “concur” with the CWA. Because the negotiators have expressed differing interpretations about the practical effect of these two words, it’s unclear as to whether the Building Trades Councils are included as full fledged signatories. Some study respondents expressed concerns that this language could lead to jurisdictional disputes.

Hiring Procedures and Employment:

Provisions exist in all three PLAs (but not the CWA) that give non-union contractors the right to hire up to five core employees or non-union employees in each craft. Hiring is staggered so that one core employee is hired and then one employee from the union is hired. In the WSDOT CWA all employees are hired from union referrals unless the union does not fulfill the request within 48 hours on weekdays.

Union Recognition/Security:

Unlike the Sound Transit, Brightwater and Airport PLAs, the WSDOT CWA requires all employees to become and remain union members.

Community Representation:

This section is unique to the Sound Transit PLA and does not exist in the other PLAs or the CWA. The FAST JOBS Coalition (FAST) will consist of community representative and agents. "FJC-Rep" (employees of contractors) and "FJC-A's" (representatives of FAST JOBS Coalition) will support securement and successful retention of people of color and women. Sound Transit Resolution R99-21 states that FJC-Reps and FJC-As will be provided with comprehensive training and certifications. FAST recruits and selects all FJC-Reps and FJC-A's. FJC –Reps may be designated on any project contract valued at \$1 million or more.

Administrative Structure and Role of Owner:

Unlike the three PLAs, the CWA has no administrative role for the owner, WSDOT. This is because the agreement is between the contractor(s) and the unions. WSDOT reported that the only involvement they will have with respect to the CWA is where state or federal governments require monitoring such things as apprenticeship goals.

The airport delegated PLA administration and compliance to a third party administrator who was involved with contractors and unions on a daily basis and in virtually all aspects of the PLA’s implementation. In 2010, the owner began self-administration of the PLA.

Participation of Women, People of Color, and Other Minorities:

The Sound Transit PLA explicitly states diversity goals for all tiers of workers and not just apprentices. Under the Sound Transit PLA, underrepresented groups will perform 1/3 (33%) or more of the total hours worked, with the minimum threshold being 25%. Sub-goals are 21% people of color and 12% women. Sub-goals are to be reviewed annually by the Joint Administrative Committee. The Committee is responsible to implement these goals, and is

charged to review--at least quarterly--the participation and activities towards meeting these goals. The Committee also makes recommendations or issues directions on how to increase participation of under-represented groups. Under-represented groups will be employed and receive training in all job classifications (foremen, leads, journey-level, and apprentices). These explicit and detailed diversity components make the Sound Transit PLA stand out from the other agreements that were reviewed. The two other PLAs and the CWA do not mention any set goals for representation of women, people of color, and other under-represented in any group beyond apprentices.

Apprenticeship:

The apprenticeship sections for the three PLAs are very long and detailed, especially compared to the short section in the CWA. Most of the language for this section for all three PLAs is fairly standard with a few notable differences. All of the PLAs state that women and people of color should work 50% of total first year apprentice hours, and 33% of total apprentice hours. The WSDOT CWA does not contain any target percentages for participation of under-represented communities.

Pre-Apprenticeship Program:

The Sound Transit PLA has the most comprehensive pre-apprenticeship plan, especially with their Regional Apprenticeship Preparation Integrated Delivery System (RAPID) program. RAPID is a pre-apprenticeship program that Unions and contractors are expected to recruit from for entry to their apprenticeship programs.

In 2009 Sound Transit and the Building Trades signed an MOU creating a preferred-entry program into the five basic trades (Laborers, Carpenters, Cement Masons, Painters and Teamsters) for disadvantaged women, minority, and veterans who had been screened by RAPID program organizations and resided within targeted zip codes. These apprentices were able to be considered and possibly placed directly into entry-level apprentice jobs on Sound Transit projects. This group is also given first priority over other apprentices. The Preferred Entry apprentices are to be "one of each five apprentices" called for in the 20% apprenticeship utilization. Preferred entry apprentices also have guaranteed length of employment depending upon placement with contractors (6 months or 1000 hours, whichever is greater) or subcontractors (3 months or 500 hours, whichever is greater). The unions agree to work with pre-apprenticeship organizations within the counties and these organizations will provide a range of support services and trainings to prepare workers for the apprenticeship programs.

Wages and Benefits:

The Sound Transit PLA states that prevailing wage rates are set twice annually in March and September by Washington State, whereas the Brightwater PLA and WSDOT CWA state that wage rates are set by collective bargaining agreement, and the Airport PLA states that wage rates are set once a year in September by Washington State.

Payday:

All of the PLAs share standard language, though there are some stricter rules under the Sound Transit PLA. The Sound Transit PLA has a process for addressing wage payments

not compliant with prevailing wage and benefits. There are penalties of 4 hours taxable straight time pay for each 24 hour period or portion thereof (Saturday and Sunday included) after the delinquency and not to exceed 2 weeks. The process also includes Notification, Joint Check, and a Corrective Action Plan.

Subcontracting:

All agreements state that all subcontractors, by working with Contractors who are signatory to the agreement, are bound by all policies within the agreement. The CWA provides exceptions to this requirement. By mutual agreement if certain conditions apply, DBE and non-union contractors may be exempted from signing the CWA.

Work Stoppages and Lockouts:

CWA allows the unions to engage in work stoppages and other activities that disrupt work in the event of non payment of wages and/or delinquencies in Trust Fund contributions. The CWA has no language like the three PLAs requiring employees to cross picket lines.

Jurisdictional Disputes:

Generally speaking, all of the agreements refer to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the “Plan”) as the main reference document for dispute resolutions. The WSDOT CWA is very short, no arbitration process is mentioned, and there are no deadlines on when disputes need to be resolved.

Non-Discrimination:

The Sound Transit PLA has the strongest language in support of affirmative action for under-represented groups to access employment opportunities.

Savings Clause:

“Unions will not support any other unions who decide not to be signatory to this agreement,” is a clause found only in the WSDOT CWA.

Workers Compensation and Cooperation:

The WSDOT CWA has unique language. “Workers Compensation and Cooperation - Parties may negotiate and implement alternative dispute resolution (ADR) procedures to resolve workers' compensation claims disputes when and where permissible and/or legal. Such alternative dispute resolution procedures shall be final and binding on the parties and shall be made a part of the Agreement.”





**Study Question 9, Part II
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Matrix Legend: Underlined text represents a provision that is unique to that particular agreement (out of the 4 agreements) or significantly different from other agreements.

<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Issuing Entity	Central Puget Sound Regional Transit Authority (Sound Transit)	King County Department of Natural Resources and Parks, Wastewater Treatment Division = "Owner"	Port of Seattle	Washington State Department of Transportation
Scope of Agreement	<p>Article 2: 6 Sounder Commuter Rail Stations and reconfigured Link Light Rail projects and stations from SeaTac Airport station to University Station</p> <p>Article 2.1 After listing the specific projects covered by this PLA, there is language stating that ST may, at its sole discretion, modify, delete or add to the list of projects covered by this PLA.</p> <p>Article 1 contains a standard "zipper" clause which states that this PLA "constitutes a stand-alone agreement." <u>However, in January 2009, the parties agreed to insert the following provision to address topics not contemplated when the PLA was originally negotiated and where it is silent and to clarify that the PLA language will prevail when provisions conflict with local, area, or national agreements.</u></p> <p>Article 2.3 Where a subject covered by the provisions of this PLA is also covered by a conflicting provision of another collective bargaining agreement(s), the provisions of this PLA shall "prevail". <u>In those instances where this PLA is silent on an issue, the parties shall refer to and abide by the applicable local, area, or national Collective Bargaining Agreements in ascending order of precedence (in other words, the local agreements shall apply, but if the local agreements do not apply, then the area agreements shall apply, but if the area agreements do not apply, then the national agreements shall apply) except when (1) resolution of the issue would be through use of a "Parity", "Most Favored Nations", or "Me Too" clause of the collective bargaining agreement or reference to some other agreement; or (2) the collective bargaining agreement contains</u></p>	<p>Article 4.5: Brightwater Regional Wastewater Treatment System.</p> <p>After defining the projects included and excluded from the PLA, 5.5 gives the owner the right to add, modify, or delete facilities. If added, they are automatically covered by the PLA.</p> <p>5.5 also states that: "The provisions 'of this Project Agreement shall apply to the construction of the named Project, notwithstanding the provisions of local, area and/or national agreements which may conflict or differ from the terms of this Agreement. Where a subject covered by the provisions of this Project Agreement is also' covered by a conflicting provision of a ' collective bargaining agreement, the provisions of this Project Agreement shall "prevail": otherwise the terms of applicable collective bargaining agreements shall apply except that the work of the INTERNATIONAL UNION OF ELEVATOR CONSTRUCTORS on this' Project shall be performed under the terms of its NATIONAL AGREEMENT, provided that the provisions of ARTICLE(S) 14 CRAFT JURISDICTION AND JURISDICTIONAL DISPUTES ADJUSTMENT, 18 No-STRIKE-No LOCKOUT, and 19 -GRIEVANCE PROCEDURE, of this Project Agreement shall apply to such work."</p> <p>Article 1.4 contains a standard "zipper clause": "This agreement represents the complete understanding of the parties and no contractor or subcontractor is or will be required to sign any other agreement with a signatory union as a condition of performing work within the scope of this Agreement. It is understood that this Agreement constitutes a self-contained, stand-</p>	<p>Seattle-Tacoma International Airport Modernization Project = "Project". Details in Article II Sections 1 and 2.</p> <p>Article II, Section 1 provides that the owner may at any time and in its sole discretion build projects not currently proposed or modify or not build ones already proposed. Added segments will automatically be covered by the PLA.</p> <p>The first page of the PLA prior to Article 1 contains a standard "zipper clause": "This agreement represents the complete understanding of the parties and no contractor is or will be required to sign any other agreement with a signatory union as a condition of performing work within the scope of this Agreement. No practice, understanding or agreement between a contractor and a union party which is not specifically set forth in this agreement will be binding on any other party unless endorsed in writing by PCI."</p> <p>Article II, Section 4a and 4b address the PLA's relationship to other agreements and a dispute resolution process:</p> <p>(a) The provisions of this Project Labor Agreement (including the Schedule A's, which are the local Collective Bargaining Agreements, as modified by this Agreement, between bona fide contractor groups or representatives and the signatory Unions having covered work that corresponds to Qualifying Work on the Project) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or National Agreements, which may conflict with or differ from the terms of this Agreement. Notwithstanding the foregoing, the</p>	<p>No specific "Scope of Agreement" article. However, page one states that "This agreement shall be effective only on the Washington State Department of Transportation SR 520 Pontoon Construction Design-Build Project, as is more fully described and intended in that certain Notice to Design-Builders Request for Qualifications, dated July 27, 2009, and which is incorporated herein by this reference as if fully set forth (hereinafter "the project.") The addendum restates this and adds that, "This agreement shall apply to all work performed on the project, regardless of location."</p> <p>Standard "zipper" clause: 3.8B states, "The parties agree that the total results of the understanding are embodied in this agreement, including addenda and no party is required to render any performance or recognize any practice not set forth herein.</p> <p>3.8C states, "It is intended that the provisions of local or other national agreements shall not apply to projects performed under this agreement except for the establishment of wage and fringe benefit contribution obligations as provided in Article 4, Section 4.1.</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
	<p><u>provisions that by specific reference, or for all practical purposes, are only applicable to a Sound Transit project or projects. Furthermore, when an issue is resolved under the terms of a particular collective bargaining agreement, that issue shall only be resolved as to the particular members of the trade(s) covered by that collective bargaining agreement. Other trades not covered by the particular collective bargaining agreement shall not achieve a similar result by way of "Parity", "Most Favored Nation", or "Me Too" agreements or clauses in their own collective bargaining agreement or the collective bargaining agreement used to resolve the issue. This amendment to this agreement shall only apply to new contracts entered into after the date of adoption of this amendment and not to existing contracts.*</u></p> <p>*Article 2.3 amendment effective as of January 29, 2009 by action of the Joint Administrative Committee.</p>	<p>alone agreement. No practice, understanding or agreement between a contractor or subcontractor and a union party which is not specifically set forth in this agreement will be binding on any other party."</p>	<p>Elevator Constructors' National Agreement shall be applied to work falling within the jurisdiction of the Elevator Constructors, except that Articles VII, VIII and IX of this Agreement shall prevail and be applied to such work. PCI and each Local Union shall agree upon the local collective bargaining agreement to be designated as the applicable Schedule A for work covered by this Agreement. Where a subject covered by the provisions of this Agreement is also covered by a Schedule A, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions of a Schedule A and is not covered by this Agreement, the provisions of the Schedule A shall prevail.</p> <p>(b) Any dispute as to the applicable source between this Agreement and any Schedule A for determining the wages, hours and working conditions of employees on the Project shall be resolved by _____*, under the procedures established in Article VIII. It is understood that this Agreement, together with the referenced Schedule A's, constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to this Project Labor Agreement, the Contractor will not be obligated to sign any other local, area or national agreement as a condition of performing work within the scope of this Agreement.</p> <p>* Name of arbitrator to be inserted.</p>	
Estimated Total Project Cost	\$2.1 billion ²⁰³	\$1.8 billion	\$2.6 billion	\$367 million

²⁰³ For the purposes of this study, \$1.007 billion of Central Link PLA contracts are being studied.

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Duration of PLA	<p>Article 1: The PLA was entered into on December 1, 1999, and shall continue in full effect for the duration of the Project construction work as described in Article 2.1. The PLA shall have no further force or effect on a particular contract for work, or portions of work, to which this PLA applies, once the work has, or portions of the work have, been designated by Sound Transit as being Substantially Complete, except to the extent that "punch list work" remains to be done. "Substantial Completion" is defined as the time at which the work (or a specified part) has progressed to the point where it is sufficiently complete, in accordance with the Contract Documents, so that the work (or specified part) can be utilized for the purposes for which it is intended. The PLA will apply to the performance of any "punch list work" until such time as a Notice of Acceptance or Final Acceptance has been issued, whichever comes first.</p> <p>Details: Article 21: PLA Projects are still underway (as of April 15, 2011).</p>	<p>Article 21: This Project Labor Agreement shall become effective on June 20, 2005, and shall continue only until the Project is completed or abandoned by the Owner, or by the Contractors for the Project.</p> <p>21.2</p> <p>(a) Turnover. Construction of any phase, portion, section or segment of the Project shall be deemed complete when such phase, portion, section or segments has been turned over to the Owner by the Contractor(s) and the Owner has accepted such phase, portion, section or segment. As areas and systems of the Project are inspected and construction tested and/or approved by the Owner, the Agreement shall have no further force or effect on such items or areas, except when a Subcontractor is directed by the Contractor(s) or the Owner to engage in repairs or modifications required by its contract(s) with the Owner.</p> <p>(b) Notice. Written notice of each final acceptance received by the Contractor(s) will be provided to the Building Trades Council(s) with a description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch list," and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the Owner and a letter of completion/Final Acceptance is given by the Owner to the Contractor(s). A copy of the "punch list" will be available to the unions.</p> <p>(c) Termination. Final termination of all obligations, rights and liabilities and disagreements shall occur upon receipt by the Building Trades Council(s) of a written notice from the Owner or Contractor(s) saying that no work remains within the scope of the Agreement for the Contractor(s) or their successor(s).</p>	<p>From Page 1, Paragraph 1: This Project Labor Agreement was entered into on November 17, 1999 and shall continue in effect for the duration of the Project Construction work described in Article II hereof.</p>	<p>Article 7: "This agreement, including addenda, will be effective starting November 12, 2009 and will be in effect for the duration of the project." Actual construction scheduled to begin in February 2011. Pontoon construction completion date is scheduled for 2014 (from WSDOT SR 520 Bridge Replacement and HOV Program Pontoon Construction Project, January 2011, page 1.) See Appendix G for more information on this project.</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Parties to the Agreement	<p>Article 1, paragraph 4: (1) "Sound Transit" (2) "Contractors" (3) "Unions" = Building and Construction Trades Department, AFL-CIO, Washington State Building and Construction Trades Council, Seattle/King County Building and Construction Trades Council, Northwest Washington Building and Construction Trades Council and affiliated unions.</p> <p>NOTE: Unions such as the Carpenters and Operating Engineers withdrew as Building Trades affiliates since the PLA's implementation but are still bound by the PLA because they also signed individually. The Teamsters Union (Local 174) recently re-affiliated with the Building Trades.</p>	<p>Article 1: 1) King County = "Owner", 2) Contractors, 3) unions = Building and Construction Trades Department, AFL-CIO, Washington State Building and Construction Trades Council, Seattle/King County Building and Construction Trades Council, Northwest Washington Building and Construction Trades Council and affiliated unions.</p> <p>NOTE: Unions such as the Carpenters and Operating Engineers withdrew as Building Trades affiliates since the PLA's implementation but are still bound by the PLA because they also signed individually. The Teamsters Union (Local 174) recently re-affiliated with the Building Trades.</p>	<p>Page 1, "Project Labor Agreement" section 1) Port of Seattle = "Owner", 2) Parson Constructors, Inc. = "PCI" or "Project Contractor" 3) Contractors, 4) unions = Building and Construction Trades Department, AFL-CIO, Washington State Building and Construction Trades Council, Seattle/King County Building and Construction Trades Council, and affiliated unions</p> <p>NOTE: Unions such as the Carpenters and Operating Engineers withdrew as Building Trades affiliates since the PLA's implementation but are still bound by the PLA because they also signed individually. The Teamsters Union (Local 174) recently re-affiliated with the Building Trades.</p>	<p>Section 7.2: 1) Signatory unions (Carpenters, Cement Masons, Laborers, Operating Engineers Local 302, Ironworkers, Operating Engineers Local 612, IUPA DC #5, Plumbers and Steamfitters Local 26, Sheet Metal workers Local 66, Teamsters Local 252, IBEW Local 76, Teamsters Local 313, Roofers Union Local 153, Bricklayers and Allied Crafts Workers). <u>On a separate page, three Building Trades Councils signed an "Acknowledge and Concur" clause which may define their role somewhat differently than that of the individual union signatories.</u> 2) Signatory contractor: Kiewit <u>This was negotiated by prospective contractors and labor unions pre-bid to ensure that the awarded contractor would meet the requirement for use of the project labor agreement.</u></p>
Union Recognition/ Security	<p>Article 3: 1) Contractors recognize signatory unions as sole and exclusive bargaining reps. 2) Employees in unions must remain in union while working under this PLA. 3) No requirement to become union member to work under the PLA.* 4) Contractors agree to deduct union dues and representation fees and remit amounts to unions monthly</p> <p>*Non-members are required to pay a representation fee.</p>	<p>Article 4: 1) Contractors recognize signatory unions as sole and exclusive bargaining reps. Article 10: 2) Employees in unions must remain in union while working under this PLA. 3) No requirement for non-union "core employees" to become union members,* however Section 10.4 states that "if local unions are unable to fill requests within 48 hours (weekdays) those recruited outside the union hiring halls shall have <u>seven (7) days</u> to join the applicable local unions." 4) Contractors agree to deduct union dues and representation fees and remit amounts to unions</p> <p>* Non-members are required to pay a representation fee.</p>	<p>Article IV: 1) Contractors recognize signatory unions as sole and exclusive bargaining reps. 2) Employees in unions must remain in union for duration of work under the PLA. 3) No requirement to become union member to work under the PLA.* 5) Contractor agrees to deduct union dues and representation fees and remit amounts to unions (voluntary authorizations for deductions) 5) <u>Airport security clearance requirements are applied and contractor shall inform dispatchers of such requirements.</u></p> <p>* Must comply with Schedule A</p> <p>6-6-01 Letter of Understanding clarifications: Article IV: <u>Section 8:</u> "Concern was expressed that this section might be interpreted to supersede provisions in certain local collective bargaining agreements that serve as the basis for Schedule A and that require the Contractor to lay travelers off before local referrals. The parties agreed that the terms of this section are intended only to</p>	<p>Section 4.5 and 4.6: <u>1) Union recognition not explicitly referenced but encompassed by various sections of CWA.</u> <u>2) All employees required to become and remain union members.</u> 3) Non-members must become union members <u>not later than the 8th day of the start of employment.</u> Failure to comply shall result in termination of the employee. 4) Employer (contractor) agrees to deduct union dues and remit amounts to union.</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
			<p>insure that the order of reduction in force as between core employees and union hiring hall referrals will be in the reverse of their referral to their project, but would not prevent the Contractor at its option from selecting from among the union referrals based upon such local collective bargaining agreement provisions.”</p> <p><u>Section 10:</u> The provisions of this section were clarified to insure that the Contractor’s designation of foreman will reasonably reflect the parties’ concerns for safety, productivity and local area practice concerning the numbers of foreman and that the Contractor practices will be subject to review by the Joint Labor/Management Administrative Committee.</p>	
Union Representation	<p>Article 3: 1) Union reps will have reasonable access to work sites. 2) Business Reps can designate one union steward for each signatory local union for each shift worked. Stewards are allowed on work sites at all times. Stewards must perform work within their crafts and are able to work overtime. 3) Contractor notified in writing of each steward. Contractor must notify in writing prior to discharging stewards. 4) Stewards cannot encourage work stoppage, nor participate in hiring and termination.</p>	<p>1) Union reps will have reasonable access to work sites. 2) Signatory unions can designate one union steward for each shift worked. Stewards are allowed on work sites at all times. Stewards must perform work within their crafts and are able to work overtime. 3) Contractor notified in writing of each steward. Contractor must notify in writing prior to discharging stewards. 4) Stewards cannot encourage work stoppage, nor participate in hiring and termination 5) Stewards can receive complaints and grievances, <u>and can discuss and assist in resolving with the employee’s supervisor.</u> 6) <u>Project workers can confer privately on job site with authorized union reps.</u> 7) <u>Steward cannot service more than one work location without approval of union and contractor/subcontractor.</u></p>	<p>1) Union reps will have reasonable access to work sites. 2) Each signatory union can designate one union steward for each shift worked. Stewards are allowed on work sites at all times. Stewards must perform work within their crafts and are able to work overtime. 3) Contractor notified in writing of each steward. Contractor must notify in writing prior to discharging stewards. 4) Stewards cannot encourage work stoppage, nor participate in hiring and termination. 5) Stewards can receive complaints and grievances. 6) Contractor must notify Union and PCI 24 hours before laying off a steward except in disciplinary discharge for just cause</p>	<p>Under Article 2 (Labor/Management Cooperation) Section 2.1 (pg. 2) references union representatives and stewards. Language is not as detailed as 3 other PLAs. Like the other PLAs, union representatives and stewards have the rights to access work sites and are “working stewards.”</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Union Dues	Article 3: 1) Dues according to requirements of signatory unions. 2) Required non-member representation fee is 94% of regular dues. 3) the contractor(s) agree to deduct dues or representation fees and remit to the unions monthly. 4) Employees are required to sign a form authorizing this deduction.	Article 10: 1) Dues according to local unions. 2) Required non-member representation fee is 94% of regular dues. 3) The Contractor(s) agree to deduct union dues or representation fees, whichever is applicable, from the pay of any employee who executes a voluntary authorization for such deductions and to remit the dues or fees to the Union(s). (4) Failure of employee to pay or tender fees/dues result in the immediate termination of the employee.	<u>Attachment 2 - Letter of Understanding Re: Union Initiation Fees and Dues. Initiation fees would be waived for those employees who are not members of the any union when they come to this Project.</u> We further agreed that the dues obligations of such employees shall, in accordance with current law, be confined to that portion of the Union's membership dues that is directly related to the representation of the workers in collective bargaining and in enforcement of the union's agreements; i. e., the "representation fees" as referenced in Article III, Section 8.	4.5 All employees are required to become members and/or maintain membership and tender periodic dues and initiation fees or be terminated. Titled "Check-Off" Section 4.6 pg. 10. No unique content. "The Employer shall honor Union dues and initiation fees check-off pursuant to receipt of properly authorized dues deduction cards signed by its employees, along with other lawful authorizations from employees providing for deductions from wages."
Worker Referral	Article 6: If unions cannot fulfill contractor requests within 48 hours (weekdays), then contractor can hire from another source. Contractor must provide unions of name, SS#, and refer the applicant to the union for dispatch within 24 hours. <u>2) The contractor shall first consider referrals from FAST Jobs before seeking applicants from other available sources.</u> 3) Many references and specific goals regarding improving opportunities for all throughout the PLA.	Article 10: <u>Contractors may reject any referral for any lawful non-discriminatory reason.</u> 1) If unions cannot fulfill contractor requests within 48 hours (weekdays), then contractor can hire from any other source. Contractor must provide unions of name, SS#, and refer the applicant to the union for dispatch. 2) Unions cannot knowingly refer employees currently employed by any Contractor working under this agreement to any other contractor. 3) Affirmative action shall be taken to afford equal employment opportunity to all qualified persons without regard to race, creed, color sex, age, marital status, religion, sexual orientation, ancestry, veteran status, disability or national origin.	1) If unions cannot fulfill contractor requests within 48 hours (weekdays), then contractor can hire from any other source. Contractor must provide unions of name, SS#, and refer the applicant to the union for dispatch. 2) Unions cannot knowingly refer employees currently employed by any Contractor working under this agreement to any other contractor. 3) Affirmative Action shall be taken to afford equal opportunity to all qualified persons without regard to race, creed, color, sex, disability, and national origin.	Section 5.2D: If the union does not fulfill contractor request within 48 hours (weekdays), employer (contractor) can hire from other sources. <u>Also in Section 5.2 titled "Selection of Employees". Within the union there exists the capability to activate a recruiting network throughout the US to ensure a steady flow of skilled applicants to meet work schedules. In the event the local unions fail to refer a sufficient number of skilled applicants, the Employer may request the International Union to recruit applicants from other unions or other sources.</u> Section 5.2 F states "The union agrees to engage in active recruitment of minority and female applicants and to make every effort to refer to the employers sufficient numbers of minority and female applicants to assist in meeting requirement employment goals." Section 3.6 calls for affirmative action to afford equal opportunity for all qualified persons without regard to race, religion, creed, color, age, sex or national origin, physical or mental disability, marital status, disabled veterans, Vietnam-era veterans or any other reasons prohibited by law. This shall be applicable to all matters relating to hiring, training, promotion, transfer or termination of employees. Furthermore, the parties agree to cooperate to the fullest extent with the intent and purpose

Matrix Legend: Underlined text represents a provision that is unique to that particular agreement (out of the 4 agreements) or significantly different from other agreements.

<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
				of the applicable regulation of the Civil Rights Act of 1964 and 1991 and Executive Order No. 11246 as amended by Executive order No. 11375 and any applicable State or local government requirements and owner contract requirements.
Hiring Procedures and Employment	<p>Article 6: Contractors required to use dispatch resources/other procedures of signatory unions to acquire workers. If contractors have at least 6 craft employees, they can hire up to 5 core employees in each craft that meet certain standards. Hiring is staggered so that one core-employee is hired, then one unionized employee, and repeat until the max 5 "core" employees have been hired. If contractor has with 5 or fewer unionized employees, then they can hire in a different staggered pattern, namely 1) Core Employee, 2) Union Referral, 3) Core Employee, 4) Core employee, 5) Union Referral, 6) Core employee, 7) Union referral, 8) Core employee. All subsequent referrals will be through the union hiring hall.</p> <p>(Additional procedures are referenced in the "Worker Referral Section.")</p>	<p>Article 10: For local unions having a job-referral system, contractors and their subs agree to use it exclusively with noted exceptions.</p> <p>Contractors may hire up to 5 core employees in each craft that meet certain standards. Hiring is staggered so that one core-employee is hired, then one unionized employee, and repeat until the max 5 "core" employees have been hired. Reduction of workforce also operates on a staggered one to one ratio. Selection of craft foremen and/or general foremen and the # of foremen is the sole responsibility of the contractors.</p> <p>(Additional procedures are referenced in the "Worker Referral Section.")</p>	<p>Article IV: For local unions having a job referral system, contractors will use it exclusively with noted exceptions. Contractors can hire up to 5 "core" employees as long as they meet certain standards (Article IV Section 8). Hiring is staggered so that one journey-level unionized worker is hired, then one "core" employees, and repeat until the max 5 "core" employees have been hired. Reduction of workforce also operates on a staggered one to one ratio.</p> <p>(Additional procedures are referenced in the "Worker Referral Section.")</p>	<p><u>No core employee provision.</u></p> <p>Section 5.2 states "The employer shall refer applicants for various journeymen and apprenticeship classifications covered by this Agreement as required by the employer on its projects.</p> <p>(Additional procedures are referenced in the "Worker Referral Section.")</p>
Community Representation	<p>Article 4: <u>FAST JOBS Coalition (FAST) Community Representative and Agents. "FJC-Rep" (employees of contractors) and "FJC-A's" (representatives of FAST JOBS Coalition) will support securement and successful retention of people of color and women. Sound Transit Resolution R99-21 states that FJC-Reps and FJC-As will be provided with comprehensive training and certifications. FAST recruits and selects all FJC-Reps and FJC-A's who may be designated on any project or contract valued at \$1 million or more.</u></p> <p><u>4.4 states: All FJC-Reps and FJC-A's will contact FAST if non-compliance or other irregularities are observed or reported. Activities include, but are not limited to: (a) Monitoring of the stated goals for the participation of workers of color and women within the construction trades workforce.</u></p>	<p>No provision provided for direct community participation in PLA monitoring, implementation and other jobsite activities.</p>	<p>No provision provided for direct community participation in PLA monitoring, implementation and other jobsite activities.</p>	<p>No provision provided for direct community participation in PLA monitoring, implementation and other jobsite activities.</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
	<p><u>as contained in this PLA. (b) Support, mentoring and problem solving for all workers, including workers of color and women, to promote harmony and safety on the jobsite, and to increase retention of workers of color and women in the industry. (c) Act as a liaison for workers of color and women and the FJC, between employers and their Union representatives to enhance effective communication and expedite resolution of issues. (d) Participate as needed in the implementation of Sound Transit Project policy or mutually agreed upon contractor, Union, and/or FAST directives. (e) Serve as a recruitment resource for employers, Unions, and the SAC apprenticeship programs consistent with the "RAPID" model contained in Article 8. (f) None of the above activities shall interfere with established jobsite safety or the normal productivity of the job.</u></p>			
<p>Administrative Structure and Role of Owner</p>	<p>Article 5: Joint PLA Administrative Committee called the "Committee," which serve as advisers. Representatives composed of Union and Management (Sound Transit Coordinator, Contractor, and FAST), and leadership has 2 "Joint Chairs". Monthly meetings.</p> <p>Article 1 states that Sound Transit "shall monitor the compliance of this PLA by all contractors." Sound Transit staff (referred to in the PLA as "coordinator") have functioned in a variety of roles over the course of the PLA. The word, "monitor" is not explicitly defined in the PLA and has been subject to diverse interpretations. Sound Transit as a "party of interest" is referenced in various articles.</p>	<p>A Project Administrative Committee (PAC) will be established consisting of the Contractor/Subcontractor reps, Union reps, and Building Trades Council reps who should meet monthly. Chairmanship position will alternate between Contractor's reps and Union reps. Committee shall be convened within 48 hours for emergencies.</p> <p>Section 9.7 states, "The Owner is a party in interest and shall be sent contemporaneous copies of all notifications required under this article, and at their option shall initiate or participate as a full party in any proceeding initiated under this Article." Other articles have some reference to option to participate as a full party.</p>	<p>Monthly Labor/Management (Unions and PCI) meetings where all Contractors are also invited where PCI gives a report of the Project progress, outstanding issues, labor relations, and entertain questions. In addition, a PLA Joint Apprenticeship Committee with equal numbers of Union reps and Contractor reps. Jointly chaired by a PCI rep and a union rep. Committee shall be convened within 48 hours for emergencies. PCI shall give notice of meeting date/time/place 3 days prior to the meeting.</p> <p><u>From 1999-2009, the Owner had no direct role, but the owner's interests were represented via a third-party administrator (Parson Constructors Inc.) who ensures PLA compliance. In 2010, the owner began self-administration of the PLA.</u></p>	<p>It is the intent of the parties to have Labor/Management cooperation on this Project. To that end the parties agree to support periodic meetings to discuss issues and/or concerns which may arise during the life of the project.</p> <p><u>Owner has no role in implementing or administering the CWA except as an ex officio participant in the Project Apprenticeship Committee.</u></p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Participation of Women, People of Color (POC), and Other Minorities	<u>Goal to increase membership and participation of under-represented groups, including women and people of color. Goal: underrepresented groups will perform one-third (33%) or more of the total hours worked. Minimum threshold is 25%. Sub-goals: 21% people of color (POC) and 12% women. Sub-goals should be reviewed annually by the Joint Advisory Committee. This Committee is responsible to implement these goals, and should review at least quarterly the participation and activities towards meeting goals. Committee should also make recommendation or issue direction on how to increase participation. Under-represented groups will be employed and receive training in all job classifications.</u>	No goals specified in the PLA except Section 12 which contains a “project wide goal of 15% of the project work goals to be comprised of apprentices,” along with diversity apprenticeship goals outlined in the next section.	No specific goals beyond those referenced in Article XII regarding a project-wide goal of 20% apprenticeship and diversity apprenticeship goals referenced in the next section.	Section 4.7: No specific goals beyond 15% apprenticeship for “all craft hours and should be established in line with local standards.” <u>An addendum references “Use of local tribal members, including outreach to local Indian nations informing them of employment needs and opportunities.”</u> The addendum states, “The parties agree to facilitate the entry into the building and construction trades veterans who are interested in careers in the industry.” Published WSDOT goals for this project that are not included in the PLA are found in Section 2.30 of their technical requirements construction document. In that section, WSDOT established 6% of the contract price as their DBE business utilization goal.
Apprenticeship	Article 7: Parties will jointly develop and implement an apprenticeship program that will increase skills of Puget Sound workforce, especially low-income or under-represented, so they can enter the skilled labor pool and access living wage jobs. Components of apprenticeship programs are listed in Article 7 Section 7.1 Page 12, of which highlights include: 1) Project-wide goal of 20% of the labor hours performed by apprentices 2) Methods to be used by Committee to identify opportunities for apprenticeship utilization within individual contract packages. 3) Means and methods for monitoring, reporting, collecting, analyzing and enforcing apprenticeship requirements. 4) Women and people of color (POC) to perform at least 50% of all first-year apprenticeship hours in the trades. 5) Women and POC to perform at least 33% of all apprentice hours worked. 6) Means and methods for removing barriers to the inclusion of low-income and under-represented individuals in the apprenticeship and pre-apprenticeship programs. Section 7.2 addresses Removing Barriers- the	Article 12: Parties will work together towards goals of: 1) Project-wide goal of 15% of the project work hours to be performed by apprentices. 2) Means and methods for removing barriers to the inclusion of women, POC, disadvantaged and the under-represented in apprenticeship and pre-apprenticeship programs. 3) Means and methods for monitoring, reporting, collecting, analyzing data and enforcing apprenticeship requirements. 4) Methods to be used by Committee to identify opportunities for apprenticeship utilization within individual contract packages. 5) Women and POC to perform at least 50% of all first-year apprenticeship hours in the trades and 6) Women and POC to perform at least 33% of all apprentice hours worked. Removing Barriers- the Parties will cooperate with the apprenticeship programs to assist low-income residents to gain entrance to and complete apprenticeship programs. Parties will exercise good faith and affirmative efforts to remove barriers to entry for under-represented. During the construction planning, Contractors are REQUIRED to prepare and submit a plan for participation of SAC-registered apprentices to	Components of apprenticeships are listed in Article XIII of which highlights include: 1) Project-wide goal of 20% of the labor hours performed by apprentices. Removing Barriers- the Trades will cooperate with the Port to assist low-income residents to gain entrance to and complete apprenticeship programs. The apprenticeship programs will inform unions and jobs coordinators of inclusion goals, and will provide support, advocacy, and assistance to meet these goals. Parties will exercise good faith and affirmative efforts to remove barriers to remove barriers. 2) Methods to be used by Committee to identify opportunities for apprenticeship utilization within individual contract packages 3) Means and methods for monitoring, reporting, collecting, analyzing data, and enforcing apprenticeship requirements. 4) Women, POC, disadvantaged and under-represented to perform at least 50% of all first-year apprenticeship hours in the trades. 5) Women, POC, disadvantaged and under-represented to perform at least 33% of all apprentice hours worked. 6) Means and methods for removing barriers to the inclusion of low-income and under-represented individuals in the apprenticeship and pre-apprenticeship programs.	4.7: Very short section. Project-wide minimum goal of 15% of the project work hours to be performed by apprentices. <u>No mention of percentage goals for under-represented apprentices like in the 3 PLAs.</u> The Addendum states that: “The parties agree to facilitate the entry into the building and construction trades veterans who are interested in careers in the industry. The parties agree to utilize the services of the Center for Military Recruitment, Assessment and Veteran Employment (hereinafter “Center”) and the Center’s Helmets to Hardhats” program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties. The parties agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To

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	<p>Trades will cooperate with Sound Transit and FAST to assist low-income residents to gain entrance to and complete apprenticeship programs. The apprenticeship programs will inform unions and jobs coordinators of inclusion goals, and will provide support, advocacy, and assistance to meet these goals.</p> <p>Section 7.3 Examples of what can be done to remove barriers. Parties will exercise good faith and affirmative efforts to remove barriers to entry for under-represented. Barriers that need to be removed include requirement of a driver's license, questions about criminal history, requirement for apprenticeship application fees, and non-standardized testing.</p>	<p>the Owner and estimate the total contract labor hours and compare to the anticipated apprenticeship participation by craft and hours. Each Subcontractor shall provide a monthly report to the Owner on the numbers of apprentices used by craft and trade at each tier of work.</p>	<p>Barriers that need to be removed include requirement of a driver's license, questions about criminal history, requirement for apprenticeship application fees.</p> <p>During the construction planning, Contractors are REQUIRED to prepare and submit a plan for participation of SAC-registered apprentices to the Owner and estimate the total contract labor hours and compare to the anticipated apprenticeship participation by craft and hours. Each Subcontractor shall provide a monthly report to the AOP coordinator and PCI on the numbers of apprentices used by craft and trade at each tier of work.</p>	<p>the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.</p>
Pre-Apprenticeship Program	<p>Parties will develop and implement a program called Regional Apprenticeship Preparation Integrated Delivery System (RAPID). RAPID is a pre-apprenticeship program and unions and contractors will recruit from RAPID for their apprenticeship programs. RAPID model description on Article 8 pg 13. Highlights include: 1) funding mechanism for RAPID called the Pre-Apprenticeship Training Program Fund that will be established and exist through the term of the PLA. Sound Transit will make contributions no less than \$.05 per hour worked by employees into the Fund. 2) A Fund Administration Committee consisting of labor, FAST, and Sound Transit will be established to provide guidance to Sound Transit. Tiered training system a) entry core services (work readiness and social support including development of Individual Work Plan (IWP)), b) apprenticeship prep - placement in an approved pre-apprenticeship training program, industry specific training and education, work experience, and mentoring, c) apprenticeship - individuals who complete tiers 1 and 2 will qualify for "direct entry" or "special consideration" into any SAC program where an articulation agreement has been developed in cooperation with that SAC</p>	<p>12.2: Pre-Screening Program - Parties will jointly develop and implement a Pre-Screening Program that will increase skill levels and entry opportunities for new employees into the apprenticeship program (SAC). Will be specifically designed to support women, people of color, and individuals who are disadvantaged and under-represented in the workforce.</p> <p>12:6: Owner's bid will encourage all Contractors to participate in training programs that prepare workers for apprenticeships.</p> <p>12.8, 12.9, 12.10: Apprenticeship Preparation Fund (APF) that will be established and exist through the term of the PLA. King County will make contributions no less than \$.05 per hour worked by employees into the Fund. Unions and Contractors agree to set up "direct entry" procedures(if possible) or to work with the JATCs to establish direct entry language for those who go through approved pre-apprenticeship programs. Unions and Contractors agree to facilitate the entry of veterans into the workforce. Unions and Contractors commit to participation in the Apprentice Training Program</p>	<p>Article XII: Parties subscribe to the Port's Apprenticeship Opportunities Project (AOP). Port's bid documents will require Contractor participation in AOP. Unions and Contractors agree that this AOP program and the Union's own apprenticeship program will provide the applicants to the apprenticeship programs.</p> <p>In the early 90s the Port Commission developed a policy that each Contractor being awarded a contract over \$1 million, \$.20 would be paid for each labor hour and funds were sent directly to the non-profit, Port Jobs. Port Jobs is an organization which contracts with the Port to disperse the Contractor funds to the Apprenticeship Opportunity Program (AOP) and oversee its utilization of these funds. The AOP is operated by another organization, "Apprenticeship for Non-Traditional Employment for Women". The overhead and administration costs were paid out of these Contractor funds. Late in 2010, the Port's legal department made a decision that the Port could no longer ask its Contractors to contribute to a non-profit organization. Therefore, the Port Commission made the decision to fund the AOP program directly through Port Jobs. These funds are used</p>	<p>Pre-apprenticeships and funds are mentioned in the addendum to the documents. 3 programs. Pre-apprenticeship Fund which is funded by Employers (\$375 per million dollars of the bid amount). Project Apprenticeship Committee will determine how funds are spent. PAC is made up of Employer and Union reps with ex-officio participation by WSDOT. The PAC shall develop a Project specific hiring plan for new apprentices.</p> <p>The parties agree to facilitate the entry of veterans into the workforce. The parties will utilize the services of the Center for Military Recruitment, Assessment and Veteran Employment and the Center's Helmets to Hardhats program.</p>

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	<p>approved program. Trade mentors will be assigned and continue to assist apprentices throughout their apprenticeships. To the largest extent possible, parties will utilize existing community based organizations and resources in King, Snohomish, and Pierce Counties to implement RAPID.</p> <p><u>An MOU dated August 29, 2009 spells out a comprehensive “preferred entry” program into 5 apprenticeships: Laborers, Carpenters, Cement Masons, Painters and Teamsters. Minorities, women, and disadvantaged workers within targeted zip codes who were screened by RAPID program organizations were able to be considered and possibly placed directly onto entry-level apprentice jobs on Sound Transit projects. This group is also given first priority over other apprentices. The Preferred Entry apprentices are to be “one of each five apprentices” called for in the 20% apprenticeship utilization. Preferred entry apprentices also have guaranteed length of employment depending upon placement with contractors (6 months or 1000 hours, whichever is greater) or subcontractors (3 months or 500 hours, whichever is greater). Unions agree to coordinate with pre-apprenticeship organizations (PAO) in King, Pierce and Snohomish Counties. PAO will be resources for orientation, referral, counseling, mentoring, and other needs of this population. Also added in the MOU as a disadvantaged group are veterans from the “Helmets to Hardhats” program.</u></p>	<p>12.11: The contractors and the signatory unions acknowledge that retention of apprentices in their craft training is a priority, and therefore agree to participate in the Apprentice Mentoring Program.</p>	<p>to assist any candidate with membership dues, boots, transportation and tools after they have been accepted as an apprentice into one of the crafts Apprenticeship Program.</p> <p>The Port does not have a pre-apprenticeship program or dedicated funds for pre-apprenticeship development. The Port sometimes donates to Seattle Vocational Institute at their yearly fund raising event and a Port representative sits on the organization’s Pre-apprentice Construction Program. The PLA language allows a Contractor to hire directly from a pre-apprentice program. PLA apprenticeship goals are: 20% on the overall project, 33% minority/female and 50% 1st year minority/female. If a Contractor cannot meet those requirements, the Port provides assistance with recruitment efforts and seeks recruits from the community based pre-apprentice training organizations.</p>	
Hours, Overtime, Shifts, Holidays	<p>Article 9: Language is basically standard. The work week is five consecutive days (Monday-Friday).</p> <p>Prior to changing shift from 5x8 to 4x10, a contractor must give employees at least 5 calendar days notice. 4x10 schedule can only be done Monday-Thursday without paying overtime.</p>	<p>Article 11: Language is basically standard. Five-day work week, Monday through Friday. A standard work week is an established 8-hour shift worked between the hours of 6:00 a.m. and 6:00 p.m. Monday through Friday--or as an alternative an employer may choose a 4x10 schedule Monday through Thursday or Tuesday through Friday worked between the hours of</p>	<p>Article XI: Language is basically standard. Five-day work week, Monday through Friday.</p> <p>Contractors must provide 3 working day's notice to Unions, workers, and PCI if there are schedule changes. 4x10 schedule can only be done Monday-Thursday. Any 4X10 schedule must be worked for a minimum of 2 weeks.</p>	<p>Section 4.2: Language is basically standard with a five-day work week, Monday through Friday. It is similar to other PLAs, including spelling out 5x8 and 10x4 shifts, 1/2 hour meal breaks, and reporting pay is the same as Sound Transit’s PLA.</p> <p>No split shifts</p>

²⁰⁴ The King County PLA rep had not heard of an issue being raised if, for example, the electricians are falling behind and they are moved into an overtime situation or if an additional shift of electricians are worked.

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	<p>No split shifts. <u>Shift work must continue for at least 3 consecutive days. In the event the Contractor deems it necessary, the parties agree to develop a mutually acceptable system(s) for employees checking in and out of the Project. This system, if necessitated, would be subject to the approval of the Committee. No Make-Up Day Provision. No Discharge Departure provision. No Premium Rate Day provision. No Call Out Pay provision. One-half hour unpaid lunch period during shift. Eight holidays, no paid holidays unless explicitly stipulated under a local collective bargaining agreement. Reporting pay: 2 hours when no work, minimum 4 hours for time worked.</u></p>	<p>6:00 a.m. and 9:00 p.m.</p> <p>A contractor must give the union notice of a schedule change in writing 5 days prior to implementation. <u>Work hours will be uniform for all crafts.²⁰⁴ 4x10 schedule can be done Monday-Thursday OR Tuesday-Friday. Any 4X10 schedule must be worked for a minimum of 2 weeks. Shifts - Shift work can be performed with 3 days prior notice to the unions. <u>Shift work must continue for 5 consecutive days. Maintenance shifts - A separate maintenance shift can be scheduled that overlaps with production shifts.</u> No Call Out Pay provision.</u></p> <p>Reporting pay: 2 hours when no work, minimum 4 hours for time worked. Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes in each to the Contractor. When an employee is sent to the jobsite from the union referral facility in response to a request from the Contractor for an employee for one (1) day and starts work at the designated starting time for his/her shift, the employee will be paid a minimum of eight (8) hours for that day. One-half hour unpaid lunch with overtime penalties, 8 holidays, no paid holidays, make-up day to achieve 40 hours and a premium rate day provision unless required to work on holiday. The contractor does have the ability to use Saturday (or Friday/Monday in a 4;-10 schedule) as a makeup day if their work was cancelled during the week due to issues out of their control. However, they must schedule the whole day and any hours after 40 for the week must be paid as overtime. Make up days shall not be scheduled to make up for holidays.</p> <p>Same Make-Up Day, Discharge Departure, and Premium Rate Day provisions as SeaTac PLA.</p>	<p><u>Special Shifts: Due to airport operating restrictions, such shifts may be less than 8 hours duration, but the full 8 hours of work will be paid. Reporting Pay - 4 hours paid when no work. Intent clarified in 6-6-01 letter that this provision “was not to encourage or permit the contractors to schedule work at less than the regular eight hour work day.”</u></p> <p>12 hour shifts are allowed per 6-6-01 Letter of Understanding, but no work day longer than 12 hours unless contractor is directed to do so by the Port.</p> <p>Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes in each to the Contractor. When an employee is sent to the jobsite from the union referral facility in response to a request from the Contractor for an employee for one (1) day and starts work at the designated starting time for his/her shift, the employee will be paid a minimum of eight (8) hours for that day.</p> <p><u>Call out pay (minimum 4 hours), 1/2 hour unpaid lunch period, 8 holidays, no paid holidays unless required to work on the holiday.</u></p> <p>Same Make-Up Day, Discharge Departure, and Premium Rate Day provisions as Brightwater.</p>	<p>Make-Up day provision</p> <p><u>Seven</u> holidays, none paid unless employee is required to work on holidays and will receive double-time pay.</p> <p><u>Holiday week: “In the event that a holiday is celebrated during the week, the remaining four days of the week may be worked as a four-ten shift at the straight time rate.”</u></p>

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Wages and Benefits	<p>Article 10: This agreement says that prevailing wage rates are set twice annually in March and September by Washington State. No prevailing wage disputes process.</p> <p>10.2 All Contractors shall make contributions in the amounts designated in the appropriate prevailing wage determination for fringe benefit contributions to each of the applicable Schedule A Funds and will make all employee-authorized deductions in the amounts designated. Such contributions shall be made in compliance with the applicable prevailing wage determination and shall be due and payable on the due date contained in the applicable Schedule A. Payment of cash in lieu of contributions shall not be permitted. (a) All Contractors adopt and agree to be bound by the written terms of the legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Schedule A Funds. Such Contractors authorize the parties to such Funds to appoint Trustees and successor Trustees to administer the Funds and hereby ratify and accept the Trustees so appointed as if made by the Contractors. Copies of the trust agreements are available upon request.</p> <p>10.3 Contractors of whatever tier shall make regular and timely contributions required by Section 2 of this Article in amounts required by this PLA and on the time schedule set forth in the appropriate Schedule A.</p> <p>10.4 Delinquent trust payments shall be subject to the procedures outlined in Article 11, section 3.</p>	<p>Article 22 Differences - This agreement says that changes to wages and fringes will happen on the effective dates of the craft local bargaining agreement. Has a prevailing wage disputes process. Similar Trust Fund contributions procedures to ST PLA.</p>	<p>Article X: This agreement says that wages and benefits are <u>only adjusted annually in September</u> when the prevailing wage adjustment is published by Washington State. <u>A June 6, 2001 Letter of Understanding clarifies that prevailing rate adjustments are set twice annually and that on those dates each March and September wage rates will be adjusted accordingly. An attachment dated March 22, 2002 states that the June 6, 2001 Letter of Understanding (referenced above) applies only to the classification of workers represented by the United Association (plumbers, pipefitters and steamfitters and sprinkler fitters).</u></p> <p>Has a prevailing wage disputes process. The parties agree that only such bona fide employee benefit funds as accrue to the direct benefit of the employees (such as pension and annuity, health an welfare, vacation, apprenticeship, training funds, etc.) shall be included in this requirement and be paid by the Contractor on this Project. Does not have expressly stated process to address delinquent trust fund payments.</p>	<p>Article 4: Employer will recognize changes in wages and fringe benefits on the effective date of the individual collective bargaining agreements. <u>In the event of non-payment of wages, the union may take any action it deems necessary, including a work stoppages.</u></p> <p>Industry Advancement or Promotion Funds called for in local labor agreements may be paid at the discretion of the Employer. The employer is required to contribute to pension, vacation, health and welfare, apprenticeship and training funds. Provision to address delinquent trust fund payments <u>including right to work stoppage.</u></p>

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Payday	Article 11: All share standard payday language, but ST and Brightwater PLAs have additional language for addressing delinquent wages. <u>ST PLA also has a process of addressing wage payments not compliant with prevailing wage and benefits. Penalty of 4 hours taxable straight time pay for each 24 hour period or portion thereof (Sat and Sun included) after delinquency and is not to exceed 2 weeks. Process also include Notification, Joint Check, and a Corrective Action Plan.</u>	Article 13: All share standard payday language, but ST PLA and Brightwater have additional language for addressing delinquent wages. <u>Penalty of 2 hours taxable straight time pay for each 24 hour period or portion thereof (Sat and Sun included) after delinquency and is not to exceed 2 weeks.</u>	Article X: All share standard payday language (paid by every Friday), but ST and Brightwater have additional language for addressing delinquent wages.	Under "Wage Rate and Fringe Benefits" Section 4.1 pg. 6, wage rates become effective the first payroll period following the effective date. Wages should be paid weekly. Similar language to Brightwater that employer will recognize all changes of wages and fringes on the effective date of individual collective agreements.
Management Rights	Article 12: Similar and customary Management Rights Policies. Contractor given authority to manage operations including directing workforce, promotion, transfer, layoff, discharge for just cause. Termination rights subject to grievance procedure. Rights to determine methods, tools, materials, design, equipment, machinery, pre-casts, etc. <u>Also upon referral or dispatch from applicable Union, "turnaround" or refusal of any worker by the Contractors, requires a written explanation that shall be communicated to the Coordinator, Union, FAST and Contractor within 48 hours.</u>	Article 7: Similar and customary Management Rights Policies. Contractor given authority to manage operations including directing workforce, promotion, transfer, layoff, discharge for just cause. Termination rights subject to grievance procedure. Rights to determine methods, tools, materials, design, equipment, machinery, pre-casts, etc.	Article VI: Similar and customary Management Rights Policies. Contractor given authority to manage operations including directing workforce, promotion, transfer, layoff, discharge for just cause. Termination rights subject to grievance procedure. Rights to determine methods, tools, materials, design, equipment, machinery, pre-casts, etc.	Article 5: Customary management rights policies include employer exercising full authority over project management, and employer reserving the right to assess competency of employees and to hire, reject, and terminate for just cause.
Subcontracting	Article 13: Subcontractors working on Project must all be signatory to and perform work under the terms of the PLA	Article 1: Subcontractors and contractors will be bound by terms of this agreement.	From page 1, "Project Labor Agreement," subcontractors and contractors will be bound by the terms of this agreement.	Section 3.9 Subcontractors working on Project must all be signatory to and perform work under the terms of the PLA. <u>Whenever the Employer is obligated to satisfy DBE participation requirements, the Union whose work is involved and the Employer, by mutual agreement, may waive Section 3.9 B (which requires subs to become signatory to this agreement) in the event the Employer is unable to find qualified, and competitive DBE subcontractors. Same waiver option applies when potential union subs are not available in the jobsite locality and no competitive bids were received.</u>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
General Work Rules	Article 14: Slow downs, standby crew and featherbedding not tolerated. Owner may establish project reasonable rules. Contractor responsible for security and provides safety equipment. Employees possessing company property or another employee's property without authorization are subject to immediate discharge. Contractor provides sanitary facilities, water, safe place for tools. Facilities are ventilated, heated, lighted. Selection of craft foremen and general foremen is the responsibility of the contractor, but primary consideration should be given to those residing in the local area, if possible. Contractor has the right to assign specific employees and crew to perform overtime work. Parking will be provided at the job site or compensation is required.	Article 15: Mostly similar language to the Sound Transit PLA with a few differences. Specialized equipment can be installed, adjusted, etc. by the Owner's employees or agents in accordance with Washington State prevailing Wage laws. Any employee who willfully damages the work of any other employee or any material equipment, etc. shall be subject to immediate termination. In the interest of the future of the construction industry, the Unions pledge to work with management on this Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.	Article XVI: Mostly similar language to the Sound Transit PLA with a few differences. Specialized equipment can be installed, adjusted, etc. by the Owner's employees or agents in accordance with Washington State prevailing Wage laws. Any employee who willfully damages the work of any other employee or any material equipment, etc. shall be subject to immediate termination. In the interest of the future of the construction industry, the Unions pledge to work with management on this Project to produce the most efficient utilization of labor and equipment in accordance with this Agreement.	Called "Project Rules" in CWA. Article 3 Section 3.2 pg. 3. Similar but less detailed language than other there PLAs. <u>Also, the Employer and the Union agree that chronic and/or unexcused absenteeism is undesirable and must be controlled. Employees that develop such a record of absenteeism may be terminated and shall not be eligible for rehire on the project. Seniority shall not be recognized or applied to employees working on this project.</u>
Work Stoppages and Lockouts	Article 15: ST PLA and Brightwater Policies are similar. During the term of the PLA no strikes, picketing, work stoppages, or other disrupting activity and no lockout. Unions and employees are in violation of this article if they do not cross any picket line established at the job site. Any employee that disrupts normal operation of the project shall be subject to disciplinary action, including discharge, and shall not be eligible for rehire for 90 days. The party invoking the procedure when a breach is alleged shall notify Michael Beck, who the parties agree shall be the permanent Arbitrator under this procedure. There will be \$10,000 damages and \$10,000 penalty per shift not worked if work stoppage determined illegal by arbitrator.	Article 18: ST PLA, Airport and Brightwater Policies are similar. During the term of the PLA no strikes, picketing, work stoppages, or other disrupting activity and no lockout. Unions and employees are in violation of this article if they do not cross any picket line established at the job site. Any employee that disrupts normal operation of the project shall be subject to disciplinary action, including discharge, and shall not be eligible for rehire for 90 days. The party invoking the procedure when a breach is alleged shall notify the mutually-determined permanent arbitrator. Liquidated damages for violation are \$10,000 for first shift, <u>\$15,000 for second shift, \$20,000 for third shift, and \$25,000 for each additional shift.</u>	Article VII: ST PLA, Airport and Brightwater Policies are similar. During term of PLA no strikes, picketing, work stoppages, or other disrupting activity and no lockout. Unions and employees are in violation of this article if they do not cross any picket line established at the job site. This section includes a process of what to do if the Union contends that any Contractor has violated the no Lockout Clause. Arbitration hearings must be completed in one session, and shall not exceed 24 hours unless agreed on by all parties. Union pays owner \$10,000 per shift for violations. <u>Contractor can be required to pay employees back pay if locked out.</u> In addition, more detailed, restrictive language including disputes relating to the negotiation or renegotiation of the local collective bargaining agreement which serve as the basis for the Schedule As or disputes directed at contractors exempt from coverage pursuant to Article II, Section 1(b) or non-construction service companies at the project site.	Section 3.5: No strikes, picketing, work stoppages, slow downs or other disruptive activity. If the union is unable to provide qualified replacements for those employees who are in violation of this section by the beginning of next shift, the Employer is free to hire from any source. The Employer or the Union shall have the right to seek relief directly from the courts or other appropriate forum in the event there is a violation of this section. <u>No language like other PLAs requiring employees to cross picket lines. Also, Article 4 allows union to stop work without violating Section 3.5 in the event of non-payment of wages or delinquencies in paying into union funds. No provision for arbitration or damages if violations occur.</u>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Jurisdictional Disputes	Article 16: Sound Transit and Brightwater PLAs are basically the same, with the Airport clause being longer. The parties agree to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (Attachment F) and expedited arbitration if needed.	Article 14: The parties agree to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (Exhibit 5).	Article IX: Similar to Sound Transit with an added provision. Locality is defined as the Seattle/King County Building Trades geographical jurisdiction. Article IX, Sections 1b, 1c, 1d, and Section 3 provide more detailed requirements for the application of this Article than the other agreements.	Section 6.2: Short section. <u>No arbitrators are mentioned. No dates or deadlines on when disputes need to be resolved.</u> The WSDOT also utilizes the policies and procedures described in the "Plan for the Settlement of Jurisdictional Disputes in the Construction Industry, " as do the other three agreements.
Grievance Procedure	Article 17: Standard process (with 3 steps) for resolving PLA questions or disputes (other than jurisdictional disputes) uses predetermined mutually agreed arbitrators for final and binding decisions, if needed.	Article 19 has same grievance procedure language as Sound Transit PLA.	Article VIII: Similar provisions to Sound Transit and Brightwater plus a few additions. <u>PCI will administer the processing of the grievance, including scheduling and arrangement of facilities for meetings at Steps 2 and beyond, the selection of the arbitrator to hear the case, and other related administrative matter. Grievances and disputes settles in Step 1 shall be non-precedential, except as to the parties directly involved, unless endorsed in writing by PCI within 5 working days after resolution has been reached. Airport procedure sets a time period of 10 days maximum after the disputing party is informed of the facts of the dispute that a settlement must be reached within 3 days after or else the dispute moves to Step 2. Airport has a larger set of representatives they want at the Step 2 meeting. These representatives come from the Business Manager of the involved Local Union, an International Union representative, the site representative of the involved Contractor, and the labor relations rep of PCI. Airport has a permanent panel of 5 rotating arbitrators, of which one needs to be designated to hear the case. Designation of the arbitrator shall be by rotation among the panel members and will be made jointly by PCI and the Executive Secretary of the BTC on behalf of the parties. If the panel has not been agreed on by the parties, then arbitrator selection will occur using the rules of the American Arbitration Association.</u> <u>No retroactivity exceeding sixty (60) calendar days prior to date of filing of written grievance.</u>	<u>Much shorter grievance process that is less detailed and has few deadline dates compared to the PLAs. No grievance will be recognized unless it is presented to the employer within 7 days of when the alleged violation was committed. Step 3 process with an arbitrator selected from the Federal Mediation and Conciliation Service or other acceptable service if necessary.</u>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Non-Discrimination	Article 18: Union and Contractor agree to act affirmatively to not discriminate based on race, sex, creed, national origin, sexual orientation, marital status or physical or mental disability. It is recognized that special procedures may be established by joint agreement for the hiring, employment, training, promotion, transfer, or termination of persons who have not previously qualified to be employed on construction projects. The parties agree to make good faith efforts to assist in the implementation of such procedures, orders, regulation, or agreements for the benefits of Puget Sound residents. Parties to this PLA are committed to advancing utilization of business enterprises owned and/or controlled by disabled, women, and people of color. Parties will assure these commitments are fully met and any provisions in the PLA that may interfere with under-represented business successfully bidding work should be carefully reviewed, agreed upon adjustments should be made to comply with the spirit and the letter of the Parties' commitments.	Does not have separate Non-Discrimination section in the PLA but does, in Article 10, reference equal opportunity for all qualified persons without regard to race, creed, color, sex, age, marital status, religion, sexual orientation, ancestry, veteran status, disability or national origin in matters relating to hiring, training, promotion, transfer or termination.	Article XIV: Union and Contractor agree to act affirmatively to not discriminate based on race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition, marital status, ancestry or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Any complaints regarding the application of this provision shall be brought to the immediate attention of the involved Contractor, Union(s) and PCI for consideration and resolution.	Section 3.6 pg. 5. Section is titled Equal Employment Opportunity. Language includes affirmative action to afford equal employment opportunity for all, and also commitment to compliance with the Civil Rights Acts of 1964 and 1991, and Executive Orders No. 11246 and 11375 and applicable state or local government requirements and owner contract requirements.
Safety, Environmental, Health	Article 19: ST PLA does not include a Joint Labor/Management Safety Committee, but Brightwater and the Airport do. ST PLA provision has 3 sections: 1) It is the responsibility of the contractor to ensure safe working conditions, 2) It is the responsibility of employees to adhere to all safety and site access rules, and 3) Sound Transit reserves the right to use a site-access drug and alcohol testing program as stated in Attachment G	Article 17: A joint labor-management safety committee to receive reports and recommend safety programs and procedures. Contractors and employees must comply with the OSHA 1970 as amended, including 29 CFR 1926.800 relating to underground Construction and those relating to job safety and safe working practices. A separate women facility will be provided. Each contractor will have a check-in/check-out system that will provide positive identification of every employee underground. An accurate record of this will be kept on the surface. The procedure is not required when the underground facilities are deemed safe with permanent controls in place. The Contractor shall provide and maintain safe means of access and egress to all work stations. Safety meetings should be held at least once a week at the beginning of a shift. Copies of minutes, topics, agendas with signed attendance sheets shall be maintained by the project Safety engineer. Local	Article XIII: A joint labor-management safety committee to receive reports and recommend safety programs and procedures. It is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and Owner. Employees shall be bound by environmental compliance requirements. Controlled substances are not allowed and parties have agreed to drug testing method (Appendix D). Procedures include: all employees must pass tests before being allowed on job site, and payment for time should be made for both those who just come for the drug test (4 hours minimum pay) and those who come to be drug-tested and then to work on-site (time calculation begins when the employee reported for the drug test). Unauthorized use of firearms and explosives is prohibited. Environmental and safety restrictions at the Project site prohibit smoking at any time.	Section 3.4: Some similar content includes commitment to all safety regulations, provisions of adequate shelters, sanitary facilities, fresh drinking water, and tools and safety equipment. <u>The employer will furnish all welding, safety and protective equipment required.</u>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
		area Fire Department personnel shall be invited to attend all safety meetings. Provisions for sanitary water, toilets, lockers, showers, with a separate facility for women.	Contractor shall provide sanitary drinking water, toilets, facilities for changing clothes that are ventilated, heated, lighted and a safe place for tools.	
Savings Clause	Article 20: Legal invalidation or unenforceability of any PLA provision does not invalidate the remainder of the PLA. If an article is declared invalid, inoperative or unenforceable the Committee will seek resolution via a substitute provision.	Article 20: Similar provisions with essentially the same content as ST PLA.	Article XVII: ST PLA and Brightwater are essentially the same. Airport PLA is longer with more details on Owner rights if a court order has been issued regarding certain components of the PLA. <u>Should there be a court order which results in temporarily or permanently delaying bidding, awarding, and construction work, the Owner may withdraw, at its discretion, the Agreement from bids. In the event of a court order, Parties agree to enter into negotiations in order to confirm to the Agreement, to the maximum extent possible for work in progress and for inclusion in future bids. The occurrence of events covered by Sections 1 and/or 2 above shall not be construed to waive the prohibitions of Article VII (Work Stoppages and Lockouts)</u>	Titled "Intent of the Parties," Section 3.8: The parties to the agreement do not intend for the agreement to violate any local or federal rules, but if it does, then that portion only of the agreement is void. No other local or national agreements shall be applied to this agreement besides the setting of wages and fringe benefits. <u>Unions will not support any other unions who decide not to be signatory to this agreement nor will they request an employer use an unsigned union on any project.</u>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Drug-Free Workplace	<p><u>Substance abuse issues and drug testing processes were incorporated in the Sound Transit PLA as Attachment G (and Appendices A, B, and C) during the initial PLA negotiations in 1999. With the Bush Executive Order banning federal funding for projects with mandatory PLAs and the need for a drug-free workplace program, Sound Transit designated substance abuse prevention to the contractors and moved the requirement to the labor compliance manual and called it Attachment C in Part 9 of the Labor Compliance Manual. The Labor Compliance Manual is a document that is part of the construction contract between Sound Transit and prime contractors. After the 2009 Obama Executive Order allowing for mandatory PLAs, the Seattle/King County Building Trades proposed reinstating Attachment G. Sound Transit recommended, and labor agreed, to a third-party administrator selected by Sound Transit to implement and coordinate the program and to add that language to the labor compliance manual. Therefore, Attachment "G" is not enforceable under the PLA, but has remained a part of that agreement for historical reference.</u></p>	<p>Appendices A, B, C, and D contain detailed Substance Abuse Prevention Program policies and procedures.</p>	<p>Appendices A, B, and C contain detailed Substance Abuse Prevention Program policies and procedures. These appendices are referenced in Article XIII, Section 2 (c).</p> <p>Further Clarification is provided in the letter of Understanding dated 6-6-01</p>	<p>The parties agree on a drug testing program which includes independent testing and medical review officer, or any program mandated by the owner of the project. Further the Employer may utilize a "quick testing" procedure as an initial screening of employees. All "quick test" positives will be subject to full testing procedures to verify the positive results.</p>
Pre-Job Conferences	<p>Article 16: All PLAs require that contractors hold pre-job conferences with the Unions in order to present important information about the project prior to the start of the project. Jurisdiction information will be provided.</p>	<p>Article 8: All PLAs require that contractors hold pre-job conferences with the Unions in order to present important information about the project prior to the start of the project. Contractors/Subcontractors are required to hold a Pre-job jurisdictional mark-up meeting before the start of the project that is co-chaired by the Contractor's Labor Relations Rep and a Union rep. The contractors/subcontractors will present all info available regarding start date, location, direction, estimated peak employment and other peculiar conditions at the pre-job conference. <u>Failure to conduct a pre-job conference can lead to corrective action by the Owner.</u></p>	<p>Article IX: All PLAs require that contractors hold pre-job conferences with the Unions in order to present important information about the project prior to the start of the project. Detailed procedures for presenting jurisdictional claims are provided. Language is included outlining the process to be followed when an assignment was not covered in a pre-job mark-up and there is a jurisdictional dispute.</p>	<p>Article 2: CWA, like other PLAs, requires pre-job conferences.</p> <p>Section 2.1 D: A pre-job conference will be held with the unions at the beginning of the job and will address, but will not be limited to, the following subjects: manning, assignment of work, subcontracting, composite crews, and portability and selection of key personnel.</p>

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<u>Indicators for Comparison</u>	Sound Transit PLA	Brightwater PLA	SeaTac Airport PLA	WSDOT SR 520 CWA
Workers Compensation and Cooperation	No reference found	No reference found	No reference found	<u>Section 3.3: Parties may negotiate and implement alternative dispute resolution (ADTR) procedures to resolve workers' compensation claims disputes when and where permissible and/or legal. Such alternative dispute resolution procedures shall be final and binding on the parties and shall be made a part of the Agreement.</u>
Local Hire	Article 1 commits the parties to maximum use of local and small businesses. No specific local hire clause or goals. Use of local union hiring halls, apprenticeship and pre-apprenticeship programs and FAST Community representation language implies strong local hire commitment.	No specific local hire clause or goals. Article 10 - requires use of local union referral system. Apprenticeship and pre-apprenticeship programs imply commitment to local hiring.	No specific local hire clause or goals. Use of local union hiring halls, apprenticeship and pre-apprenticeship programs imply commitment to local hiring.	<u>CWA Addendum requires bidders to provide an assessment and plan for use of locally available skilled and craft labor. CWA also calls for use of local union hiring halls. Section 5.3 states: "It is the intent of the parties to promote the use of locally available and skilled craft labor provided through the local collective bargaining agreement.</u>
Addenda, Attachments, Exhibits	Attached are: <ul style="list-style-type: none"> Schedule A - Prevailing wage/fringe rates Attachment A - Authorization for Payroll Deduction Attachment B - Sheet Metal Letter of Understanding Re: Prefabrication Attachment C - United Association Letter of Understanding Re: Prefabrication Attachment D - IBEW Letter of Understanding Re: Prefabrication Attachment E - Tunnel provisions Attachment F - The Plan for the Settlement of Jurisdictional Disputes in the Construction Industry Attachment G - Link Light Rail and Sounder Commuter Project Substance Abuse Program Attachment H - Letters to and from L&I regarding travel time Attachment I - Contractor/Subcontractor Agreement to be Bound by PLA MOU regarding Pre-Apprenticeship Entry 	Attached are: <ul style="list-style-type: none"> Appendix A - Substance Abuse Prevention Program Appendix B - Threshold Levels Appendix C - Employee Consent Form Exhibit 1 - Letter of Assent Exhibit 2 - Letter of Understanding in Prefabrication Exhibit 3 - Letter of Understanding on Cement Mason's Fringe Benefit Contribution to Trust Exhibit 4 - Letter of Understanding on Concrete Placement Exhibit 5 - Settlement of Jurisdictional Disputes in the construction Industry "The Plan" Exhibit 6 - MOU - Brightwater Small Works Program Exhibit 7 - Contact List to Obtain Applicable Craft Schedule "A" Exhibit 8 - MOU on Modifications to Existing System and Clarification of Work Covered Under PLA 	Attached are: <ul style="list-style-type: none"> Attachment 1 - Letter of Assent Attachment 2 - Initiation Fees and Dues (Representation Fee) Side Letter Attachment 3 - Safety Personnel Contributions Side Letter Attachment 4 - United Association Side Letter Attachment 5 - Sheet Metal Workers International Association Side Letter Appendix A - Substance Abuse Prevention Program Appendix B - Drug Testing Threshold Levels Appendix C - Employee Acknowledgement/Authorization Consent Form Appendix D - PLA and Drug Testing Procedures Appendix E - Proposed Trade Assignments Document Appendix F - Final Trade Assignments Document Appendix G - New Employee Report Appendix H - Craft Abbreviation/Info Report Attachment: 6-6-01 Letter of Understanding Confirming PLA Clarifications Attachment: 3-22-02 memo regarding 6-6-01 Letter of Understanding 	One Addendum in effect presently which addresses required employment elements, pre-apprenticeship fund, pre-apprenticeship programs, Helmets-to-Hardhats and cement masons provisions.

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Study Question 9, Part III

Comparative Index and Narrative

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Scope of Agreement:

All three PLAs describe the projects that are covered by their PLA as well as which items are excluded. The WSDOT CWA does not have a specific “scope of agreement” clause but does state that the CWA is effective only on the Washington State Department of Transportation SR-520 Pontoon Construction Design-Build Project and references the project description from the notice to Design-Build request for qualifications as incorporated into this agreement.

The three PLAs (Sound Transit, Brightwater, Airport) all contain language stipulating that the owner has the right to modify or not build the projects as described in the PLA. Further, these PLAs state that projects can be added by the owner and will automatically be covered by the PLA. Such language is not explicitly contained in the WSDOT CWA. However, the CWA in its Addendum does state that “this agreement shall apply to all work performed on the project regardless of location.”



All four agreements contain standard “zipper” clauses which limit the scope of the agreement via language such as “this PLA represents the complete understanding of the parties.” All agreements have language about when/how local, area or national collective bargaining agreements apply. Sound Transit, Brightwater and the Airport state that when there are conflicts between agreements, the PLA shall prevail. The Sound Transit PLA is the only one that addresses how issues will be dealt with that were unanticipated and/or the PLA is silent.

Duration:

The Sound Transit, Brightwater and Airport PLAs describe the duration of their respective PLAs in terms that coincide with the duration of the PLA authorized projects described in their scope of agreement clauses as referenced above. The CWA does not have a “scope of agreement” clause but the CWA was signed on November 12, 2009, and language in 7.1 states that the agreement “shall continue in effect for the duration of the project.”

Parties to the Agreement:

In the three PLAs, the signatories to the agreement are: 1) the owners of the project, 2) the contractors/subcontractors, and 3) the Building Trades Councils and affiliated unions. In the WSDOT, the agreement is only between the employer (the contractor) and the local unions. WSDOT as the owner is not a party to the CWA.

Unions such as the Carpenters and Operating Engineers withdrew as Building Trades affiliates since the PLA's implementation, but are still bound by the PLA because they also signed individually. The Teamsters Union (Local 174) recently re-affiliated with the Building Trades.

The CWA has unique language on one page attached to the agreement in which the Building Trades Councils "acknowledge" and "concur" with the CWA. As a result and because the negotiators have expressed differing perspectives, it's unclear as to whether the Building Trades Councils are included as full fledged signatories.

Union Recognition/Security:

All three PLAs express the same main concept, which is that Contractors recognize signatory unions as the sole and exclusive bargaining representatives for workers. They also state that employees in unions must remain in unions while working under the PLA and the Contractor agrees to deduct union dues and representation fees and to remit these amounts to unions monthly. All three also state that there is no requirement to become a union member to work under the PLA.

In contrast, the WSDOT CWA requires that all employees join the unions by the eighth day of their employment.

Union Representation:

Union representation and steward requirements are basically standard for all of the PLAs and the CWA. The Brightwater and Airport PLAs are more explicit about the ability of Stewards to receive complaints and grievances than the Sound Transit PLA.

In the CWA, under Article 2 (Labor/Management Cooperation) Section 2.1, there is mention of points about union representation and stewards. However, the language is brief and procedural details are not as explicitly stated as in the three PLAs.

Union Dues:

The Sound Transit PLA and the Brightwater PLA require that non-members pay 94% of the regular dues, and contractors agree to deduct these dues/fees from the pay of any employee who executes a voluntary authorization for such deductions and to remit the dues/fees to the unions. In the Brightwater PLA, it also states that the failure of employees to pay or tender fees/dues result in the immediate termination of the employee.

The Airport PLA, Attachment 2 (a letter of understanding), states that initiation fees are waived for non-members, and that dues payments be confined to that portion of the Union's membership dues that is directly related to the representation of the workers in collective bargaining and in enforcement of the union's agreements; i.e., the "representation fees" as referenced in Article III, Section 8.

WSDOT's CWA does not explicitly talk about dues in detail, but does require that all employees who are members must maintain their memberships and that employees who are

not members must become members. It also states that the employer is required to terminate employees who do not tender periodic dues and initiation fees.

Worker Referral:

All of the PLAs and the CWA state that contractors must exclusively use the local union's job referral (dispatch) system, but if the request for qualified workers is not met by the union in 48 hours (excluding weekdays and holidays), the contractor can hire from any other source. However, the contractors must provide the unions with the names and social security numbers of the contractor-selected workers and refer the worker to the unions for dispatch. The Sound Transit PLA has a unique provision that requires contractors to consider referrals from FAST (community coalition) before seeking applicants from sources other than their unions.

The Brightwater PLA and the WSDOT CWA also require that these workers join the Union within seven and eight days respectively.

Both of the Brightwater and Airport PLAs also state that Unions cannot refer employees currently employed by any Contractor working under this agreement to any other contractor.

The WSDOT CWA goes into further detail about how the local Unions are connected to International Unions that can draw from a large pool of qualified workers in order to ensure a steady flow of skilled workers to meet work schedules. In the event that the local Unions cannot provide a sufficient amount of workers, the Contractors can reach out directly to the International Unions in order to find more qualified workers.

Hiring Procedures and Employment:

Provisions exist in all three PLAs (but not the CWA) that give non-union contractors the right to hire up to five core employees or non-union employees in each craft. Hiring is staggered so that one core employee is hired and then one employee from the union is hired (Brightwater PLA and Sound Transit PLA) or so that one employee from the union is hired then one core employee can be hired (Airport PLA). In the WSDOT CWA, all employees are hired from union referrals unless the union does not fulfill the request within 48 hours on weekdays.

Community Representation:

This section is unique to the Sound Transit PLA and does not exist in the other PLAs or the CWA. The FAST JOBS Coalition (FAST) will consist of community representative and agents. "FJC-Rep" (employees of contractors) and "FJC-A's" (representatives of FAST JOBS Coalition) will support securement and successful retention of people of color and women. Sound Transit Resolution R99-21 states that FJC-Reps and FJC-As will be provided with comprehensive training and certifications. FAST recruits and selects all FJC-Reps and FJC-A's. FJC –Reps may be designated on any project contract valued at \$1 million or more. Additional information on the FAST JOBS program can be found on pages 7-9 in the PLA.

Administrative Structure and Role of Owner:

All three of the PLAs contain a Labor/Management Administrative committee composed of at least labor and management, though the Sound Transit PLA also includes a representative of the FAST Coalition.

The Sound Transit PLA and the Airport PLA committees have joint chairs (one from labor and one from management), whereas the Brightwater PLA rotates the chairmanship between labor and management at even intervals.

The Brightwater and Airport PLA also contain language that the Committee shall be convened within 48 hours for emergencies. In the Airport PLA, PCI shall give notice of meeting date/time/place 3 days prior to the meeting. In addition, the Airport PLA also requires the PCI (the prime Contractor) set up and facilitate monthly meetings to talk about the Project progress, outstanding issues, labor relations, and to entertain questions. PCI is also required to give notice of the meeting 3 days prior.

The CWA does not explicitly mention an administrative structure but does reference the intent to have labor-management cooperation.

Unlike the three PLAs, the CWA has no administrative role for the owner, WSDOT. This is because the agreement is between the contractor(s) and the unions. WSDOT reported that the only involvement they will have with respect to the CWA is where state or federal governments require monitoring such things as apprenticeship goals.

The airport delegated PLA administration and compliance to a third party administrator who was involved with contractors and unions on a daily basis and in virtually all aspects of the PLA's implementation. In 2010, the owner began self-administration of the PLA.

Both Brightwater and Sound Transit PLAs refer to themselves as participating in various aspects of the PLAs administration as "a party of interest." For example, in article 9 titled, "Project Administrative Committee" the Brightwater PLA states that the owner "is a party of interest" and later states that the owner "shall initiate or participate as a full party in any proceeding under this article."

Both Brightwater and Sound Transit make reference to "monitoring" in certain areas as a function the owner may perform. Sound Transit makes a statement in Article 1 "Purpose" that "Sound Transit, and/or its Labor Coordinator, hereinafter coordinator, shall monitor the compliance of this PLA by all contractors who through their execution of this PLA, or a Letter of Assent binding them to this PLA, together with their subcontractors, shall have become bound here to. The word "monitor" was not defined in the PLA and has been interpreted differently by parties to the agreement. Sound Transit staff over the past decade and even today readily acknowledge their own differences regarding the application of the word "monitor." For some it has meant tracking information and at times facilitating discussions between contractors and unions on various issues. Others have described Sound Transit's role as the "umpire" between labor and management. Still others believe the word "monitor" requires Sound Transit to enforce compliance with the PLA provisions. The PLA

requires that Sound Transit be advised of various meetings required under the PLA and participate in those meetings if it so chooses. The practices by Sound Transit--with respect to their role vis-à-vis the PLA--have varied significantly throughout the course of this agreement.

Participation of Women, People of Color, and Other Minorities:

The Sound Transit PLA explicitly states diversity goals for all tiers of workers and not just apprentices. Under the Sound Transit PLA, underrepresented groups will perform 1/3 (33%) or more of the total hours worked, with the minimum threshold being 25%. Sub-goals are 21% people of color and 12% women. Sub-goals are to be reviewed annually by the Joint Administrative Committee. The Committee is responsible to implement these goals, and is charged to review--at least quarterly--the participation and activities towards meeting these goals. The Committee also makes recommendations or issues directions on how to increase participation of under-represented groups. Under-represented groups will be employed and receive training in all job classifications (foremen, leads, journey-level, and apprentices). These explicit and detailed diversity components make the Sound Transit PLA stand out from the other agreements that were reviewed. The two other PLAs and the CWA do not mention any set goals for representation of women, people of color, and other under-represented in any group other than apprentices.

Apprenticeship:

The apprenticeship sections for the three PLAs are very long and detailed, especially compared to the short section in the CWA. Most of the language for this section for all three PLAs is fairly standard with a few notable differences. All of the PLAs state that women and people of color should work 50% of total first year apprentice hours, and 33% of total apprentice hours. The WSDOT CWA does not contain any target percentages for participation of under-represented communities.

One other difference is that the Sound Transit and Airport PLAs have a project-wide goal of 20% of the labor hours to be performed by apprentices while the Brightwater PLA and WSDOT CWA has a project-wide goal of 15%. The Brightwater and Airport PLAs do outline a more detailed set of procedures in order to increase compliance. For those two PLAs, during the construction planning, Contractors are REQUIRED to prepare and submit a plan for participation of the State Apprenticeship Council (SAC)-registered apprentices to the Owner and estimate the total contract labor hours and compare the total hours to the anticipated apprenticeship participation by craft and hours. Each Subcontractor shall provide a monthly report to the Owner on the numbers of apprentices used by craft and trade at each tier of work.

Chart 9-1, which follows, compares the goals set by each of the PLAs and the CWA for under-represented populations, people of color, women, and apprentices.

Comparison of Hiring and Apprentice Goals

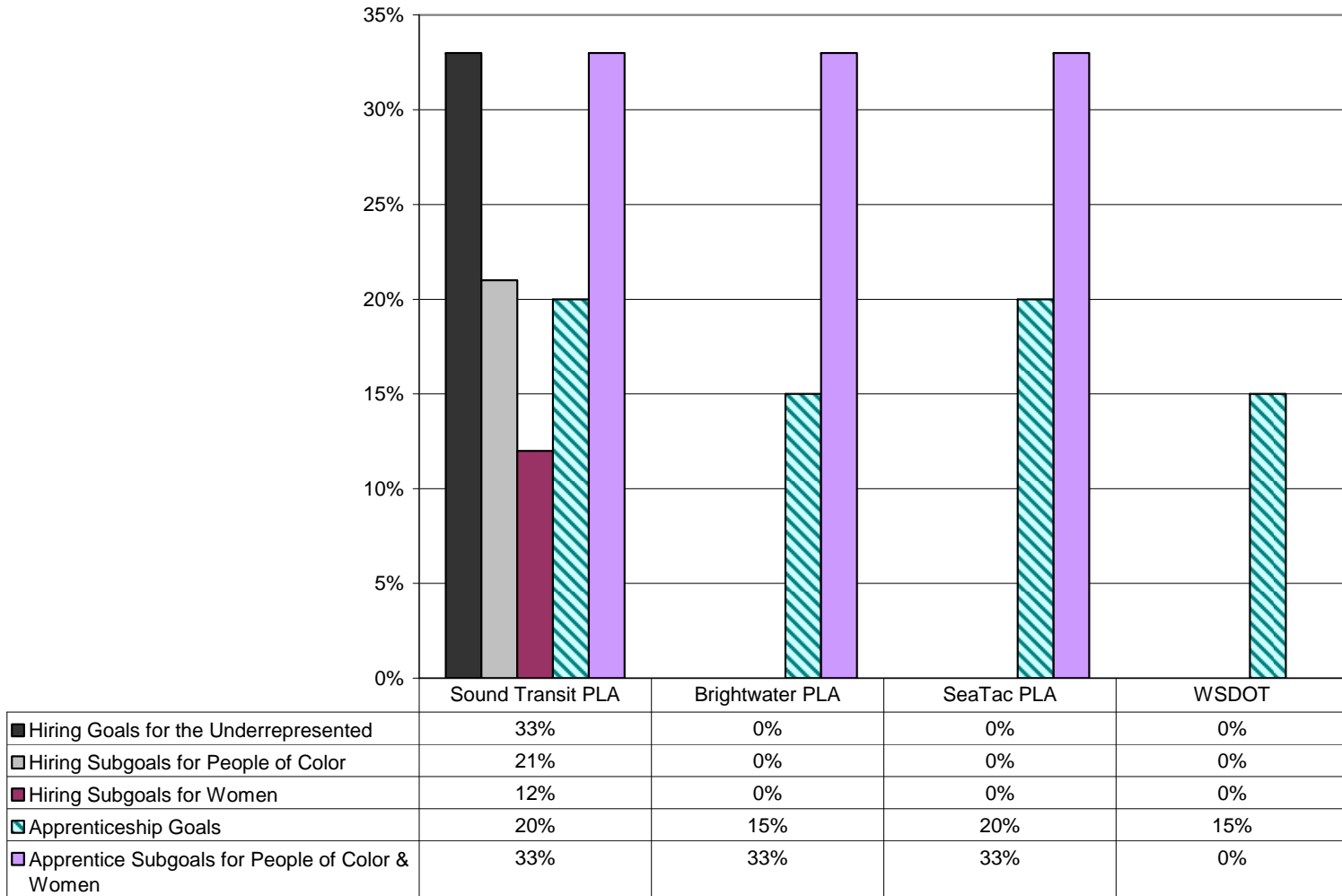


Chart 9-1, Hiring and Apprentice Goals Comparison Between PLAs and CWA

Pre-Apprenticeship Program:

The Sound Transit PLA has a comprehensive pre-apprenticeship plan, especially with their Regional Apprenticeship Preparation Integrated Delivery System (RAPID) program. RAPID is a pre-apprenticeship program that Unions and contractors are expected to recruit from for entry to their apprenticeship programs.

In 2009 Sound Transit and the Building Trades signed an MOU creating a preferred-entry program into the five basic trades (Laborers, Carpenters, Cement Masons, Painters and Teamsters) for disadvantaged women, minority, and veterans who had been screened by RAPID program organizations and resided within targeted zip codes. These apprentices were able to be considered and possibly placed directly into entry-level apprentice jobs on Sound Transit projects. This group is also given first priority over other apprentices. The Preferred Entry apprentices are to be “one of each five apprentices” called for in the 20% apprenticeship utilization. Preferred entry apprentices also have guaranteed length of employment depending upon placement with contractors (6 months or 1000 hours, whichever is greater) or subcontractors (3 months or 500 hours, whichever is greater). The unions agree to work with pre-apprenticeship organizations within the counties and these organizations will provide a range of support services and trainings to prepare workers for the apprenticeship programs.

Both Sound Transit and Brightwater agreed in their PLAs to fund pre-apprenticeship programs to increase skills, work readiness and opportunities for women, people of color, disadvantaged individuals and the under-represented to enter apprenticeship programs. Both PLAs state that the owner will make contributions “of no less than \$.05 per hour worked by employees into the fund.” The Port of Seattle does not have a pre-apprenticeship program or dedicated funds for pre-apprenticeship development. The Port sometimes donates to Seattle Vocational Institute at their yearly fund raising event and a Port representative sits on the organization’s Pre-apprentice Construction Program. The Airport PLA language allows a Contractor to hire directly from a pre-apprentice program. PLA apprenticeship goals are: 20% on the overall project, 33% minority/female and 50% 1st year minority/female. If a Contractor cannot meet those requirements, the Port provides assistance with recruitment efforts and seeks recruits from the community based pre-apprentice training organizations.

In the WSDOT CWA a pre-apprenticeship of \$375 per million dollars of the amount bid by the Employer is established. The Employer contributes that amount to the Associated General Contractors of Washington Education Foundation upon receipt of payment from the owner.

Hours, Overtime, Shifts, Holidays:

Language is fairly standard for all of the agreements with a few differences.

In the Sound Transit and Brightwater PLAs, Contractors are required to provide workers with at least 5 calendar days’ notice before changing shifts from 5 days and 8 hours a day to 4 days and 10 hours a day. In the Sound Transit PLA, the shift change must continue for at least three consecutive days, while the Brightwater and Airport PLAs require that the 4x10 schedule be worked for at least two weeks. There is standard reporting pay language in

almost of the PLAs, except the Brightwater PLA requires that whenever reporting pay is provided for employees, they may be required to remain at the Project site available for work for such time as they receive pay, unless released earlier by their supervisor.

All agreements except Sound Transit have make-up day provisions.

Brightwater and the Airport both have discharge departure and premium rate day provisions in their PLAs. The Airport PLA is the only one with a call-out pay provision.

Wages and Benefits:

The one main difference is that the Sound Transit PLA states that prevailing wage rates are set twice annually in March and September by Washington State, whereas the Brightwater PLA and WSDOT CWA state that wage rates are set by collective bargaining agreement, and the Airport PLA states that wage rates are set once a year in September by Washington State. However, a Letter of Understanding dated June 6, 2001 between the Building Trades and Parsons Constructors (administrator of the Port's PLA) amended that provision to set the wage rates twice annually like Sound Transit's PLA. However, on March 22, 2002, a clarification was made by a Port official indicating that the twice annual adjustments from that day forward apply only to those classified as plumbers, pipefitters, steamfitters and sprinkler fitters in the Washington Administrative Code (WAC 296-127-01364 and WAC 296-127-01375 respectively) represented by the United Association.

There is not an explicit prevailing wage dispute provision detailed in the Brightwater PLA, unlike the Sound Transit and Airport PLAs. However, both Brightwater and Sound Transit PLAs provide for monetary penalties for payroll delinquencies.

The Sound Transit PLA has similar Trust Fund contributions procedures to the Brightwater PLA, but the Airport PLA trust fund contributions are more narrowly defined. In the Airport PLA, the parties agree that only such bona fide employee benefit funds as accrued to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship, training funds, etc.) shall be included in this requirement and be paid by the Contractor on this Project. Even more narrowly defined, the WSDOT CWA states that Industry Advancement and Promotion Funds called for in local labor agreements may be paid at the discretion of the Employer. The WSDOT CWA has unique language among the four agreements that states the union "may take any action it deems necessary, including a work stoppage" in the event of non-payment of wages and/or delinquent trust fund payments.

Payday:

All of the PLAs share standard language, though there are some stricter rules under the Sound Transit PLA. The Sound Transit PLA has a process for addressing wage payments not compliant with prevailing wage and benefits. There are penalties of 4 hours taxable straight time pay for each 24 hour period or portion thereof (Saturday and Sunday included) after the delinquency and not to exceed 2 weeks. The process also includes Notification, Joint Check, and a Corrective Action Plan.

Management Rights:

Once again, there is a lot of shared language, giving contractors authority to manage operations and the workforce. Rights to determine methods, tools, materials, design, requirements, machinery, etc. are also cited.

The Sound Transit PLA puts more stringent requirements on employers to comply with certain policies. For example, upon referral or dispatch from an applicable Union, “turnaround” or refusal of any worker by the Contractors requires a written explanation that shall be communicated to the Coordinator, Union, FAST and Contractor within 48 hours.

Another observation is that in all three PLAs, there are exhibits or attachments regarding the use of pre-fabricated materials. The main stipulations are that the unions recognize that pre-fabricated materials may be used, but if assembled off-site, the work should be prioritized for local workers whenever possible.

There is no unusual content in WSDOT as compared to the PLAs. Some similarities include employers exercising full authority over project management, and employers reserving the right to assess competency of employees and to hire, reject, and terminate for just cause.

Subcontracting:

All agreements state that all subcontractors, by working with Contractors who are signatory to the agreement, are bound by all policies within the agreement. The CWA provides exceptions to this requirement. By mutual agreement if certain conditions apply, DBE and non-union contractors may be exempted from signing the CWA.

General Work Rules:

Most of the work rules are generally the same. WSDOT has language that provides for termination without eligibility for rehire when employees develop record of chronic and/or unexcused absenteeism.

Also, the WSDOT CWA appears to be the only agreement that specifically precludes seniority from being recognized or applied to employees.

Work Stoppages and Lockouts:

In the stricter language of the Sound Transit and Brightwater PLAs, any employee who disrupts normal operation of the project shall be subject to disciplinary action, including discharge, and shall not be eligible for rehire for 90 days. There is a detailed arbitration process for both the Sound Transit and Airport PLAs, though the Brightwater PLA and the WSDOT CWA do not have such processes detailed.

The WSDOT CWA states that if the union is unable to provide qualified replacements for those employees who are in violation of this section by the beginning of next shift, the Employer is free to hire from any source. In WSDOT, the Employer or the Union shall have the right to seek relief directly from the courts or other appropriate forum in the event there is a violation of this section.

The three PLAs all provide for the assessment of damages for violation of this provision. Brightwater liquidated damages are the highest and escalate from \$10,000 for the first shift in which a violation occurs to \$25,000 per shift after the third shift. Sound Transit and the Airport specify damages in the amount of \$10,000 per shift for work stoppages or other violations of this clause. The Airport PLA also has explicit language stating that contractors can be required to pay employees' back pay if locked out.

The CWA allows the unions to engage in work stoppages and other activities that disrupt work in the event of non payment of wages and/or delinquencies in Trust Fund contributions. The CWA has no language like the three PLAs requiring employees to cross picket lines.

Jurisdictional Disputes:

Generally speaking, all of the agreements refer to the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") as the main reference document for dispute resolutions. In addition, the Sound Transit and Brightwater processes are basically the same, whereas the Airport PLA has more detailed processes. The WSDOT CWA is very short, no arbitration process is mentioned, and there are no deadlines on when disputes need to be resolved.

Grievance Procedure:

Similar to the Jurisdictional Dispute section, the Sound Transit and Brightwater PLAs are the same and the Airport PLA has a longer, more detailed process.

Unique characteristics in the Airport PLA are that Parsons Constructors (PCI) will administer the processing of the grievance, including scheduling and arrangement of facilities for meetings at Steps 2 and beyond, the selection of the arbitrator to hear the case, and other related administrative matters. Grievances and disputes settled in Step 1 shall be non-precedential, except as to the parties directly involved, unless endorsed in writing by PCI within 5 working days after resolution has been reached. Airport PLA procedures set a time period of 10 days maximum after the disputing party is informed of the facts of the dispute that a settlement must be reached within 3 days after or else the dispute moves to Step 2. The Step 2 meeting involves key representatives, including the Business Manager of the involved Local Union, an International Union representative, the site representative of the involved Contractor, and the labor relations



representative of PCI. The Airport PLA has a permanent panel of 5 arbitrators, of which one needs to be designated to hear the case. Designation of the arbitrator shall be done by rotating among the panel members and will be made jointly by PCI and the Executive Secretary of the Building Trades Council (BTC) on behalf of the parties. If the panel has not

been agreed on by the parties, then arbitrator selection will occur using the rules of the American Arbitration Association.

The WSDOT CWA has a grievance process that is less detailed and has few deadline dates compared to the PLAs. The CWA has a 3-step process. 1) First, the union representative and the employer's representative are notified and attempt to address the grievance. No grievance will be recognized unless it is presented to the employer within seven days of when the alleged violation was committed. 2) Second, if not resolved, the violation will be submitted in writing to the international Union representative and employer's representative. 3) Thirdly, if not resolved, the grievance will move into arbitration. The selection process for the arbitrator consists of each party striking one name at a time from a list of seven names. The last name remaining name is the arbitrator. The arbitrator will issue the final decision.

Non-Discrimination:

The Sound Transit PLA has the strongest language in support of affirmative action for under-represented groups to access employment opportunities. It is recognized in the Sound Transit PLA that special procedures may be established by joint agreement for the hiring, employment, training, promotion, transfer, or termination of persons who have not previously qualified to be employed on construction projects. The parties agree to make good faith efforts to assist in the implementation of such procedures, orders, regulation, or agreements for the benefit of Puget Sound residents. Parties to this PLA are committed to advancing utilization of business enterprises owned and/or controlled by disabled, women, and people of color. Parties will assure these commitments are fully met and any provisions in the PLA that may interfere with under-represented business successfully bidding work should be carefully reviewed with agreed upon adjustments made to comply with the spirit and the letter of the Parties' commitments. Brightwater does not have a separate non-discrimination section but does reference equal opportunity requirements as does the WSDOT CWA. The Airport PLA has a detailed non-discrimination article.

Safety, Environmental, Health:

The Sound Transit PLA policy is very brief with only three sections. In summary, the three sections state: 1) It is the responsibility of the contractor to ensure safe working conditions, 2) It is the responsibility of the employees to adhere to all safety and site access rules, and 3) Sound Transit reserves the right to use a site-access drug and alcohol testing program as stated in Attachment G.

The Brightwater PLA requires a joint labor-management safety committee to receive reports and recommend safety programs and procedures. Sections of the Brightwater PLA state that contractors and employees must comply with the OSHA 1970 as amended, including 29 CFR 1926.800 relating to underground Construction and those relating to job safety and safe working practices. In addition, in Brightwater, a separate women's facility will be provided. Each contractor will have a check-in/check-out system that will provide positive identification of every employee underground. An accurate record of this will be kept on the surface. The procedure is not required when the underground facilities are deemed safe with permanent controls in place. The Contractor shall provide and maintain safe means of access and egress to all work stations. Safety meetings should be held at least once a week at the

beginning of a shift. Copies of minutes, topics and agendas with signed attendance sheets shall be maintained by the project Safety engineer. Local area Fire Department personnel shall be invited to attend all safety meetings.

Sections of the Airport PLA state that it is understood that the employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and Owner. Employees shall be bound by environmental compliance requirements. Controlled substances are not allowed and parties have agreed to drug testing method (Appendix D). Procedures include: all employees must pass tests before being allowed on job site, and payment for time should be made for both those who just come for the drug test (4 hours minimum pay) and those who come to be drug-tested and then to work on-site (time calculation begins when the employee reported for the drug test). Unauthorized use of firearms and explosives is prohibited. Environmental and safety restrictions at the Project site prohibit smoking at any time. The WSDOT CWA provision, like the Sound Transit PLA, is very brief and does not contain unique content.

Savings Clause:

Once again, the Sound Transit and Brightwater policies are essentially the same. The Airport PLA is longer with more details on Owner rights if a court order has been issued regarding certain components of the PLA. Should there be a court order which results in temporarily or permanently delaying bidding, awarding, and construction work, the Owner may withdraw, at its discretion, the Agreement from bids. In the event of a court order, Parties agree to enter into negotiations in order to conform to the Agreement, to the maximum extent possible for work in progress and for inclusion in future bids. The occurrence of events covered by Sections 1 and/or 2 above shall not be construed to waive the prohibitions of Article VII (Work Stoppages and Lockouts).

In the WSDOT document, the savings clause section is titled “Intent of the Parties” Section 3.8 pg. 5. The language in WSDOT is shorter and less detailed than the three PLAs. The parties to the agreement do not intend for the agreement to violate any local or federal rules, but if it does, then that portion of the agreement is void. No other local or national agreements shall be applied to this agreement besides the setting of wages and fringe benefits. “Unions will not support any other unions who decide not to be signatory to this agreement,” is a clause found only in the CWA.

Drug-Free Workplace:

Substance abuse issues and drug testing processes were incorporated in the Sound Transit PLA as Attachment G (and Appendices A, B, and C) during the initial PLA negotiations in 1999. With the Bush Executive Order banning federal funding for projects with mandatory PLAs and the need for a drug-free workplace program, Sound Transit designated substance abuse prevention to the contractors and moved the requirement to the labor compliance manual in 2004 and called it Attachment C in Part A of the Labor Compliance Manual. The Labor Compliance Manual is a document that is part of the construction contract between Sound Transit and prime contractors. After the 2009 Obama Executive Order lifting the ban on PLAs, the Seattle/King County Building Trades proposed reinstating Attachment G. Sound Transit recommended, and labor agreed, to a third-party administrator selected by

Sound Transit to implement and coordinate the program and to add that language to the Labor Compliance Manual. Therefore, Attachment “G” is still not enforceable under the PLA, but has remained a part of that agreement for historical reference.²⁰⁵

The appendices for the Brightwater PLA and the Airport PLA also describe the Substance Abuse Prevention Program as well as a few other documents regarding creating a drug-free workplace.

The WSDOT CWA also has some detailed descriptions on substance abuse and testing. The parties agree on a drug testing program, which includes independent testing and a medical review officer, or any program mandated by the owner of the project. Further the Employer may utilize a "quick testing" procedure as an initial screening of employees. All "quick test" positives will be subject to full testing procedures to verify the positive results.



Pre-Job Conferences:

All of the agreements require pre-job conferences where the contractors explain significant details about the project before the start of construction. The Brightwater PLA is more descriptive than the other documents regarding what these pre-job conferences should specifically address, such as a start date, duration, peak employment numbers, and any other unique characteristics about the project. Unions may assert jurisdictional claims and jurisdiction information may be shared. Brightwater has unique language in Article 8, which states that “Failure to conduct a pre-job conference can lead to corrective action by the owner.” The CWA clearly and succinctly describes the pre-job conference in 2.1 D as follows:

“D. Pre-job Conference- A pre-job conference will be held with the unions at the beginning of the job and will address, but not limited to, the following subjects: manning,

²⁰⁵ Source: Greg Mowat, Sound Transit Labor Agreement Specialist.

assignment of work, subcontracting, composite crews, and portability and selection of key personnel.”

Workers Compensation and Cooperation:

The WSDOT CWA has unique language: “Workers Compensation and Cooperation - Parties may negotiate and implement alternative dispute resolution (ADR) procedures to resolve workers' compensation claims disputes when and where permissible and/or legal. Such alternative dispute resolution procedures shall be final and binding on the parties and shall be made a part of the Agreement.”

No such provision is found in the other three agreements.

Local Hire:

While none of the agreements included specific local hire provisions or goals, they all had language that encourages local hiring. For example, Article 1 of the Sound Transit PLA commits the parties to maximum use of local and small businesses. Required use of local hiring halls, apprenticeship programs (as evidenced in all four agreements) and the FAST community involvement language in the Sound Transit PLA implies a strong local hire commitment. Additionally, the CWA Addendum requires bidders to provide an assessment and plan for use of locally available skilled and craft labor.

Addenda, Attachments, Exhibits:

The three PLAs each have numerous attachments. The CWA has one addendum covering several issues. All are customary and standard content designed to clarify, modify and/or augment the main body of the agreement.



Study Question 10. If a PLA were used in the future for Sound Transit construction contracts, what suggestions have been identified for improvements? Include what lessons should be learned from the use of Sound Transit’s PLA?

Suggestions for improvement if a PLA is used for future construction contracts have been gleaned from stakeholder interviews, surveys and submittals. They are organized under the following topics or themes that tended to be raised by at least a majority of respondents from one or more stakeholder groups and/or members from most groups:²⁰⁶

- PLA Criteria
- PLA Administration
- Prevailing Wage Escalation Policy
- PLA Provisions Clarification/Amendment
- Contractor Technical Support
- Community Representation and Approach to Goals for Diversity, Small Business and Apprentices
- Next Steps

Before detailing specific suggestions offered, study authors believe it is important to note that many study respondents reported that Sound Transit has experienced a big learning curve and many improvements have been made over the course of the PLA to date. Numerous interviewees expressed pride in the projects built and the commitment to diversity and community support.

The projects built under Sound Move include: 14 commuter rail stations and three provisional stations as well as light rail systems and stations in Tacoma and between SeaTac Airport and downtown Seattle.

Former Sound Transit Board Chair and Seattle Mayor Greg Nickels commented that all parties have contributed to the success of Sound Move and, “I support the PLA because in a project so big and complex a team approach is key. We have moved ahead without being subject to labor disruptions. We made a big investment in our future and in the process have provided good jobs to those living in our communities.”²⁰⁷

PLA Criteria:

Many study interviewees commented that it is important first and foremost for Sound Transit to determine “why” they are using a PLA. The typical reasons offered for using a PLA were:

- Comprehensive no-strike/no lockout protection
- Effective jurisdictional dispute settlement process
- Diversity and apprenticeship goals that commit both unions and contractors to measurable results.

²⁰⁶ Stakeholder groups include contractors, subcontractors, labor unions, community representatives and Sound Transit staff.

²⁰⁷ Mayor Nickels interview, 3/28/11

It was pointed out repeatedly that effective no-strike and jurisdictional PLA language saves many millions of dollars on large, construction projects. While this assertion was not disputed, it is also not possible to quantify the magnitude of any such savings since these are provisions designed to **prevent** project delays, owner involved legal actions and their associated costs.

Some study respondents asserted that the three objectives cited above (as well as other goals) can be achieved without a PLA. Most interviewees agreed that a PLA is not necessary for every project and several discussed the importance of developing a clear criteria that helps determine when a PLA is a useful tool. King County, the Port of Seattle and the State of Washington's PLA use consideration/criteria documents that are included in the Appendix, Section G3, page 198. For example, King County determined a PLA was justified for its Brightwater Project because it met the following criteria (which mirrors the state's Executive Order regarding use of PLAs):

- must be completed without delays (time sensitive)
- extend for a substantial period of time where local collective bargaining agreements may expire during construction
- involve a substantial number of contractors, subcontractors, and trades and craft workers
- have a substantial dollar value
- clearly benefit the public²⁰⁸

Virtually all study respondents agreed that a PLA is not a panacea. Some maintained that PLAs impede project efficiency and effectiveness. Others assert that a PLA is the **only** way to protect the public interest of timely, cost effective and high quality outcomes. Many recommended that Sound Transit clearly determine their needs and reasons for using or not using a PLA.

PLA Administration:

What is Sound Transit's role in the administration of the PLA? Study respondents repeatedly pointed to what they termed "vague" or "unclear" PLA language. Article 1 states:

"Sound Transit and/or its Labor Coordinator, hereinafter Coordinator, shall monitor the compliance of this PLA by all Contractors who, through their execution of this PLA, or a Letter of Assent binding them to this PLA, together with their subcontractors, shall have become bound hereto."

"No practice, understanding or agreement between a contractor and a union performing work on this project which is not specifically set forth in this PLA will be binding on any other party unless endorsed in writing by Sound Transit or its Coordinator."²⁰⁹

Since the PLA's implementation, Sound Transit staff as well as other stakeholder groups have disagreed about how this language should be interpreted. Some maintain that Sound Transit should gather information, observe and to some limited extent facilitate meetings between the

²⁰⁸ King County Department of Natural Resources and Parks Wastewater Treatment Division, "Issue Paper: Exploring the use of a Project Labor Agreement To Construct the Brightwater Treatment System," February 2004, p. 15. Source: Paul McNeil. (See Appendix G3.)

²⁰⁹ Sound Transit PLA, p. 1. Other references to Sound Transit's PLA coordinator and/or Sound Transit's role as a "party of interest" are found in Articles 2, 4, 5, 12, 14, 15, 16, 17.

parties. Others interpret this language to mean that Sound Transit, as the owner, should assure that all parties comply with the terms of the PLA and be involved in day-to-day enforcement. All agree that sound Transit has been inconsistent through the life of the PLA in its own actions regarding its role.

Most labor union study respondents expressed frustration with what they termed Sound Transit's, "hands-off" approach to PLA compliance. Contractors often asserted that Sound Transit did a poor job of reining in the unions when they created problems. Subcontractors, including small, minority and women owned businesses, were mixed in their responses but generally wanted Sound Transit as the owner to play a stronger role with both the prime contractors and the labor unions so they were able to stay afloat financially. The community's comments were more focused on the importance of Sound Transit holding all parties "feet to the fire" in terms of attainment of diversity and apprenticeship goals. Sound Transit staff, including PLA specialists, voiced vastly different beliefs about their role in relation to PLA administration. They ranged from a concern that direct involvement of Sound Transit in many PLA issues will result in claims of interfering with the employer's role, thus creating additional agency liabilities, to a belief that Sound Transit should enforce compliance in every aspect of the PLA.

Most parties agree that the current PLA language is not necessarily the real problem. It is fairly standard language and does not differ substantially from other public sector PLAs such as King County' Brightwater PLA. Sound Transit, according to those interviewed and responding to surveys, has the latitude to develop a clear, consistent approach to PLA administration without modifying the current agreement. Most also concur that there is a way to do so that supports Sound Transit's interests while supporting the needs of prime contractors and subcontractors, labor unions and the community. They do have differing recommendations in this regard, but all seem to agree that addressing this issue should be a priority as Sound Transit moves forward on current and future projects. Some historical examples and perspectives from stakeholders may help clarify their suggestions regarding this issue.

One labor official interviewed stated his suggestion and concern in a manner that was typical of many others received over the course of this study.

"Only thing I'd change with Sound Transit's PLA is a transparent method of expediting a way to fix problems in a timely way.

"For example, most crafts have a letter of clarification saying they will perform the work. You want to get those letters in early. I had a problem on the Puyallup Station. The contractor rented some property and fenced it. He brought in all Hispanics to do rebar cages/work and paid them minimum wage. I wrote up a letter of clarification to include this work under the PLA. I provided pictures. Sound Transit Staff Member (name deleted) said we were right and they'd do it, but he never did and that letter was *never* put in the agreement. I think it went from Sound Transit Staff Member (name deleted) to Sound Transit Staff Member (name deleted) and he sat on it, as usual."

Other labor representatives provided examples of some contractors paying minimum wage and reporting to Sound Transit that they paid prevailing wage or working employees 40 hours per week and only paying them for 20 hours.

Several respondents pointed to lengthy and costly arbitration and other processes that were necessary because, “We have given up our leverage under a PLA because we can’t strike or walk off the job to fix those violations.”

A few Sound Transit staff responded that some union officials expected them to handle representation issues that are clearly spelled out in the PLA as the responsibility of the signatory union. One union official agreed somewhat with that perspective. He stated that while Sound Transit has not been strong in requiring all parties to abide by the PLA, some union representatives got used to the third-party administrator for the Airport PLA “handling all their problems for them.”



For the most part, union representatives expressed a preference for a third-party PLA administrator at Sound Transit. They frequently pointed to the Airport PLA’s third-party administrator role as vastly superior to Sound Transit’s administrative performance. However, most acknowledged that Port staff, who now administer the Airport PLA are very effective. Some attribute that in part to the original model which established certain practices.²¹⁰

To clarify the Seattle Building Trades’ view about the role Sound Transit should play, their attorney, Dick Robblee, submitted this statement”

²¹⁰ The Port brought its PLA compliance monitoring in house in 2010 to allow the Labor Relations Department to build trust and credibility with labor and to reduce costs. Gary Schmitt, Port of Seattle Labor Relations Director, informed Agreement Dynamics that this in-sourcing has saved approximately \$200,000 per year, not including overhead charges that the Port paid on behalf of the contractor (third-party administrator). From 4/7/11 email.

“I understand that an agency would not want to get involved in the nuts and bolts of how a contractor handles its workforce to get the job done. For example, I wouldn't see that an agency would get in the middle of a dispute on whether a contractor had just cause to fire a worker. No one is asking that the agency take over the management role of contractors; but doing nothing while a contractor ignores its plain contractual obligations is not the only other course available.

“But by the same token an agency has every reasonable interest in assuring that its work is done in accordance with law, and is done safely per applicable regs and standards. Compliance with these sorts of things presumably is part of Sound Transit's contract it has with its contractors. Would an agency simply stand by if the contractor failed to use fall protection, or paid \$10/hour under PW scale? We believe that Sound Transit has an obligation as a public agency to see to it that laws and regs, as well as its engineering contractual specs, are being complied with by its contractors. Likewise when a contractor is not participating in the grievance process.

“A good example of the former is a dispute IUOE 302 has had with Traylor Joint Venture (JV) on the payment of prevailing wage. The state law OT code (what the prevailing wage law requires by way of OT) is very clear. Sound Transit representatives sat in on a meeting last December with the union, the JV, and Labor and Industries (LNI). (I think Lee Newgent was there too.) LNI officials laid out what the code meant (the issue was double time vs. time and one-half). Sound Transit heard it all. Nonetheless, the contractor waited another 3 months (until it got written confirmation from LNI) before paying the correct OT. We think the agency does not have to be hands-off on such basic issues as abiding by state PW law.”²¹¹

Finally, numerous labor officials pointed to other public sector PLAs (such as Brightwater and the Airport), where they assert that the owner actively enforces PLA compliance without managing employees, directing work or in any way acting as an employer.

Contractors organizations and some contractors commented that they would prefer for Sound Transit to have no role and that the PLA (if used) should be an agreement between contractors and labor unions. Several described the third-party administration of the Airport PLA as a “nightmare,” because they viewed the administrator as exclusively catering to the unions, at the expense of project needs and cost concerns. Both prime contractors and subcontractors commented that the role Sound Transit has played in administering the PLA has not been successful in reducing time consuming and costly paperwork and meetings.

One prime contractor summed up a common sentiment this way:

“The PLA pre-job meetings for prime contractors and all sub-tier levels creates an unnecessary level of management. Particularly for small service contracts. It was not uncommon to see some of the smaller subcontractors and service subcontractors expend half the value of their contracts administratively navigating the PLA process.”

²¹¹ Email from Dick Robblee, 4/17/11.

Other typical contractor and subcontractor comments included:

“Sound Transit will need to take charge on some issues and not allow the unions to dictate the decision, irrespective of whose feathers will be ruffled.”

“Sound Transit involvement in the relationship between the employers and the employees was not helpful to any party.”

Some contractors and subcontractors stated during interviews that they were reluctant to openly criticize Sound Transit’s role, but they had concerns that Sound Transit itself operated in ways that were unnecessarily burdensome by requiring excessive paperwork and meetings. This was in contrast to other public projects they had worked on. Some cited the Brightwater PLA as more effectively administered. Others asserted that Sound Transit has poor systems for tracking data and that the PLA and the way it was administered exacerbated this situation. For example, it was reported that contractors and subcontractors could be summoned to meetings and have to travel at the last minute to Seattle, when a phone call could have sufficed. They asked that PLA specialists educate and direct labor representatives to reduce meeting time.

PCL submitted a detailed list of PLA questions and suggested changes when interviewed for this study. That document is included in the Appendix G5.

There was not unanimity among all contractors and subcontractors on this issue. However, several did advocate for a different model moving forward, such as the WSDOT 520 Community Workforce Agreement. That model will be described and discussed at the end of this section under “Next Steps.”

Community representatives have expressed appreciation for changes since the current Diversity Program Director was hired. They still stress the importance of Sound Transit taking an active role in enforcing PLA provisions with both labor and contractors. One example provided was the assertion that a contractor openly stated that “Women don’t belong on this job. It’s too dangerous.” Apparently there was vacillation within Sound Transit as to whether this was an employee-employer issue or one in which Sound Transit, as the owner, should intervene. The suggestion here is that anytime a party to the PLA indicates a refusal to comply with its requirements, that Sound Transit should step in. Some have recommended that payments be withheld when violations of the law, PLA and/or labor compliance manual are not corrected.

While all stakeholder groups do not share a common vision of what Sound Transit’s role should be in PLA administration, they do appear to agree that Sound Transit should define and adopt a clear, consistent approach to PLA administration that is communicated to all stakeholder groups, including Sound Transit staff.

Prevailing Wage Escalation Reimbursement Policy: Some contractors and Sound Transit staff requested that this policy be changed because, “it’s difficult to administer and, depending upon the timing, can be unfair to the employee, contractor, and/or Sound Transit and each entity can end up losing money. At least two contractors (with multi-year contracts) still don’t have their paperwork right to get wage escalation payment. Wages should be tied to local agreements

on the date they're effective.” This change would also address labor’s concerns about adjustment dates lagging behind area agreements.

Finally, if the reimbursement policy remains, contractors have requested that Sound Transit prepare a template for the reimbursement process which details calculation components and specifies all trades expected on the project.

PLA Provisions Clarification/Amendment: Many stakeholders suggested that Sound Transit clarify certain PLA provisions and/or modify some. Issues that were raised most often were:

- **Parking:** Some Sound Transit staff and contractors suggested specifying what is a “reasonable distance” to the jobsite for contractor-provided employee parking or specify in the PLA such things as “specific parking locations, a fixed time for employee travel to and from the parking areas, and clarification that fringe benefits are not paid for travel time.”
- **FAST Jobs:** Several study respondents stated that the FAST Jobs provisions “need to be rethought.” This will be discussed below under the topic of “Community Representation.”
- **Substance Abuse Program:** Various stakeholders asked that this program be clarified. Some said Attachment G should be removed from the PLA if it is not operable. Others suggested revising it. Labor reps asked for a process that ensures confidentiality, neutrality and a database that is effective and comprehensive and provides timely notice to union hiring halls. Some contractors requested approval for more effective programs that were contractor administered.
- **Offsite Work:** Some contractors stated that how the PLA relates to offsite work needs to be clarified so the pre-cast dispute does not recur. One contractor said, “Again we hit on it earlier about the extent of the PLA contained within the project site. How the affects of outside the site would occur. We need to define those boundaries, make sure they’re well defined. Concrete plant, precast plant, asphalt plant, things that are offsite. Be very clear about what is going to be impacted and where the extent of that PLA goes to.”
- **Expedited Grievance Process:** Labor representatives often raised concerns about PLA violations not being addressed in a timely or cost-effective manner. They consistently expressed appreciation for the efforts of a particular Sound Transit PLA specialist and his attempts to push for resolutions. For the most part, though, there remains a high level of dissatisfaction with how PLA disputes have been handled. Specifically, labor officials have asserted that certain contractors have taunted and challenged them to file grievances when they raise issues. This is because Sound Transit’s PLA grievance procedure contains standard language found in many PLAs that require up to three steps, concluding (if necessary) with binding arbitration. The arbitration process is often lengthy and costly. Legal fees, from labor’s perspective, can be daunting. Some contractors, it is believed, drag out the grievance procedure in attempts to circumvent its effectiveness. When disputes involve compensation and/or benefits, a lengthy and potentially expensive resolution process creates a hardship for both employees and labor unions. Under local agreements, union reps point out, they have the right to walk off the job and even strike to get these issues addressed and they use this tool when needed. That right is precluded by Sound Transit’s no strike, no lock out clause in Article 15.

In addition, labor study respondents pointed to Section 17.4 of the PLA which states: “Sound Transit and/or the Coordinator shall be notified of all actions at Steps 2 and 3 and shall, upon their request, be permitted to participate in all proceedings at these steps.”

They request that in those instances where a contractor is in obvious violation of a PLA provision and/or a contractor directly states that he/she does not care what the PLA says, that Sound Transit should step in and direct the contractor to comply. The unions surveyed clarified that they have good working relationships with many, if not most contractors and subcontractors. However, when a particular prime contractor or subcontractor demonstrates blatant disregard for the PLA, labor expects Sound Transit to “take a strong hand and require PLA compliance.”

In addition, a few study respondents suggested utilizing a “super-expedited” grievance process (at least for certain kinds of alleged PLA violations). In such a process, a small pool of mutually-agreed labor arbitrators would be “on call” and would respond within 24 hours to a request for arbitration. Each party would present information in support of their position and the arbitrator would then render an “on-the-spot” bench decision. This approach is often used in Longshore disputes, among others in certain industrial settings.

Contractor Technical Support: Sound Transit has implemented numerous ways to supply information and training to contractors and subcontractors (including small, minority, women and disadvantaged businesses) regarding goals and contracting issues, including those related to the PLA. Still, a common theme from study respondents has been that many small contractors and subcontractors (particularly those who are non-union) were unaware of prevailing wage and PLA provisions such as wage escalation, use of hiring halls, union fees, trust fund payments, etc. until after they started work. As a result, some had underbid and experienced severe financial consequences.

Several suggestions have been made to minimize repetition of this situation going forward.

First, study respondents expressed concern that within various departments at Sound Transit, many staff members whom contractors and subcontractors interface with do not understand what is in the PLA, how it should be interpreted and/or when it applies. One subcontractor summarized it this way:

“They [Sound Transit] don’t know what they don’t know about the PLA. Getting correct answers and getting them when needed just depends on who you are lucky or unlucky enough to ask.”

PLAs, like any labor agreement, are technical, legal documents. Parties who negotiate and work with them on a daily basis often disagree on interpretation. Over time, they tend to have a working knowledge of what each provision requires. Those who have not had this experience (including most Sound Transit staff) need education and training. Recognizing this, many providing study input recommended that Sound Transit ramp up and systematize ongoing internal training on the PLA and related issues such as the application of local agreements.

Also, following pre-bid conferences for Central and Airport Link projects a networking session has been offered for prime contractors, subcontractors, and minority businesses to meet (presumably) to discuss potential project collaboration. Following the networking session, Sound Transit's Diversity Office conducts break-out sessions to assist small business and other interested firms in how to complete bid forms and meet Sound Transit requirements. While attendance has not been mandatory for this training, attendance counted toward good faith efforts to meet the small business and DBE goals and outreach requirements.

Some have suggested that, if possible, these break-out sessions should be required. These businesses should be given information regarding key legal and PLA requirements and resources that are available to them to help ensure their success during and after the bid process. Sound Transit and other public agencies have contracted with outside entities to provide this support. However, it's unclear if PLA and labor related issues were comprehensively incorporated in these programs.

Once a bid has been awarded, staff also performs a commercially useful function review to assure that the subcontractor is set up and able to provide the products or services they have been hired to do. On some projects, bi-monthly meetings were established with the prime contractor's project leadership team and Sound Transit to discuss workforce utilization and contracting issues. Subcontractors have asked that there be stronger emphasis (some have said "requirement") by Sound Transit to the prime contractors regarding their timely and complete communication of issues to their subcontractors at all levels. The confusion over the wage escalation reimbursement policy is an example that subcontractors raised repeatedly. Some said it was not explained to them, others said they were told they weren't eligible.



Sound Transit has provided assistance to subcontractors as issues have arisen. Diversity specialists also attend weekly construction progress meetings to check for any potential issues that may adversely affect subcontractors or minority and women employees. On labor relations issues, project specialists work with subcontractors when requested to on matters related to the PLA, unionized workforce, grievances, etc.

These efforts have been appreciated. The suggestion from some subcontractors is that this effort be more comprehensive, proactive (provide labor related information **before** a subcontractor receives, for example, a financial penalty for delinquent trust fund payments) and ongoing.

Community Representation and Approach to Goals for Diversity, Small Business and

Apprentices: Study respondents provided suggestions for improvement in the areas of workforce development, enforcement of diversity goals, utilization and support of subcontractors, community representation on the job, and agency goal setting.

Workforce Development: A community member suggested that Sound Transit follow up with the Pierce and Snohomish County Building Trades regarding signing the preferred-entry MOU. This would ensure consistent adherence to the principles adopted by the agency and Seattle-King County Building Trades in 2009.

Some community members interviewed for this study suggested a plan jointly developed by Sound Transit, unions, contractors and community members to intensify the recruitment and placement of minority, women, and disadvantaged apprentices directly on Sound Transit projects. Contractor involvement was viewed as key for developing this plan.

One community member suggested the need for public agencies (like the Ports of Seattle and Tacoma; Cities of Tacoma and Seattle; King, Pierce and Snohomish Counties; WSDOT and Sound Transit) to share best practices on recruiting and placing apprentices, particularly from disadvantaged populations. The suggestion was that organizations could collectively adopt best practice models.

It was suggested that contractors become involved in developing the criteria for who is placed in the preferred entry program, and that doing so could result in more contractor involvement in and hiring of preferred-entry candidates.

Some community and labor members also suggested that contractors be more specific in their requests for minority or women workers from the union hall.

Enforcement of PLA Diversity Goals: Community members were unanimous in the need for greater compliance and enforcement of PLA employment and contracting diversity goals. They felt there was also a need for stronger enforcement tools within the PLA. They said there have been no instances of a contractor's progress payments withheld for not complying with PLA requirements. When those goals are not met or the "good faith effort" is insufficient, they indicated that Sound Transit should penalize the offending contractor.

Sound Transit staff appears to prefer a different approach. According to a Sound Transit staff member, "... the contractor who had the most success in surpassing apprenticeship utilization was the one who had relationships with two of the most active pre-apprenticeship programs. They succeeded because of their relationships, not because Sound Transit was threatening them."²¹²

Several community members, including FAST Jobs members, have discussed moving the FAST Jobs monitoring, oversight and advocacy function inside of Sound Transit. That representative could work with contractors (and subcontractors) to develop their business plans for all

²¹² Elizabeth Ann Chimienti, "Breaking Down Barriers, Building up Communities, Implementing Project Labor Agreements with Targeted Hiring Goals," Masters Thesis at Massachusetts Institute of Technology, June 2010.

employment and contracting. Their plans would also include strategies for the recruitment and hiring of preferred-entry and apprentices. These plans would become an integral part of the job performance specs. This representative would also support preferred-entry initiatives and be active in recruitment. They would monitor and ensure compliance on the jobsite. They would be involved in each project from the pre-bid meetings to project completion.

Other study respondents suggested using past performance on hiring and contracting as a weighting tool for awarding future contracts. For example, if a contractor was successful at meeting their goals, they would get extra points when bidding on future projects. If not, points would be deducted when being rated.

Utilization and Support of Targeted Subcontractors: Some community members expressed the need for more awareness and education for subcontractors on what it is to work on a PLA. A “Labor Union 101” training effort about union doctrines, culture, and operating procedures was suggested. This training should occur at the pre-bid and pre-job phases, as well as on an on-call basis when subcontractors encounter difficulties or have questions. One interviewee suggested Sound Transit continue to help small subcontractors with insurance, bonding, and to incentivize prime contractors in hiring women/minority workers and subcontractors.

As was suggested for apprenticeship, one interviewee recommended bringing together public agencies to share best practices in recruiting and supporting targeted contractors. It was suggested that the areas of bonding and insurance be a topic for discussion as well as incentives for larger contractors to bond smaller subcontractors.

Most interviewees and community members when asked said they would support a PLA for future Sound Transit projects. As one community interviewee said, “It is a very good way to ensure the workforce is hired from the local community. It’s not just labor’s PLA; Sound Transit and the community benefit, too.”

One community member suggested the need to introduce successful minority subcontractors to prime contractors, saying, “A general contractor often has to take a risk on a firm they know nothing about. If they could have prior contact (or even nurturing), that would produce a better outcome and relationship. We covet what we know.” He went on to say that Sound Transit does community forums, but suggested more emphasis on the pairing of prime contractors with minority subcontractors in order to build more long lasting and meaningful business relationships.

Community Representation on the Job: Various stakeholders have questioned what should be the status of FAST Jobs going forward. A paid coordinator for community affairs or an ombudsman was suggested in interviews to represent the community’s interests both in contracting and hiring. Other study respondents supported the need to fund this effort, saying it is difficult to expect unpaid volunteers to sustain the operation consistently over time. Some FAST Jobs members have discussed bringing the function in-house for Sound Transit to monitor and manage. However, there didn’t appear to be a clear consensus or agreement on what to do with the FAST Jobs function going forward, but nearly everyone agreed it needed to be changed,

given its history and the lessons learned as described above and in the response to Study Question 8, beginning on page 123.

Agency Goal Setting: Two schools of thought seemed to have emerged among study respondents on the subject of diversity goals for employment and contracting set by Sound Transit. One is that Sound Transit is a leader in this area, with its exceptional goals demonstrating a strong commitment to diversity in contracting and employment. Those respondents felt that the agency should continue as such, even if the goals are aspirational in nature.

On the other hand, some contractors, union officials and Sound Transit staff noted the PLA had higher goals than any other regional public project. That set an expectation of performance, that, if it wasn't reached, would create a public perception of failure by the agency. Others said the high goals resulted in hopelessness among some project managers, especially around employment of women because the goals were set so high it was impossible to meet them. This group asserted that goals needed to be lowered to be within reach.

One suggestion from some study respondents was to assess strategically what is the best way for the agency to set and reach their goals and to involve all stakeholders in the discussion.

With respect to goals and utilization of apprenticeship, there were varied comments ranging from unions stating that in some cases they weren't asked for apprentices and apprentices weren't utilized that were available. This concern was echoed by some in the community. Also, a concern was raised that a 20% apprenticeship goal might impact safety, however, this notion was disputed by others.

Some community members cited the practice of some contractors "turning around" minority workers, refusing to work them on Sound Transit projects. If that is the case, they suggested that Sound Transit needs to have a process to examine that. One interviewee suggested there should be "zero tolerance for worksite discrimination."



Next Steps: Building Trades study respondents have consistently expressed support for extending the current PLA to cover future projects and to then jointly make modifications as needed. The Carpenters expressed disagreement with a PLA extension. They oppose continuation of the current PLA requirement to use The Plan for the Settlement of Jurisdictional Disputes in the Construction Industry. In addition, they want a signature line for the National Construction Alliance (NCA) and/or the Northwest Chapter of the National Construction Alliance (NWNCA), which is comprised of Carpenters and Operating Engineers from Washington and Oregon.²¹³ Contractors and subcontractors have expressed mixed reactions to extending the PLA and it appears there is support for a model (such as the WSDOT 520 Pontoon CWA) in which the owner has no role. The ABC and AGC have clearly stated that they prefer no PLA. The AGC played a pivotal role in the WSDOT CWA negotiation and considers it a preferable approach if a PLA is utilized on future Sound Transit projects. Regardless of the model, several contractors requested that they have a more substantive role in any future negotiations. Some Sound Transit staff highlighted the importance of “ensuring that those who negotiate a PLA understand construction.” This was a lesson learned according to some study respondents, who also commented that because Sound Transit’s PLA negotiators did not understand tunnel construction, this resulted in confusion, grievances and additional time consumed to negotiate PLA amendments.

Various parties presented information in support of their recommendations regarding how to proceed if a PLA is used in the future for Sound Transit construction projects. Since the WSDOT CWA was raised both positively and negatively by many study respondents as a model that should or should not be used at Sound Transit, their perspectives are provided below.

Those supporting the WSDOT CWA point out that it is a user-friendly document. It is only 17 pages with one addendum, in comparison to the Sound Transit PLA which is over 57 pages, including nine attachments. Its language is clear and concise, unlike much of the Sound Transit PLA provisions which are very detailed and “legalistic.”

WSDOT CWA supporters also point out that this agreement requires no costly administration or owner involvement. The contractors who were bidding on the project, with the help of the AGC, negotiated it pre-bid and the prime contractor who was ultimately selected simply began operating under this agreement. It is very similar to local agreements so the parties should have minimal interpretation issues. It is seen as an efficient and effective way to proceed if a PLA (or in this case, a CWA) is utilized.²¹⁴ Also, keeping the employee-employer relationship in tact without outside interference is seen by WSDOT CWA proponents as a way to reduce project costs.

The Building Trades views on this issue are very different. They point to the fact that the WSDOT 520 Pontoon project is much smaller (\$367 million) and less complex than the projects planned for Sound Transit into the future. It is scheduled to take only two years, versus the 11-

²¹³ The Northwest Regional Council of Carpenters covers Washington, Oregon, Idaho, Montana and Wyoming.

²¹⁴ Different individuals and groups disagree about whether there is actually a substantive difference between an agreement that’s called a PLA (project labor agreement) versus a CWA (community workforce agreement) other than semantics. For the purpose of this study, no distinction is made in the terminology because both were pre-bid negotiated project-wide, comprehensive labor agreements.

plus years Sound Transit's PLA has been operational. They also point out that the WSDOT CWA has only one prime contractor who will be operating for the duration of the project. They assert that there is no practical way for Sound Transit to task PLA negotiations to a group of contractors who won't be operating more than a few years at most on the PLA. They noted that Sound Move has involved 1036 contracts, 662 contractors and 29 prime contractors to date.

A Building Trades official who was involved in the WSDOT CWA negotiation told study authors that this model could not be successful at Sound Transit because:

“A PLA would have to be negotiated with prime bidding contractors for each and every discrete project put out to bid. This could be a dozen or more major, and many more minor projects in Sound Transit's next generation of construction. There is no assurance that a trades-wide agreement could successfully be negotiated with each and every prime bidding contractors, or that the terms would be satisfactory to Sound Transit.”

Finally, they reference provisions in the CWA that could be detrimental to Sound Transit's interests such as exemptions to the no-strike clause, a requirement that all employees join the union, no core workers provision and no reference to diversity goals. The simpler, more concise language in the WSDOT CWA was acknowledged to work well if the parties had a good working relationship and a common understanding of how the less specific provisions are to be implemented.

Some study respondents who did not offer an opinion on the WSDOT CWA model did caution against starting over as an advisable next step. One comment typical of this perspective was, “A lot of effort has been put into getting acceptable terms. The PLA is not perfect, but it would be a shame to throw it out and start from scratch.”

Also, it should be noted that many of the sharpest critics of the administration of the PLA have expressed pride in its accomplishments. One such study respondent submitted this perspective:

“The PLA has been the foundation document for a remarkable record of construction of heavy rail, light rail, bus, and related structures and facilities. The work has spanned a decade, and has been accomplished without a single day of productivity lost to onsite strikes or other labor economic activity. Moreover, the PLA and its dispute resolution machinery has fostered the settlement of numerous disputes. Typically this has occurred at low levels and indeed, there have been few arbitrations required for resolution of labor-management disputes. Jurisdictional disputes have been settled without disrupting work.

“In short, Sound Transit has been the beneficiary of an unbroken record of labor productivity, This is because labor was performed under a PLA that encompassed all trades, and that bound all trades to a common means of resolving the inevitable disputes that crop up in complex construction projects. The same could be said for the other major PLAs, including those at the Port of Seattle, Brightwater, and the two stadiums.”

In some study interviews, questions were raised as to whether Sound Transit has the contractual authority to extend the PLA to its next phase of construction. The Seattle/King county Building and Construction Trades Council submitted the following opinion:

“This point is clearly answered in Article 2 of the PLA. The preamble paragraph to Article 2 starts: "This PLA shall apply and is limited to all new construction as defined in Section 2.1 of this Article[.]” It covers “construction, including rework, and other construction related activities necessary to the Sound Transit Project and specifically described below.” There follows a list of Commuter Rail Stations and Link Light Rail projects. Section 2.1 closes with the following paragraph that supplies the answer:

“It is understood by the parties that **Sound Transit may at its sole discretion** and at any time modify, delete or **add to the list of Projects** defined in Section 2.1 above. In so doing, Sound Transit will first notify the Washington State Building and Construction Trades Council of their intended changes.” [emphasis added]

“The meaning is plain: it is Sound Transit's option to add construction projects to the PLA. All it has to do is first notify the State Building Trades Council.²¹⁵

“Sound Transit's authority was negotiated into the PLA at its inception. All unions are a party to that agreement and thereby consented to Sound Transit's authority in this regard.”

Extending the PLA is a next step that is strongly advocated by some study respondents. Others disagree and prefer that no PLA be utilized and if a PLA is required, it should be negotiated by the contractors without owner involvement. Lastly, at least one labor union only supports a PLA with different jurisdictional language and signature line changes.



²¹⁵ Article 21 (Duration of PLA) provides that the PLA “shall continue in full effect for the duration of the Project construction work *as described in Article 2.1 of this PLA.*” Thus, the duration article (by reference to Section 2.1) carries forward the principle that Sound Transit can extend coverage of the PLA to additional projects.

Section F: Study Conclusions²¹⁶

Based on input from stakeholders (contractors, subcontractors, labor, community and other groups), review of documents and analysis of available data from Sound Transit, it is the conclusion of this study's authors that the provisions and performance of Sound Transit's PLA have essentially supported the Board's objectives as set forth in their 1999 resolution to use a PLA. Those objectives included:

- Paying prevailing wage
- Standardizing work rules
- Preventing strikes and lockouts on the jobsite
- Ensuring an adequate supply of skilled labor and labor cost certainty
- Using skilled labor from throughout the Puget Sound region
- Increasing local economic benefits in employment and contracting on construction contracts
- Administering construction contracts in a manner consistent with Sound Transit's objectives and federal grant requirements for the participation of local, small, and minority, women and disadvantaged business enterprises and equal opportunity goals
- Increasing opportunities for the participation of people of color, women, economically disadvantaged persons and local owned small businesses on construction contracts
- Increasing local job training and apprenticeship on construction projects

At the request of Sound Transit, other related PLA issues were studied with the following conclusions drawn:

- A. **Costs Versus Savings:** There were areas of both savings and costs associated with the use of the PLA. There is no objective way to definitively evaluate PLA costs versus savings or to conclusively prove or disprove assertions about the PLA's overall financial benefits.
- B. **Grievances:** Issues and grievances arose over the course of the PLA. None resulted in strikes, lockouts or other work actions. Most have been resolved in accordance with PLA-prescribed procedures. Some issues such as parking, pre-job, and precast have recurred and have not been consistently or definitively resolved.
- C. **Administration:** Sound Transit has experienced a learning curve in effective PLA administration that continues to evolve, present ongoing challenges, and spur continued improvement efforts.
- D. **Non-Union Subcontractors:** Non-union subcontractors generally viewed the PLA negatively due to union dispatch and workforce requirements, union dues/fees, trust fund payments and related fines, concerns about union organizing and lack of information about PLA financial elements prior to bidding.
- E. **No Strike Provision:** Sound Transit's PLA no strike provision has protected the agency against onsite strikes, picketing, and work stoppages for over ten years and is still in full force and effect. This language insulated Sound Transit from at least 74 days of area strikes since 2001. Conservative estimates indicate that exposure to these labor disputes

²¹⁶ Please note that these are brief summarizations of more extensive analysis and conclusions contained in the body of this study. All conclusions were based on extensive input from all stakeholder groups and available data.

would have increased Sound Transit construction costs by millions of dollars. Many other types of labor-related delays were also curtailed due to this PLA language. Sound Transit's PLA has significantly stronger protections against onsite work disruptions than most local collective bargaining agreements.

- F. **Jurisdiction Disputes:** Sound Transit has been protected from involvement in potentially costly and time consuming jurisdictional disputes because of comprehensive resolution procedures required by the PLA and adhered to by all parties. This language has insulated Sound Transit from being adversely affected by the departure of some labor organizations from the National Building and Construction Trades Department and the on-going conflicts associated with this separation. This protection continues in full force and effect under the current PLA.
- G. **Prevailing Wage:** The prevailing wage escalation provision appeared to work well from the standpoint of supporting efforts to provide an adequate supply of skilled labor, especially during the first five to six years of Sound Move when demand for construction workers was high. It is a fairly standard requirement and does support recruitment and retention, as well as real time prevailing wages. There is, however, mixed reaction to Sound Transit's policy to reimburse PLA contractors for the prevailing wage escalation delta rather than expect it to be included in their bid documents.
- H. **Community Representation:** The PLA provided for community involvement at the worksite to support those underrepresented in the construction industry. This was to be accomplished through jobsite monitoring and advocacy by FAST Jobs Coalition representatives and agents. There were mixed reactions to FAST Jobs from stakeholders. Study respondents agreed that the concept was a laudable one. Most stakeholders raised concerns about the sustainability of an all-volunteer organization for this function, and would like to see changes made to better accomplish the original objectives of this model. Some have recommended funding a coordinator for FAST Jobs or bringing this function in-house to Sound Transit.
- I. **PLA Comparisons:** In comparing Sound Transit to other local PLAs, the key differences between King County's Brightwater Conveyance, WSDOT's SR-520 Pontoon and the Port of Seattle Airport PLAs include:
- Community representation language is unique to Sound Transit's PLA
 - Sound Transit's PLA contains higher diversity goals than the other three PLAs. Also, the Sound Transit PLA explicitly specifies diversity goals for all tiers of workers.
 - Sound Transit's PLA has the most extensive pre-apprenticeship plan of the four agreements.
 - Like the Brightwater and Airport PLAs, the Sound Transit PLA has a strong no-strike/no lockout clause as well as jurisdictional dispute protections. It contains no exemptions for work stoppages as does the WSDOT CWA.
- J. **Suggestions for Improvement:** The primary suggestion offered involved modifying Sound Transit's role in PLA administration. While some contractor groups recommended that if a PLA is used it should be administered by contractors, other stakeholders strongly disagreed. They recommended more active and consistent direction from Sound Transit in its administrative role. Other suggestions offered by various groups included reducing paperwork requirements; improving data tracking; enhancing technical support for small, non-union and minority contractors; providing stronger enforcement of diversity goals along with clarifying some PLA language. Also, many study respondents recommended

that Sound Transit change its prevailing wage escalation reimbursement policy by specifying in its bid documents that prevailed wages should be factored in as a cost and/or should be adjusted on the same dates as those specified in local agreements.

Former Sound Transit Board Chair and Seattle Mayor Greg Nickels commented that all parties have contributed to the success of Sound Move and,

“I support the PLA because in a project so big and complex a team approach is key. We have moved ahead without being subject to labor disruptions. We made a big investment in our future and in the process have provided good jobs to those living in our communities.”²¹⁷

Whether PLA opponents or proponents, all parties acknowledge the importance of the Sound Move projects to this region.

²¹⁷ Mayor Nickels interview, 3/28/11.

Section G: Key Policy Questions

The following questions are examples of decisions that will need to be made regarding the use of a PLA for future Sound Transit projects. This is not an exhaustive list. Rather, it is an attempt to highlight fundamental considerations that both underlie and flow from a yes or no PLA determination.

Will Future Sound Transit Projects Operate With or Without a PLA?

Yes With a PLA	No Without a PLA
<ol style="list-style-type: none"> 1. What PLA Model and Process Will be Used? <ol style="list-style-type: none"> a. Extend current PLA b. Extend current PLA with certain provisions modified c. Negotiate a new project-wide PLA d. Other _____ 2. Will all future projects be governed by a PLA? If not, which ones will be excluded and on what basis? 3. What key provisions will Sound Transit authorize and/or require be included in the PLA?* 4. What will Sound Transit's role be regarding the PLA?*** 	<ol style="list-style-type: none"> 1. How will Sound Transit maximize protection from work interruptions and cost escalation due to strikes, lock-outs, area standards/informational picketing, slow-downs, sick-outs, rolling labor contract expirations, protests and other potential work actions? 2. How will Sound Transit insulate itself from work interruptions, legal actions and cost escalation due to jurisdictional disputes? 3. How will Sound Transit ensure prevailing wage rate compliance by all contractors? 4. How will Sound Transit ensure that an adequate supply of skilled labor and apprentices from the region are supplied and that employment and other Board objectives are met on all contracts?
<p>*See page 187 for examples ** See page 188 for examples</p>	

Key PLA Provisions

***Examples previously drafted by Sound Transit staff include:²¹⁸**

- A commitment from labor unions to agree not to strike, walkout or otherwise engage in job actions that put the completion of such contract(s) at risk, and to swiftly resolve jurisdictional disputes.
- Commitments from labor unions to provide skilled labor and apprentices from throughout the region.
- The project labor agreement will not apply to employees of Sound Transit and consultants engaged by Sound Transit or to off-site activities such as the fabrication and manufacture of equipment and materials, the delivery of equipment and materials, and the installation of such equipment and materials where warranties are affected.
- Agreement by contractors and labor unions that non-union contractors may participate on all contracts under the project labor agreements, without signing permanent union contracting agreements.
- A requirement that contractors and labor unions adopt Employment objectives for people of color and women consistent with federal and state laws, policies and regulations.
- A requirement that contractors and labor unions use apprentices to facilitate the participation of people of color, women and other disadvantaged persons on such contract(s).
- A requirement that contractors and labor unions (a) ensure nondiscriminatory union hall hiring practices for non-union project labor agreement workers, (b) authorize the employment of identified core employees, and (c) eliminate double benefit payment requirements.

²¹⁸ Board Resolution 99-21, Exhibit A:<http://www.soundtransit.org/documents/html/board/resolutions/html/ResoR99-21exhibit.htm> (last viewed 4/15/11).

Options for Sound Transit's Role Vis-à-Vis the PLA

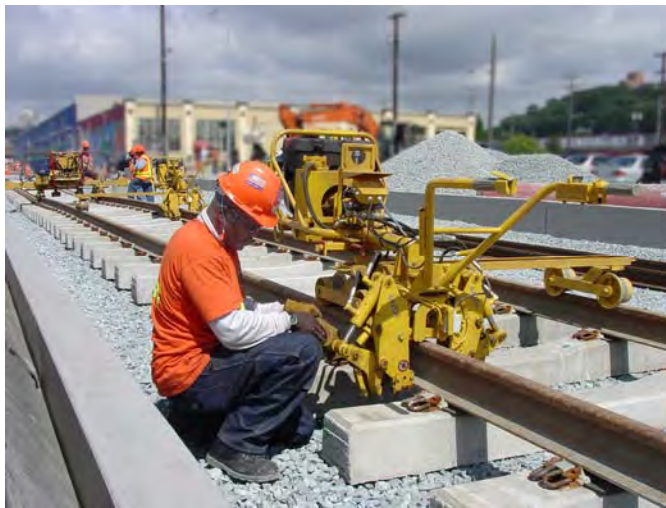
****Sound Transit could determine its PLA role to be:**

- a. Non-substantive with all PLA issues determined between signatory contractors and unions
- b. Monitor compliance (observe, keep records, track data)
- c. Facilitate and/or mediate issue resolutions requested by contractors or unions
- d. Negotiate modifications/additions to PLA provisions
- e. Direct compliance by contractors and unions when any party does not use PLA-mandated processes
- f. Provide proactive and ongoing PLA technical and educational assistance to contractors and unions
- g. Delegate administration, compliance and/or renegotiation responsibilities to an outside consultant (third party)
- h. Utilize an outside consultant on a temporary basis to ensure that all parties to the PLA are supported, oriented and operating consistent with PLA provisions.
- i. Combination of some of the above options
- j. Other _____

Sound Transit may also elect to clarify its role in relation to specific PLA provisions or situations such as:

- The source for PLA language “intent” clarifications as needed
- Has no role in grievance or jurisdictional resolution processes unless one or more parties fails to engage in or refuses to comply with those PLA processes. In such cases, Sound Transit may intervene and direct timely compliance.
- Facilitates and renegotiates PLA modifications as Sound Transit deems necessary.
- Monitors and compiles data as to levels of apprenticeship utilization, attainment of employment goals, etc.
- Provides PLA technical and educational assistance to all parties to maximize access and compliance by non-union, minority and women contractors.
- Combination of some or all of these options.
- Other _____

Section H: Appendix



Appendix Section H1: Individuals Interviewed for and Who Contributed To the Consultant Study of Sound Transit's PLA (In Addition to Study Survey Respondents)²¹⁹

Thanks go out to all the study respondents who gave their time and responded to questions, supplied data, researched and provided much valuable insight into the Sound Transit PLA. Without their input, this study would not have been possible. The study authors also acknowledge Sound Transit staff who assisted in this study and provided photographs for this report.

SOUND TRANSIT

1. **Alec Stephens**, Sound Transit Diversity Technical Advisor
2. **Greg Mowat**, Labor Agreement Specialist
3. **Ann McNeil**, Sound Transit Government and Community Relations Director
4. **James Niemer**, Sound Transit Legal Counsel, General Counsel's Office
5. **Robert Taaffe**, Sound Transit Construction Safety Manager
6. **Ahmad Fazel**, Sound Transit Executive Director, Department of Design, Engineering & Construction Management
7. **Richard (Dick) Sage**, Sound Transit Construction Management Director
8. **Dallas Delay**, PLA Specialist

COMMUNITY MEMBERS

9. **Peter Guzman**, Sound Transit Diversity Oversight Committee/ Coordinator; City of Tacoma Local Employment and Apprenticeship Training Program (LEAP) [& was on the FAST Jobs Coalition negotiation team]
10. **Frederick Simmons**, FAST Jobs Coalition Representative; Legacy of Equality Leadership
11. **Elwood Evans**, IBEW Local 46
12. **Michael Woo**, Founder; Got Green; Formerly Construction Clearing House; Formerly LELO
13. **Ray Hall**, Rainier Beach Community Empowerment Coalition
14. **Diane Davies**, Interim Program Coordinator; Student Support Manager; Pre-Apprenticeship Construction Training Program, Seattle Vocational Institute
15. **Eddie Rye**, Black Contractors Association
16. **Verlene Jones**, President; Seattle Chapter of the A. Phillip Randolph Institute and member of Sound Transit Diversity Oversight Committee

²¹⁹ These interviews are in addition to the 76 responses received for the Sound Transit PLA Study Survey. At least 141 individuals provided input for this study, with some representing groups and organizations.

SUBCONTRACTORS

17. **Larry Vinson**; Vinson Brothers Corporation (owner operator trucking, landscaping, power sweeping, pressure washing, snow plowing service)
18. **Mark Scoccolo**, Vice President; SCI Infrastructure, [prime and subcontractor on PLA Projects]
19. **Mary Guthmiller**, Owner; DBE Electric
20. **Barnaby Peters**, Construction Manager; Elcon Corporation
21. **Fred Anderson**, LeaJak Trucking Company
22. **Tim Pickney**, Owner, Environmental Management Training (EMT).

CONTRACTORS

23. **Mike Bell**, Project Manager; Airport Station Concrete & Trackwork (C430R); Mowat Construction Co.
24. **Patrick Malone**, Project Manager; South Boeing Access Road to South 154th St.; PCL, (C755)
25. **Virgil Curtis**; Project Manager, Downtown Tunnel Retrofit & Expansion (C510); Balfour Beatty Construction
26. **Jerry Dindorff**, Seattle District Manager; Associated General Contractors
27. **Doug Peterson**, Labor Relations; Associated General Contractors
28. **Kathleen Garrity**, President; Associated Builders & Contractors of Western Washington (ABC)
29. **David Landreth**, V. P. Track-West Division; Railworks Track Systems

BECHTEL

30. **Reginald Phelps**, VP Industrial Relations; Bechtel; author of PLA cost savings study in 1999 and member of Sound Transit's PLA negotiation team

LABOR UNIONS:

31. **Dave Johnson**, Executive Secretary; WA State Building & Construction Trades Council,
32. **Lee Newgent**, Executive Secretary; King County Building Trades Council
33. **Mark Martinez**, Executive Secretary; Pierce County Building Trades Council
34. **Marge Newgent**, District 1 Representative for SW King County/PLAs; Operating Engineers Local 302
35. **John Little**, Recording Secretary and Regional Council Political Director; Carpenters Union Local 131
36. **Michelle Helmholtz**, Field Agent / Executive Board; Laborer's Union Local 440
37. **Tom George**, Training Coordinator\Western WA; Teamsters/AGC Training Center (former Business Agent; Teamsters Local 174)
38. **Steve Cuddy**, Assoc. Gen. Council of NW Regional Office of LIUNA
39. **Dick Robblee**, General Counsel; Seattle-King County Building Trades
40. **Rick Cunningham**; Operating Engineers Local 302
41. **Larry Boyd**, Construction Field Representative; Teamsters Local 174.

OTHERS:

42. **Chris Elwell**, Project Manager; Brightwater
43. **Charlie Sheldon**, Former Port of Seattle Airport Project Staff and SeaPort Director
44. **Greg Nickels**, Former Mayor of Seattle and Former Board Chair of Sound Transit
45. **Sheri Cook**, Port of Seattle; PLA Field Monitor; Labor Relations
46. **Bob Dyer**, Project Manager; WSDOT Pontoon PLA
47. **David Leon**, Port of Seattle Benefits Manager (Former PLA Manager)
48. **Gary Schmitt**, Labor Relations Director; Port of Seattle
49. **Elaine Holmes**, Labor Relations, PLA Specialist; Port of Seattle

Information and written comments were also provided by the following stakeholders (some interviewees also provided written submissions):

50. **Leslie Jones**, Director; Diversity Programs Office, Executive Department; Sound Transit
51. **Ginger Ferguson**, PE; Sound Transit
52. **James Hathaway**, Senior Financial Planner; Sound Transit
53. **Beverly Cobb Zahir**, Lead Diversity Programs Specialist; Sound Transit
54. **Jay Freistadt**, Intern, Diversity Department; Sound Transit
55. **Submission from PCL legal staff** (attached)
56. **Carolyn Wickiff**, Port of Seattle Apprenticeship/Drug Testing Manager
57. **Royal Robinson**, Business Agent; Plasterers Local 528
58. **Jeff Kelly**, Business Agent; International Union of Painters and Allied Trades, DC 5s
59. **Mike Dahl**, Business Agent; Sprinkler Fitters Local 699
60. **Steve Harley**, Business Agent; Roofers and Waterproofers Local 54
61. **Kathy Scott**, Office Manager IBEW Local 46
62. **Dale Bright**, Field Agent/Union Representative; Laborers Local 440
63. **Doug Strand**, Business Agent; Laborers Local 242
64. **Cathy Hargar**, Seattle King County Building Trades
65. **Steve Pendergrass**, Business Agent; Iron Workers Local 86



Provided by Patrick Malone, PCL

PURPOSE OF THIS DOCUMENT

Patrick Malone provided a list of questions with suggested changes to the PLA at his interview on November 18, 2010. Initially organized chronologically by article, Agreement Dynamics has omitted comments and questions specific to PCL, and arranged the rest by "Suggested Changes" and "Questions Posed" to present to Sound Transit as part of this PLA Study.

SUGGESTED CHANGES PUT FORTH BY PCL

1. Article 3, Section 3.2(e) requires that the Steward remains on the project as long as he/she is *"qualified, willing and able to perform"*. It would be our preference to tighten this language up to be the *"most qualified"*. We would not want to be in a position where we are at the end of the project and have to release long term core employees just so the Steward can stay on the job.
2. Section 19.3 provides for a drug and alcohol testing program as Attachment G. Would Sound Transit entertain a submittal for approval of the Contractor's program?
3. Based on questions inserted later regarding arbitrator (or arbitrator panel, depending on the issue) for liquidated damages for work stoppages, lockouts, jurisdictional disputes, and grievances, contractor asked to see resume of arbitrators.
4. Section 2.8 states that the PLA supersedes the terms and conditions of other agreements, except for the elevator constructors union. Contractor suggests that RFP indicate whether any work on the project falls within their jurisdiction.

QUESTIONS POSED BY PCL

1. Does Sound Transit intend to utilize this PLA as is or will there be an opportunity to modify terms and/or conditions to incorporate lessons learned during the life of the PLA and to freshen up ideas that need to be updated?
2. Article 1 - Purpose: the 13th paragraph states that federal funding requirements will supersede provisions of this PLA. Has Sound Transit experienced any circumstances during the term of this PLA where this has occurred? If so,
 - a. What were the circumstances?
 - b. What was the outcome?
 - c. How have the unions interpreted this provision and its applicability to subcontracting and hiring?
3. Article 2: Scope of Agreement - Section 2.2 excludes professional and engineering staff from the PLA.
 - a. Does this also exclude surveying, geotechnical investigation and engineering, hydrological studies, etc. provided by the owner?
 - b. What about those provided by the contractor? Self-performed or subcontracted?
4. Article 4: Community Representation
 - a. Section 4.2 (c) provides for the training of 25 journey level workers by FJC (FJC Reps).
 - i. How many FJC Reps are anticipated to be trained for this project?
 - ii. How will they be selected? From the Contractor's or subcontractor's existing workforce?
 - iii. Is it anticipated that they will all hold journey level positions on the contractor's payroll?
 - b. Section 4.3 (c) allows FAST to appoint one FJC Rep per shift.
 - i. Is that restricted to the contractor's payroll or does it extend to

-
- subcontractors?
 - ii. Is this restricted to one per employer or is it one per major work activity(one on each structure, one on grading, one on utilities, etc).
 - iii. What happens with specialty crews such as paving crews?
- c. Section 4.3(3) provides similar protections for the FJC rep as for the Steward.
- i. Stays on the job so long as qualified, willing and able to perform.
 - ii. Also details what warrants termination for cause. Would unsatisfactory performance of duties include causes such as violation of company policy, safety violations, abuse of equipment, theft, etc?
 - iii. Section 4.6 provides that FJC Reps will be paid up to 1/2 hour per week at the employee's normal rate of pay.
 - iv. Is the employee's normal rate of pay the straight time rate?
 - v. Is this considered time worked for the purpose of computing overtime pay requirements?
 - vi. Is 1/2 hour of fringe benefits payment required?
 - vii. Does the employee pay dues and/or other deductions to the union on these earnings?
5. Article 5 Joint Administrative Committee:
- d. Section 5.2 states that Management shall include the Coordinator, the Contractor and Fast. How many representatives will there be from each entity?
 - e. It appears that the existing PLA anticipated multiple projects under multiple years.
 - i. How were the Contractor representatives selected?
 - ii. Will each contractor have a representative on the Committee?
6. Article 6 Hiring Procedures. Referral and Employment:
- a. Section 6.2 provides for hiring outside of the union if they are unable to fill a request for employees.
 - i. Prior to seeking applicants from other sources, the Contractor must first consider referrals from FAST.
 - 1. Is this required of subcontractors as well?
 - 2. How will FAST demonstrate skills and training?
 - 3. What is the process if FAST believes the applicant to be qualified, but the Contractor does not?
 - b. Section 6.3 recognizes Sound Transit's commitment to providing opportunities for emerging business enterprises and provides a procedure for the employment of the enterprises' core employees. We anticipate this to be a high priority for Sound Transit and probably a non-negotiable item.
 - i. How has this worked under the existing PLA?
 - ii. Have the unions been cooperative?
 - iii. How can the Contractor support this commitment to continue providing these opportunities?
 - c. Section 6.4 provides for employment goals for underrepresented groups. It anticipates that low income women and people of color will perform 33% of the total hours worked on the project with a minimum of 25%. Sub goals are set at 21% people of color and 12% women. This is also anticipated to be a non-negotiable high priority for Sound Transit.
 - i. Does this pertain to total hours worked on the project in all disciplines (craft worker, salaried, support services, etc) or is it just craft hours worked under the PLA?
 - ii. Have the Unions been able to provide referrals in the demographics that meet

-
- iii. Do the goals extend to subcontractors?

7. Article 7 Apprenticeship:

- a. Section 7.1(a) establishes the apprenticeship goal at 20% or 1 in every 5 workers.
 - i. Is 20% still the correct number?
 - ii. Is this a by craft goal or applicable to total craft hours worked on the job?
 - iii. If by craft, how are requirements addressed for crafts that are represented by less than 5 workers?
 - iv. Do these goals extend to subcontractors?
- b. Section 7.1(e) provides for thresholds of 50% of 1st year apprentice hours in all trades to be performed by women and people of color and 33% of total apprentice hours to be performed by women and people of color.
 - i. Have the unions been successful in providing referrals in the demographics that meet these goals?
 - ii. Do these goals extend to subcontractors?
- c. Section 7.3 addresses the removal of barriers that prevent under represented people from joining the project work force.
 - i. Under 7.3(b), please clarify what is meant by "*when the work does not involve exceptional and extraordinary security requirements*". Does this prohibit background checks?
 - ii. Under 7.39(c), regarding the requirement for apprenticeship fees, have the unions waived the fees or is the Contractor required to pay them on the underrepresented individual's behalf?
 - iii. Does this extend to subcontractors?

7. Article 8 Pre-Apprenticeship Training Program:

- a. Section 8.1 provides for funding by Sound Transit of no less than \$0.05 per hour worked under the PLA.
 - i. Is this cost passed on to the Contractor?
 - ii. It is assumed that some level of funding has been accrued under the existing PLA. Will funding for the new project roll into the existing fund so that the new project has the benefit of a funded program being in place?

8. Article 9 Hours of Work. Overtime, Shifts and Holidays:

- a. Section 9,1 provides for a shift window of 6:00 a.m. to 6:00 p.m. It further provides that the Contractor may vary the start time for certain reasons. Does this variance extend before the 6:00 a.m. shift window without penalty?

9. Article 10 Wages & Benefits:

- a. Section 10.1(b) provides for labor escalation in accordance with the twice annual State of Washington adjustments to the state prevailing wage.
 - i. Is there a requirement for further labor escalation in the event that the annual federal Davis Bacon adjustment results in a higher wage or fringe?

10. Article 14 General Work Rules:

- a. Section 14.5 provides for a local hire preference for foremen and general foremen.
 - ii. Does this apply to long-term core employees?
 - iii. Does this apply to specialty crews?

11. Article 15: Work Stoppages and Lockouts - Sections 15.5, 15.6(g) and 15.6(h) provide for

liquidated damages and fees and expenses for violation of this Article.

- a. Section 15.6(a) names Michael Beck as the permanent arbitrator for work stoppages and lockouts.
 - i. Is he still the permanent arbitrator?
 - iii. Can we get a copy of his resume?

- 12. Article 16 jurisdictional Disputes: Section 16.1 requires work assignments to be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry.
 - a. Section 16.2(b) provides that Dr. John Dunlop shall be the permanent arbitrator for work assignments.
 - iv. Is he still the permanent arbitrator?
 - v. Can we get a copy of his resume?

- 13. Article 17 Grievance Procedure: Section 17.3(c) provides a panel of 3 arbitrators to choose from for all other grievances. Are they still the permanent arbitrators? it Can we get a copy of their resumes?
 - a. The procedures do not provide for a mutual extension of the timelines provided should the parties feel that might settle the matter informally.

- 14. Schedule A Prevailing Wage & Fringe Rates:
 - a. Craft classifications and union jurisdictions have changes since the execution of the PLA in 1999. Will the Schedule A be updated accordingly?

- 15. Attachment H Travel Time Clarifications: Please clarify if:
 - i. Travel time is considered as time worked and therefore subject to overtime requirements and the payment of fringe benefits?
 - ii. Travel time is compensable both ways (to and from the project) or if one way travel is on the employer and the other is on the employee?



Appendix Section H2: Prevailing Wage for Public Work Overview

Overview of Prevailing Wage for Public Work

“Prevailing Wage is defined as the hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of construction workers, laborers, and mechanics. Prevailing wages are established by statistical survey by job classification, by Washington State Department of Labor & Industries (L&I), for each trade and occupation employed in the performance of public work. They are established separately for each county, and are reflective of local wage conditions. Wage rates are provided in the Washington State Prevailing Wage Schedule.”²²⁰

At the federal level, and usually at the local levels, prevailing wage requirements are utilized in order to “protect communities and workers from the economic disruption caused by competition arising from non-local contractors coming into an area and obtaining construction contracts by underbidding local wage levels.”²²¹

One consequential item to note regarding prevailing wage and cost savings under PLAs and collective bargaining agreements is that the Davis-Bacon Act and the Washington State Public Works Act, which establishes the use of prevailing wages on state-wide public work and federally-funded construction projects, allows apprentices to be paid lower rates than journey-level workers.²²² Thus, if there is 15-20% apprentice utilization on work crews, then the compliant labor costs would be significantly lower than if there were no apprentices in a work crew.

How are Wage Rates Established?

In Washington State, the Department of Labor & Industries (L & I) surveys contractors and unions every three years in order to determine the wages and benefits that are paid for each type of job classification. L & I finds groups to survey by using industrial insurance information, Intent and Affidavit filings, and licensing information. There are four main ways in which prevailing wages are calculated in Washington State:

- 1) The “Majority Wage” in the largest city in the county (if more than half of total hours worked in the city are done at one wage rate, then that rate automatically becomes the county’s prevailing wage)
- 2) The “Average Wage” of the largest city in the county (If there is no majority wage rate, then the “weighted” average wage becomes the prevailing wage countywide). The wage is weighted by how many total labor hours were worked at that wage
- 3) In the absence of wage/hours data for the largest city, the County average, using weighted average wage, is calculated in order to determine prevailing wage
- 4) In the absence of any data reported from the County, then the existing wage rate will be retained.

In Washington State, prevailing wage rates are published twice a year on the first business day of August and of February, and are effective 30 calendar days after (September 1st and March 1st). Prevailing wage rates that are established for collective bargaining agreements, such as project labor agreements (PLAs), may need to be adjusted semi-annually in order to reflect the changes to the effective prevailing wage rates.²²³

²²⁰ Washington State Department of Labor & Industries.

<http://www.lni.wa.gov/TradesLicensing/PrevWage/default.asp>

²²¹ United States Department of Labor <http://www.dol.gov/whd/recovery/pwrb/Tab2Coverage.pdf>

²²² Liz Chimienti, *Project Labor Agreement Thesis* – MIT Master in City Planning,

²²³ Washington State Department of Labor & Industries.

<http://www.lni.wa.gov/TradesLicensing/PrevWage/basics/default.asp>

Appendix Section H3: PLA Use Considerations

a) King County Executive Justification for a Brightwater PLA²²⁴

The King County Executive feels that the Brightwater project meets all the criteria outlined in Washington State Executive Order 96-08 and King County Labor Policy 2002-022 for considering the use of a PLA; namely, that construction projects:

- must be completed without delays (time sensitive)
- extend for a substantial period of time where local collective bargaining agreements may expire during construction
- involve a substantial number of contractors, subcontractors, and trades and craft workers
- have a substantial dollar value
- clearly benefit the public

Time Sensitive

Recent population estimates for the period 2000-2040 show that approximately 1 million new people will be living and working in the King County service area by 2040. At this rate of growth, King County will exceed the storage and conveyance capacity of the north-end wastewater system by 2010, if not sooner. If the Brightwater project is not completed by 2010, the region may face significant risks to human health and water quality from wastewater backups and overflows. The potential for serious economic impacts exists as well. In a May 1999 letter to King County, the Washington State Department of Ecology stated that if the county does not provide new conveyance and treatment capacity within the time proposed in the Regional Wastewater Service Plan (2010), the state may impose moratoriums on new sewer connections in jurisdictions tributary to areas of the sewer system that are overloaded.

Substantial Project Duration

Brightwater will be constructed over five years (2005-2010), which is sufficient to span multiple bargaining agreements. By setting labor terms for the entire period, the county can avoid potential labor-related disruptions from strikes and lock outs during renegotiations of expired bargaining agreements.

Substantial Workforce

The Brightwater project will require a substantial number of contractors, subcontractors, and trades to construct the complex array of wastewater facilities, including a wastewater treatment plant, miles of deep underground tunnels, and an underwater outfall deep in Puget Sound. Appendix A provides information on the major trades needed to construct Brightwater as well as an estimated number of workers in each trade.

Substantial Dollar Value

At a cost of approximately \$1.35 billion, the Brightwater project will be one of the largest public works projects constructed in the Puget Sound region.

Public Benefit

The public benefit for Brightwater is clear: the Brightwater treatment system will enable King County to continue to protect public health, preserve this region's vital water resources, and support regional economic growth for the next 30 years and beyond.

²²⁴ King County Department of Natural Resources and Parks Wastewater Treatment Division, "Issue Paper: Exploring the use of a Project Labor Agreement To Construct the Brightwater Treatment System," February 2004, p. 15. Source: Paul McNeil.

b) Port of Seattle PLA/CWA Criteria²²⁵

1. The size, duration, and complexity of the project.

- Is the project large?
- In what ways is the project complex?
- Identify the different crafts that will be required to work on the project.
 - State whether the collective bargaining agreements applicable to the different crafts contain different working conditions and have different expiration dates, and state whether such expiration dates are expected to fall within the construction window for the project.
- What is the anticipated duration of the project?

2. The need to complete the project on an expedited basis in order to ensure the public is not unduly inconvenienced or deprived of revenue.

- Does the project need to be completed on an expedited basis? Why?
- Is there a probability of labor-related delays in the performance of the construction contract that would have a significant adverse impact on the operation of the airport, the seaport, or the surrounding communities?

3. Whether the Port's past experience with construction projects in the location of the proposed project indicate that a PLA will be effective.

- In what ways has having a PLA in place delivered increased stability and labor peace in the past?
 - In answering this question, you may wish to discuss an example of a situation that had significant potential for labor-related delays, e.g. tenant construction (by non-union contractors) in the middle of Port construction. In that situation, Port construction was covered by a PLA and had union workers but the tenant construction, not covered by the PLA, had non-union workers. In that situation, you could say that labor harmony among union and non-union workers was achieved by having an effectively managed PLA in place for the port construction.
- What is the history of union unrest, or lack thereof, on prior projects that were undertaken without the benefit of a PLA?

4. The extent to which a significant number of skilled and trained workers will be needed to perform work on the project.

- Does the project need a significant number of skilled and trained workers?
- Are labor organizations a reliable source of skilled, experienced workers in all the crafts needed on the job site for the duration of the project, taking into consideration other major construction work in the area?
 - In answering this question, you may refer to past experience such as the following example: Several years ago, when construction was hot and skilled workers in limited supply, the Trades Council assisted the Port and its contractors find low-voltage electricians.

5. The value of having uniform working conditions on the project.

- How will the project and the Port benefit from uniform work rules and working conditions?
-

²²⁵ Port of Seattle: "This criteria has been in existence for approximately 1.5 years. The Port is currently in the process of collecting data from users for revision." Source: Sheri Cook.

-
6. The desirability of being able to resolve labor-management and jurisdictional disputes quickly.
- Do you believe the PLA would help the Port resolve labor-management and jurisdictional disputes quickly because it will contain: a) procedures for dispute resolution and b) no strike/no lockout protections?
7. The desirability of creating a safe work place.
- How will use of the PLA promote workplace safety?
 - Is it important to have a uniform drug testing policy?
8. The need to ensure that Port is obtaining the best work at the lowest price.
- How does use of a PLA ensure best work at the lowest price?
 - Does the use of a PLA facilitate more accurate bids?
 - Are there any cost savings that may be realized through use of a PLA?
9. The need to ensure that the Port avoids favoritism, fraud and corruption in the awarding of public contracts.
- Has the Port observed procedures for decision-making on whether the PLA should be applied so as to avoid favoritism, fraud and corruption in the awarding of public contracts?
 - Has the Port negotiated and approved the PLA's terms and conditions in a manner that avoids favoritism, fraud and corruption in the awarding of public contracts?

c) Washington State Executive Order Regarding Use of PLAs²²⁶

In 1996, Washington State Governor Mike Lowry signed Executive Order 96-08, supporting the use of PLAs on public works projects. The Order states that in appropriate circumstances, project labor agreements can facilitate the timely and efficient completion of such projects by making available a ready, reliable, and adequate supply of highly trained and skilled craft workers, permitting public and private owners and contractors to accurately determine project labor costs at the outset and to establish working conditions for the duration of the project, as well as provide a negotiated commitment as a legally enforceable means of assuring labor stability and avoiding disruptions such as strikes, lockouts, or slowdowns over the life of the project.

The Order further directs all state agencies to consider the following factors in making the decision whether to use a project labor agreement.

- The potential for labor disruptions, such as strikes, lockouts, or slowdowns which could affect completion of the project
- The number of trades and crafts anticipated to be used on the project
- The need and urgency of the project and the harm to the public if completion of the project is delayed
- The size and complexity of the project and the time needed for completion
- The benefits to the public from the use of a project labor agreement relative to cost, efficiency, quality, safety and timeliness

Executive Order 96-08 also states that the decision to use a project labor agreement in connection with a public works project by a state agency shall be made prior to selecting the method of contracting for the project and shall be supported by written findings which clearly demonstrate how the use of a project labor agreement will benefit the project and the interests of the public and the State from a cost, efficiency, quality, safety and timeliness standpoint. The fact that a project labor agreement will be used shall be set forth in the advertisement for bids issued for the project.

²²⁶ King County Department of Natural Resources and Parks Wastewater Treatment Division, February 2004, page 7. Source: Paul McNeil.

Appendix Section H4:

U.S. Department of Transportation

Letter (2/18/11) Encouraging Use of PLAs Provided by Sound Transit



U.S. Department
of Transportation
**Federal Transit
Administration**

Administrator

1200 New Jersey Avenue S.E.
Washington DC 20590

FEB 18 2011

Dear Colleague:

I write to announce the availability of guidance on the use of project labor agreements (PLA) in projects receiving Federal Transit Administration (FTA) financial assistance, and to encourage you to use PLAs in FTA funded projects.

As you know, large-scale construction projects are challenging to complete on time and within budget. One of the tools that can be used to control costs is the project labor agreement. A PLA spells out the specific terms and conditions that govern the employment of labor on a project for the duration of the project. A properly drafted project labor agreement can create structure and ensure labor stability throughout the duration of a project by coordinating wages, work rules, and other terms of employment by providing mechanisms for resolving grievances and by prohibiting work stoppages for the duration of a project.

On February 6, 2009, President Obama signed Executive Order 13502, encouraging Federal agencies and their grant recipients to consider the use of project labor agreements on large-scale construction projects. The Order describes the special challenges posed to large-scale construction projects performed by employers who typically do not have a permanent workforce. In these circumstances, the Order explains, the use of a project labor agreement may ensure a steady supply of labor, prevent labor disputes and uncertainty about the terms and conditions of employment, and promote the efficient and timely completion of construction projects. Also of note: the Order revokes the previous prohibition on the use of PLAs in projects receiving FTA financial assistance.

In order to help its grantees to use project labor agreements on FTA-funded projects, FTA has published new guidance on its website at http://www.fta.dot.gov/laws/leg_reg_7211.html. I encourage you to read this guidance and to make use of project labor agreements whenever possible.

If you have questions or need further assistance, please contact your FTA regional office and ask to speak with the Regional Counsel.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Peter Rogoff".

Peter Rogoff

Appendix Section H5: Survey Responses

Survey Methodology for Sound Transit PLA Study”

Agreement Dynamics surveyed stakeholders associated with the Sound Transit Project Labor Agreement (PLA). More than 130 stakeholders were contacted with 76 responding to the survey. To reach out to Sound Transit’s stakeholders, Agreement Dynamics contacted the local contractor associations, AGC and ABC, and requested contractors to survey. Unions who were signatory to the PLA were contacted and asked to provide a list of representatives to survey. Sound Transit provided a list of subcontractors, “many of whom were women, minority, and DBEs.”²²⁷ Sound Transit also provided a list of members of the PLA’s Joint Advisory Committee.

The survey was administered online and in conjunction with 49 in-person and telephone interviews of stakeholders conducted by Agreement Dynamics staff. The purpose of the survey was to expand opinion gathering opportunities from a larger pool of stakeholders than could be interviewed. Survey questions were specific to each stakeholder group and were generally open-ended to give respondents freedom to express their views, attitudes, opinions and experiences.

In total, 76 surveys were completed by these stakeholders. The initial survey question asked whether the respondent had worked directly on Sound Transit projects. Fifty-eight (58) respondents chose “yes,” and were then asked to identify what role they had played on these projects. Of those who worked directly on Sound Transit projects, the respondents were:

- 26 subcontractors
- 18 union representatives
- 11 prime contractors
- 2 community representatives

In addition, there were 18 respondents who indicated that they had not worked on Sound Transit projects. Because the survey administrator’s goal was to gather feedback about the Sound Transit PLA performance from those involved, this group (hereafter called “Interested Parties”) was not asked detailed or specific questions about the PLA. However, because their perspectives are unique and important to Sound Transit, their responses are included at the end of the survey responses.

Please note that when remarks were made about specific individuals, these names have been deleted. The following compilation is from each stakeholder group, in order of highest to lowest response rate.

²²⁷ Alec Stephens, Diversity Technical Advisor, Sound Transit email, 11/15/10.

Subcontractors Survey Responses

Agreement Dynamics received 76 responses to the Sound Transit PLA Study Survey. Twenty-six of those responses were from subcontractors. Their response are shown here.

1. Did your project at Sound Transit require adherence to a PLA?

Responses	Response Percentage	Response Count
Yes	92%	24
No	4%	1
Not sure	4	1

2. How many PLAs have you worked with in the past?

Responses	Response Percentage	Response Count
This was my first	27%	6
2-5	46%	10
6 or more	27%	6

3. If you have worked with other PLAs, how do those PLAs compare to Sound Transit's PLA?

- Port of Seattle-it's similar.
- Similar.
- About the same.
- I think the unions need to work closer with the DBE contractors; I think most of the PLAs have not been good fit for DBEs.
- They are all similar in scope and authority.
- I can't answer because I was not working for the company at the time of the contract.
- Somewhat the same.
- Very similar.
- Similar.
- Same.
- We have only done PLAs with Sound Transit.

After question #3, four respondents exited and did not complete the online survey.

4. Is your firm:

Responses	Response Percentage	Response Count
Unionized?	82%	18
Non-union or open shop?	18%	4

5. Were there aspects of the PLA that worked well for your firm?

Responses	Response Percentage	Response Count
Yes	27%	6
No	32%	7
Not sure	41%	9

Comments:

- We just showed up and did our work. The PLA didn't change a thing.
- Avenue for wage rate reimbursement for Prevailing Wage increases during the contract period.
- There was some confusion at times.
- Work definitions were agreed upon before work is begun.
- Our operators and laborers are union, but our truck drivers are not. We had to pay into the Teamsters union, but the drivers don't get any benefit.

- I can't answer because I was not working for the company at the time of the contract.
- Labor rates being the same but so does prevailing wage projects. Limits hiring specific skilled employees that are key to one's specific scope of work. More training to hiring workers out of the Hall or list. In some cases duplication of benefits.
- I wouldn't imagine that ANYBODY could find something positive about the PLA.
- Small operation; work on the Sound Transit project was performed by owners.
- Prevail wage for truck drivers is too high versus what they pay for truck service.
- We are union already.

6. Were there aspects of the PLA that didn't work well for your firm?

Responses	Response Percentage	Response Count
Yes	41%	9
No	27%	6
Not sure	32%	7

Comments:

- See above answer. (We just showed up and did our work. The PLA didn't change a thing.)
- It adds another level of paperwork and another agency involvement without an equal amount of benefit.
- The local union interpreted sections of the PLA to require that the 4-10 hours days we worked be changed to M-Th from the established T-F we had worked for many months. It was an unnecessary hardship on some members of the crew. Not all Sound Transit representatives were well acquainted with the PLA and how it modified Local Union labor agreements.
- If we were under an agreed-upon 4 day, 10-hour work week. We had some trouble and confusion about a craft person transitioning in and out of the 5 day to 4 day and back again without accruing OT. Mostly some confusion though.
- It is very difficult to blend union with non-union labor to work cohesively.
- Listed above. (Our operators and laborers are union, but our truck drivers are not. We had to pay into the Teamsters union, but the drivers don't get any benefit.)
- I can't answer because I was not working for the company at the time of the contract.
- When we were non-union our employees, truck drivers, had to join the union or sign an agreement. The duration of the project never allowed them to become vested, therefore their initiation and monthly dues never went to them.
- Absolutely a miserable experience fighting both Local 66 and Local 54. Came to a stalemate with the Local 54. I was required to have all of my employees that were going to be on the project go down to the union shop headquarters and sign up with the Union. I had to pay union dues for the project costing me around \$6,000.00 on a job that was already bid very tight. In addition, I have been audited by both the Local 66 and the Local 54 since then. In hind site, I should have told the general contractor that I could not do the project and suffer whatever consequences were imposed by the GC. It wouldn't have been near as bad as what I went through dealing with the PLA.
- My company's work on the last couple of Sound Transit PLA jobs required 1-2 day deliveries spaced out months in between for a long duration project. Because of this our pre-job drug screens weren't current because we weren't continuously working on project. Our deliveries were also at night typically. We are also bound by Federal Highways and State patrol to have time off between shifts for rest period regulations. This forced us to make the staff "lose" a days work for the 1 hour requirement of a day time pre-drug screen to work for 1-2 day delivery type activity on PLA jobsite. We are a drug free company, required by federal highways to drug screen yearly and perform month random drug screens of our drivers so we believe in the same principals that the PLA drug screens are trying to accomplish. But are always caught in a situation were we are losing production for 3 workdays just to complete 1 shift on PLA jobsite.
- N/A.

- Travel time; unexplained wage variance.
- The PLA opens the door to non-union firms with lower labor costs.

7. Did the PLA contribute to a positive labor-management work environment?

Responses	Response Percentage	Response Count
Yes	14%	3
Somewhat	14%	3
Not Sure	32%	7
No	41%	9

Comments:

- Since we are Union, once the initial paperwork is completed we never referred back to the agreement. When you pay the correct wage for the correct amount of hours worked in the correct labor category the employees do not have issues.
- I could always contact a union representative to assist me with any questions and concerns, it was very helpful.
- One Union employee we had to hire filed an injury claim months after the job. He worked for us for 1-2 days, never told our Foreman or safety manager that he injured himself, yet we still had to battle the claim that was eventually declined. Very frustrating!!
- I can't answer because I was not working for the company at the time of the contract.
- See above
- We have a good relation with local unions and the added weight of these agreements are difficult for the craft and employer.
- How could introducing non union shops with union labor be a positive experience? I find it almost funny that you would even really ask this question. We will never bid another project that has a PLA agreement again, one horrible experience is enough.
- N/A.
- The non-strike guarantee is helpful.

8. Did the PLA contribute to a positive relationship between contractors and Sound Transit?

Responses	Response Percentage	Response Count
Yes	14%	3
Somewhat	18%	4
Not Sure	50%	11
No	18%	4

Comments:

- It created a process whereby we could head off potential problems before they became a problem for ST.
- I can't answer because I was not working for the company at the time of the contract.
- Sound Transit, owner, is interested in completion of one's scope of work. The PLA is just another complicated cost burden that one, at times, takes on in order to get work. It adds to the cost of the project.
- Prime contractors labor force performed at a high standard. Prime contractor & Sound Transit handle all changes in conditions and worked with us as Subcontractors to assure the proper handling of the proper procedures to get the work completed in a timely manner.

9. What issues related to the PLA arose that your firm did not expect or was not prepared for?

- None (9 responses).
- A steward was removed for ongoing negligence resulting in costly damage to our customer's equipment. He could not be discharged under the terms of the PLA and received a large cash payment when my customer demanded I remove him from their job.
- N/A (3 responses).
- Most firms had issues with the trust people and their attorney's on late pay issues.
- Paperwork.
- Requirement to pay Union benefits to employees.
- Cost incurred needing to pay union dues. EXTRA administration and paperwork. Frustration in being ignored and treated poorly by the Local 54 office people. The Local 66 was better to deal with than the Local 54.
- I can't answer because I was not working for the company at the time of the contract.
- As a subcontractor we weren't on the jobsite continuously. Due to hours of operation of pre-job drug screens staff had to be unable schedule work for extra shift every time we were asked to comeback to site. And most of our work involved 1 day deliveries spaced out over 6-8 months in between deliveries
- We were not impacted or affected by the PLA that I'm aware of.
- Amount of paper work and hurdles from General Contractor
- Hiring owner operator

10. Were you satisfied with the quality of workers dispatched to your job site?

Responses	Response Percentage	Response Count
Yes	59%	13
No	23	5
Not Sure	18	4

Comments:

- We had no problems, as the workers were our own.
- Initially we arrived in a "hot" market place. Our initial worker quality was horrible...it caused us great concern. It really took us a while before we could get the desired quality in our workforce...not until the market took a turn were we able to secure some quality craftspeople.
- The unions never screen their members; they just send out the next one in line....
- Mostly yes, but some were not so good.
- Our current workforce has specific technical training and certifications that most workers do not have. Getting workers out of the Hall without that specific training can be a safety risk.
- Did not apply; did not dispatch new workers; used existing staff.
- No workers were requested to be dispatched on this project.

11. Was your project affected by strikes?

Responses	Response Percentage	Response Count
Yes	5%	1
No	96%	21

Comments:

- I do not remember all the details in order to comment.

Briefly describe the strike and how your project(s) was affected by the strike(s):

- It was shut down.

Was the strike related to the PLA?

- No (100% of respondents chose "NO")

12. Did the wage escalation reimbursement process work well?

Responses	Response Percentage	Response Count
Yes	10%	2
Somewhat	40%	8
No	20%	4
Not Sure	30%	6

What suggestions do you have to improve this process?

- None (3 responses).
- We have to work through the Prime contractor, so not sure where the breakdown of communication is at: maybe Prime to sub or maybe Owner/PLA to Prime, but the amount of paperwork needed in order to be reimbursed is far greater than necessary. A form and streamlined procedure needs to be included with the PLA for everyone to use for reimbursement.
- As a lower tier subcontractor, I only supplied the payroll reports to support my customer's application for reimbursement. I have no direct knowledge of the working of this process.
- It seems that there was some confusion regarding what all in rates were from old to new. One entity is at a prime contractor level must be the hub for this information...to eliminate confusion and wasted management time.
- We did not get paid any escalation for the last year. Prime told us Sound Transit would not pay wage escalation.
- Monthly reimbursement process.
- We were not affected by the wage escalation.
- Don't know.
- Rates need to be competitive with the rest of the industry.
- I can't answer because I was not working for the company at the time of the contract.
- When the construction industry is taking a dive and we're in a recession, how can we continue to increase wages? We as owners, in some cases, took reductions in our pay to keep our core employees working. Did the unions? I don't think so.
- I personally do not handle this portion of our business, so I can not accurately answer this question.
- Didn't use
- Owner operators
- It would REALLY help if there was a standard way to calculate the wage escalation and that calculation was easily available, or shared to all who need it. It also really helps when the wage escalation is paid each month. Not every quarter.
- The prevail wage does not need to go up it needs to go down. A truck owner/operator can stay somewhat afloat with what they pay but if you have any employees forget it. If you were to do inspections on the trucks 8 out of 10 would not pass a DOT inspection. There is no money left after wages and taxes paid to have good brakes, tires & maintenance program.
- Wage escalation should include market escalations as well.
- Timely processing of paper work by Sound Transit

13. On a scale of 1-10, with 10 being the highest rating, how would you rate the Sound Transit PLA in terms of effectiveness?

Responses	Response Percentage	Response Count
1	5%	1
2	5%	1
3	0	0
4	10%	2
5	35%	7
6	5%	1
7	15%	3
8	25%	5
9	0.0%	0
10	0.0%	0

14. Please describe why you chose that rating.

Rating	Why Rating Was Chosen
"1"	The PLA is just another bureaucratic waste of time and money. You people should stop wasting TAX PAYER money with idiotic ideas such as the PLA and allow work to happen competitively and freely, as CAPITALISM was designed to be. The PLA is an absolute waste of time and resources.
"2"	Not sure, from my line of sight the PLA should be making sure everyone is paying the correct wage rate for the job being done. I do not know if someone is actually reading the certified payroll being submitted, looking at checks being cut and making subcontractors comply with the regulations or if this stuff was just filed.
"4"	All about the same, it works well for the union.
"4"	Sound Transit was very hard to deal with.
"5"	PLAs don't seem to affect us other than we have more paperwork to do regardless of whose PLA it is.
"5"	For small contractors, there is NO bonus for being union.
"5"	The PLA works to keep project moving without threat of strike and have everyone working together. But non-union contractors have trouble working their staff with union rules and wages and benefits.
"5"	Neither positive or negative.
"5"	The only direct impact of the PLA was the wage escalation. I didn't feel I could rate the rest of the PLA
"5"	What can one say about something we have no control of? It was acceptable. Not good, not bad.
"5"	Average.
"6"	I had no particular complaint with the agreement, but I didn't think it was administered well in all cases.
"7"	It could have been higher but the quality of manpower issue is disconcerting. I had people arrive on site--journeymen--that could not install rigid conduit. To have to turn manpower around is a waste of time and money for us. Picking through the manpower available is risky to do as we always risk a grievance along the way.
"7"	Amount of paperwork in relation to other public projects
"7"	Worker dispatched seem to be a higher skilled worker than those of an open shop labor force. Work sites seem to be more manageable that have a PLA requirement.
"8"	Thought it worked well until we were refused wage escalation.
"8"	See previous answers.
"8"	It worked well.
"8"	I think they are all the same.

“8”	No problem associated with PLA's issues.
-----	--

15. Would you support Sound Transit's use of a PLA for the next construction phase?

Responses	Response Percentage	Response Count
Yes	70%	14
No	30%	6

If yes, what improvements would you like to see in a future Sound Transit PLA?

- No suggestions.
- No suggestions at this time.
- Pay issues are big. As a small business, we can't go without pay any longer than 60 days at that point we start to encounter problems. Right now, as an example, I am waiting for money that has gone past 60 days on a ST project that is 99% complete for us. I think it's a not so subtle second retention as we near the end of a project...we still need predictable cash flow, as a subcontractor it's critical. Those that are Sub Tiers are most at risk (and we fall into this category quite often)...if a payment is held up above us, not because of us, we could still see a delay in our payment for some mistake another sub or prime made on a schedule of values or something. Some sort of payment matrix could be created tracking all subs and sub tiers in terms of pay dates and amounts...unfortunately asking the prime to do this is like the fox guarding the hen house. Hate to say it but it may fall to the owner.
- Not sure (3 responses).
- None (3 responses).
- What makes you so sure we or you have a choice?
- Flexibility for short time duration work less then 2 days (delivery drivers)
- Unknown
- More knowledgeable people
- All market escalations should be taken into account due to the long contract durations and delays. Possibly a market % increase each year.

If no, explain why you would not support a future Sound Transit PLA?

- For the amount of wage reimbursed the process was too cumbersome.
- I think the unions have pushed themselves almost out of the market.
- Too much hassle for a non-union operator to work with the Union.
- There is NO bonus for a small contractor to be union.
- It causes problems between staff due to wage disparity between those that work on the Sound Transit projects and those that work non-Sound Transit projects.
- As I stated before, the PLA is a complete waste of time and resources, on both sides of the agreement and DOES NOT promote capitalism as it was designed by our forefathers. Being forced to utilize a work force outside your own company is not a fair practice, it would be like my company being able to force union companies to allow my personnel to work on their projects--never going to happen.

16. Would you bid on future Sound Transit projects if there were a PLA?

Responses	Response Percentage	Response Count
Yes	85%	17
No	10%	2
Not Sure	5%	1

Comments:

- We bid any work that is in Western WA that has our scope of work.
- I'm union so I have no direct cost impact when I work under a PLA.
- Our bid would not be considered since our company is too small even though we are certified minority. Only another subcontractor has hired us to do work on Sound Transit projects.
- If I have to I will bid!
- Depends on size and scope.
- We need the work. Being that we are in tough times, municipalities are where the work is.
- Our bid would increase to cover the added expense.
- Worthless.
- Yes, I think the projects which have PLA's have a safer work place with skilled workers and that keeps project completion on schedule. Everyone wins. Owners, Contractor & Communities.
- PLA do protect our labor forces and being a union contractor this is a plus.
- We are a union contractor.

17. Please provide us any thoughts you have regarding Sound Transit's PLA that would be important for us to know as we conduct our study.

- Worthless. Put an end to wasted money and unfair business practices. I pay enough taxes.
- What makes you so sure that you can say that a project is going to be regulated by a PLA or not? Where do the funds come from and what are the restrictions?
- None (8 responses).
- Don't know.
- Somehow, subcontractors need to be included when there are agreements between the owner and the contractor.
- It was very inefficient for our company and I believe that it drives up the price to Sound Transit to be forced to use Union labor.
- Consider small firms.
- Please consider this: As a DBE our goals are the same as any other quality contractor...to provide a quality schedule sensitive product to the owner within specification parameters. Just because we happen to be DBE doesn't mean we expect a "free ride" or come with the expectation that "you owe me". We too aspire to grow and thrive to the point where we can one day transition out into the public market without any designations or modifiers and be a predictable, reliable, quality driven, safety conscious contractor.
- Minority subcontractors need better protection from the processes that can damage them financially.
- Apprentice goals requirement seem high.
- I appreciated receiving the Sound Transit documents that I received on disk rather than the mountains of paper it takes to print everything. I would like it even more if I could easily access the information I need on the internet rather than having to store the information.
- Price adjustments. Each truck company should have their own contract. when money trickles down the line (sub to a sub) there is nothing left.
- PLA adds cost and undue burden to project. it does not ensure smooth flow of project without strikes. Strikes occurred in 2006 and definitely had an impact on our schedule. Nor does union have skilled workers in some traditionally non-union industries. Double benefits are another problem; makes our bid not competitive.
- Make the PLA have mandatory union contractors for all scope sections.

Union Representatives' Survey Responses

Agreement Dynamics received 76 responses to the Sound Transit PLA Study Survey. Eighteen of those responses were from union representatives. Their responses are shown here.

1. Which union did you represent? Responses were:

- IUOE 302 (2 respondents)
- Painters
- Teamsters Local 174
- Carpenters
- HOD Carriers and General Laborers Local 242
- Seattle Building Trades
- International Union of Painters and Allied Trades
- Seattle Building Trades
- Iron Workers Local Union #86
- laborers local 440
- IBEW
- Teamsters Local 313-Pierce County
- Cement Masons and Plasterers Local 528 (2 respondents)
- Brick Layers and Allied Craft workers
- International Union of Elevator Constructors
- IUPAT DC 5

2. How would you describe your level of involvement with Sound Transit's PLA?

Responses	Response Percentage	Response Count
Day-to-day as a shop steward	0	0
Regularly as a union rep	89%	16
Other (please specify)	11%	2
<ul style="list-style-type: none"> • PLA Administration for Building Trades • Now working for the Seattle/King County Building Trades 		

3. How many PLAs have you worked with in the past?

Responses	Response Percentage	Response Count
This was my first	6%	1
2-5	39%	7
6 or more	56%	10

4. If you have worked with other PLAs, how do those PLAs compare to Sound Transit's PLA?

- It is challenging, but not more than other PLAs.
- They [other PLAs] are better managed and more effective at resolving issues.
- Most of the other PLAs had or have a better resolution process to remedy issues that arise through the course of the project.
- I have found Sound Transit's PLA to be a very useful tool. Where there were major issues, we were able to agree to "open" the PLA and modify the terms.
- Very Similar.
- Sound Transit has a lot of forward thinking Community Involvement Language. Good written agreement but lacks of oversight and administration. It is known as a "Contractors Agreement" and not a labor-friendly agreement. Sound Transit has not enforced the agreement and as a result Contractors routinely ignore contractual obligations.

- Third party administered seems to work better with a neutral liaison to mediate.
- Some have better aspects.
- Very similar with the exception of extra projects that employers are not bound to sign on to the PLA.
- I thought it worked very well. The work was done in a very professional manner.
- Comparable.
- As an IUVEC (International Union of Elevator Constructors) Representative all of our PLA agreements are the same.
- Brightwater had more favorable language. But I think ST is better than some of the others.
- Fair
- The PLA for Sound Transit is not very different from other PLAs.

5. Did the PLA contribute to a positive labor-management work environment?

Responses	Response Percentage	Response Count
Yes	72%	13
Not Sure	11%	2
No	17%	3

Comments:

- Not as positive as anticipated ...much too burdensome to be efficient.
- No matter the PLA, there will always be good contractors and bad ones. Please refer to my previous comment.
- Enforcement of the agreement would have led to better relationships. Sound Transit has always represented contractors' interests and not labors'.
- Most of the issues were deferred to the contractor and the Unions to resolve with no participation from Sound Transit. Some safety issues that I felt were Sound Transit's obligations were ignored and I had to go to L&I to get compliance.

6. Did the PLA contribute to a positive relationship between labor and Sound Transit?

Responses	Response Percentage	Response Count
Yes	61%	11
Not Sure	28%	5
No	11%	2

Comments:

- The personnel Sound Transit employed to interface with labor did not promote positive relations to the extent that enabled joint, interest-based solutions.
- Again this was perceived as a Contractor Friendly agreement and was voluntary for over half of the agreements.
- Overall workable, but would be nice to have third-party administer.
- There have been some problems with the intent of what is covered within the PLA.
- I thought labor and Sound Transit worked very well together.
- NAME DELETED, as the representative for Sound Transit, is probably the root of all the problems.

7. Were any Sound Transit projects you worked on affected by strikes?

Responses	Response Percentage	Response Count
Yes	0%	0
No	100%	18

- To this day, I believe that the PLA saved the Central Link project from at least three shutdowns due to labor unrest. (As a reminder, the IUOE 302 sand and gravel strike in 2007 was a strike against the SUPPLIER not the project or its contractors).
- The value of the agreement was in avoiding strike delays. Strikes during the agreement included the sand and gravel, carpenters, pipefitters and concrete pickets.

8. Did the wage escalation reimbursement process work well?

Responses	Response Percentage	Response Count
Yes	59%	10
No	12%	2
Not Sure	29%	5

What suggestions do you have to improve this process?

- Quicker response to some of the issues we had.
- None (4 responses).
- I don't know if every contractor complied and some had projects at different links.
- Timely administration.
- Administer the PLA OR hire a third-party administrator to see to its proper administration.
- Make sure that the wages keep up with the local unions' collective bargaining agreements, otherwise you will have a problem manning the projects.
- Only issues were with contractors who didn't sign the agreement and then wanted to use the escalators.
- Per local collective bargaining agreement.
- Better communication and direction by the owner to mandate the prime's responsibility to inform subs of whatever tier of their obligations under the contract.
- I assume it did, I am not a contractor so have no direct experience, other than the fact that while I worked on the project my pay raise came on time.
- Wages should escalate at the same time as the locals' collective bargaining agreements.
- Monitor the open shop a little closer; some slip in and out without notice.
- Start early with negotiations.
- I wasn't involved enough with this to give an informed opinion.

9. The Sound Transit PLA called for 20% apprenticeship involvement. From your perspective, did the hiring halls dispatch enough apprentices to meet that goal?

Responses	Response Percentage	Response Count
Yes	77%	13
No	18%	3
Not Sure	6%	1

Comments:

- Women apprentices were hard to find.
- From my perspective as a Union Rep, we always tried to meet the goals for the apprenticeship standards.
- The hiring halls sent out all of the apprentices that the contractors requested.
- Sound Transit has never made more than 60% of the Apprenticeship Goal. Unions are not employers and have to dispatch apprentices as requested. This has been a contractor contractual obligation failure and has not been enforced by Sound Transit.
- Could be greatly improved if the contractors would request or call for apprentices.
- Apprentices are readily available, there is no reason for contractors not to be able to fully utilize them.
- I think the hiring halls had enough apprentices to fill 20% goal but contractors didn't request them.

- Requirements were not craft specific. This all a goal to be met without using apprentices from all crafts involved.
- It wasn't craft specific so it would have been better if it was. Carpenters and Laborers got a much larger portion I think.
- When asked, we complied. At the start of the project, the tracking of the apprenticeship hours was dismal at best.

10. The PLA had hiring goals of 21% for minority employees and 12% for women. From your perspective, did the hiring halls dispatch enough minority and women to meet these goals?

Responses	Response Percentage	Response Count
Yes	59%	10
No	24%	4
Not Sure	18%	3

Comments:

- I think the people in the Halls preferred to work other projects.
- In our union we have very broad coverage for these groups and do not have a problem meeting any of these goals.
- Did the contractors request enough minority and women to meet these goals? I believe that ST, the Unions and the Contractors need to ensure that the workers dispatched are fulfilling the goals established in the PLA.
- The construction industry continues to struggle to find enough women. Our minority compliance is improving and is good for apprentices but falls short for journey-level workers.

11. Did the dispute resolution process in the Sound Transit PLA work well?

Responses	Response Percentage	Response Count
Yes	71%	12
No	18%	3
Not sure	12%	2

Comments:

- I thought Sound Transit staff NAME DELETED did a good job of coordinating dispute resolution with the parties. I was pleased with his efforts and communication.
- Maybe have the administration of the processes a little better developed to make it more effective for the performance of the end goal of the PLA.
- While the process was not perfect, I believe it was fair and worked well overall.
- It was not enforced. Every thing ends up as a grievance. Contractors ignore their responsibilities.
- Often the disputed work was covered by prevailing wage laws but it was not always followed by Sound Transit.
- Most issues could/should have been resolved without the need to go through the process. Sound Transit Staff NAME DELETED would say this is not Sound Transit's issue; there is a process for that to be resolved.

12. Did the jurisdictional dispute resolution provisions in the PLA work well?

Responses	Response Percentage	Response Count
Yes	77%	13
No	12%	2
Not sure	12%	2

Comments:

- This process is tried and true.
- The Plan continues to be the best method of compliance.
- Not enough penalties for non-compliance.

13. From your perspective, what was Sound Transit's role in dealing with ongoing PLA issues?

- OK.
- Responsive.
- Providing information, being safety conscious, anxious to make improvements to the contract. They were good at listening, had good, involved people able to link to the trades issues.
- To administrate all parties to a resolution. Clarify and keep the job on track.
- Administering the PLA.
- To ensure that all parties are adhering to the PLA and to protect the agency's interests in outside labor relations.
- Compliance from contractor on apprenticeship utilization. Enforcing labor issues including safety, lunch breaks, harassment, parking etc. Just enforce the agreement. PERIOD!
- OK
- It takes too long for changes or disputes to be resolved It would be helpful if the decision makers were at the table. Most often, it is not resolved without numerous meetings because they have to go back and discuss with those in authority to make decisions.
- Sometimes feels like it takes too long to come to an answer, what seems simple to begin with can drag on for what seems like far too long.
- Sound Transit was very willing to meet with both employers and labor to resolve any issue in a timely manner
- Not sure
- Their role should be to live by the PLA and all parties should be able to go to them for clarification on issues that need to be resolved.
- Hands off. They stated they are just an observer in the whole process.
- Giving a platform to air out issues.
- To keep accurate records and take an active role in dispute resolution.
- Administrative.

14. How effective were they in carrying out that role?

Comments:

- Need improvement.
- Responsive.
- They do a good job, are available when called upon.
- Somewhat sluggish.
- Not as effective as they could have been.
- I believe that the PLA administration team at ST did a great job overall. I feel that they kept all sides in check and made sure that the project moved forward even in some tough situations.
- Enforcement and the Administration of the Agreement continue to be problems at Sound Transit. They need to hire a third party to administer the agreement or hire people who will. The culture at Sound Transit needs to change.
- OK.
- It takes too long for changes or disputes to be resolved It would be helpful if the decision makers were at the table. Most often it is not resolved without numerous meetings because they have to go back and discuss with those in authority to make decisions.
- Third party administration would have been better I believe in some aspects.

- Very good.
- Not sure.
- They are very slow to respond.
- Worked okay.
- It has gotten better with NAME DELETED, as the representative for Sound Transit, on board.
- A+.
- As an observer? They were great and very consistent. They did nothing.

15. On a scale of 1-10, with 10 being the highest rating, how would you rate the Sound Transit PLA in terms of effectiveness?

Responses	Response Percentage	Response Count
1	0%	0
2	0%	0
3	6%	1
4	6%	1
5	18%	3
6	0%	0
7	12%	2
8	35%	6
9	12%	2
10	12%	2

16. Please describe why you chose that rating.

Rating	Why Rating Was Chosen
"3"	I think they could do a better job.
"4"	PLAs that are administered by the signatory contractors are not effective. Sound Transit needs to take a consistent approach and ownership of administering the PLA.
"5"	It has been a very large agreement. Multiple job sites. Most of the agreement to date has been voluntary and Sound Transit has been too timid to enforce it. Mediocre performance.
"5"	Average.
"5"	It was middle of the road, comparing it to other PLAs.
"7"	They do okay.
"7"	There is nothing wrong with the PLA. Very similar to other PLAs I have been involved with. The problem is with their view that they are an observer and not a participant.
"8"	It works
"8"	I thought they were superior.
"8"	I believe that the PLA team did a great job. Could use a bit more field monitoring.
"8"	I think for the most part the contract is very workable/effective
"8"	Not perfect, but could have been worse.
"8"	Always room for improvement.
"9"	For a job of this size there so few Labor problems. I think the PLA had a lot to do with this Labor Harmony
"9"	We had very few, if any issues.
"10"	It is a great tool to keep the job on track and all employers on a level playing field. This performance is unparalleled when the rules are administered effectively.
"10"	We did not have any issues and the PLA is credited for this

17. Would you support Sound Transit's use of a PLA for the next construction phase?

Responses	Response Percentage	Response Count
Yes	94%	16
No	6%	1

Comments:

- With third party administration as a key component.
- It is too big a project to not have oversight. The work underground is dangerous and the quality of contractors is questionable. Contractor Oversight has never been successful. The Community involvement piece will completely disappear without a PLA.
- I strongly believe with the size and length of this project, ST NEEDS to have a PLA in place to protect themselves from work stoppages and schedule delays due to work place issues. I would extend the original PLA and add all future work to its scope. You will have the ability to make changes to it as needed.
- These Agreements keep everyone on task and keep the end goal of getting the best bang for the buck for all parties involved. It is a great check and balance.
- Would need to review any future documents for positive changes.
- If it had craft specific language in regard to Apprenticeship utilization. With penalties for those that don't meet goals.
- The only way it will work is if they have a clear vision of their need to either participate or have a third party do it for them.

What improvements would you like to see in a future Sound Transit PLA?

- More action from Sound Transit when problems arise.
- Improvements in job protection language.
- Abandon "The Plan" as the settlement for jurisdictional disputes.
- Administered with more direction and control.
- Third party administrator.
- Set the apprenticeship utilization rate to a more reasonable target like 12-15%.
- Lay off or reassign Sound Transit staff TWO NAMES DELETED and hire new compliance officers. Multiple sites require more oversight. The culture of not "Upsetting the Contractors" needs to stop and they need to be held accountable.
- Cover all Sound Transit Projects not just Light Rail.
- Tracking data for drug testing, wages and benefits, mentoring, apprentice success, community indentures, etc.
- Third party administration of the agreement would be very beneficial. With a neutral entity issues may more readily be resolved.
- None.
- Do not let open shop contractors subcontract to small union contractors.
- I think the PLA should require all employers to be signatory to the PLA.
- NA
- Craft-specific language for apprenticeship goals with penalties for repeat offenders.
- I believe the process was handled professionally and productively.

**18. Please specify why you would not support a PLA for future Sound Transit projects?
(From the "No" respondent in question #17.)**

- I feel Sound Transit's view of their obligation to participate will not change. If they had a third party to administrate for them things might be different.

19. Please provide us any thoughts you have regarding Sound Transit's PLA that would be important for us to know as we conduct our study.

Comments:

- None (2 responses).
- None at this time.
- Lunch breaks, hours worked.
- I think one needs to remember that these agreements are made with the public good in mind. I know there is a lot of rhetoric about union vs. non-union on PLA agreements. The bottom line is these agreements take into account the people they serve as well as the people who work for them, sometimes one in the same. No one is being taken advantage of with these agreements in place.
- Again, to have a successful PLA, it must be administered properly.
- I can not stress how important it will be to have a PLA on this project. with the construction unions splintering off and creating different alliances, it is so critically important to keep ALL parties at the table. ST has the tool to do so, extend the PLA and it will keep project costs down, by insulating ST from the labor unrest.
- We need a PLA that includes the neighborhoods and community involvement.
- Give Sound Transit staff NAME DELETED a pay raise.
- I think PLAs provide consistency for all.
- I believe in Project Labor Agreements. I feel that they are crucial to success on jobs of such massive size as Sound Transit's projects. The agreement is just that; it has been negotiated and agreed to by both parties and should be followed to the letter by everyone wanting to be part of this work.
- I think the PLA helped by using a lot of local hires which helps the community.
- Accept low, responsible bid, not just the lowest bidder.
- Get business managers together early.
- Keep Sound Transit staff NAME DELETED on staff.
- Understand that labor disputes take greater forms than just disputes regarding strikes pertaining to an expiring CBA.
- Do not look at the PLA. There is nothing wrong with it. Look at the staff they have in place. I think you will find most of the issues there. How that can be changed I do not know. My frustration started with Obayashi. As a rep. responsible for that job we had several accidents. I got no help from Sound Transit to enforce safety. It got so bad I quit my job as a rep, because I knew things were out of control. I had just gone through a fatality investigation of one of our members at the airport under another PLA. I could not get Sound Transit's safety rep NAME DELETED to get their contractors to comply with the L&I obligations. As it turns out I was right, there was a fatality. Yes it was one of our members. I hold Sound Transit personally responsible due to their view that they were just observers.

Prime Contractors Survey Responses

Agreement Dynamics received 76 responses to the Sound Transit PLA Study Survey. Eleven of those responses were from prime contractors. Their responses are shown here.

1. How many PLAs have you worked with in the past?

Responses	Response Percentage	Response Count
This was my first	18%	2
2-5	64%	7
6 or more	18%	2

2. If you have worked with other PLAs, how do those PLAs compare to Sound Transit's PLA?

- Similar, I believe the Port of Seattle's PLA is very similar to Sound Transit's.
- Similar, more "missing" sections in this PLA agreement compared to others I have worked on.
- PLAs on the Boston Harbor work dealt with employee parking better than the ST PLA. Specific parking locations were determined, no fringes were paid for travel time and a fixed time was given for employee travel to and from the parking areas. Additionally, that PLA was the final determination. We are being told that Sound Transit's PLA is not the final determination, rather, L&I's rulings are. Since L&I uses the crafts' contract language not the PLA's language some parts of the PLA may not be valid. If that is so, what is the point of the PLA?
- I have worked with both the King County Brightwater PLA and Port of Seattle PLA. In all cases, an unnecessary level of bureaucracy was added that cost the contracting agency both from a standpoint of administration and construction costs. Many of our standard subcontractors that we have brought to PLA projects have stated that they will not do another as the administrative burden make the projects less attractive and not profitable. Specifically non-union subcontractors as they can not fully utilize their core craft workers due to the PLA required staffing requirements. This costs the contracting agencies additional construction costs as full competition is not realized.
- We did not work with the Sound Transit PLA as it was voluntary to sign it at the time. Sound Transit's PLA appeared reasonable for Open Shop contractors as it allowed the use of some non-union employees and reimbursed Open Shop contractors for payment of double benefits.
- Other PLAs were more instructive.
- The better ones were negotiated directly between the contractors employing the workers and the unions representing the workers. The more difficult ones were negotiated without contractor involvement and led to problems with work assignments, unnecessary work restrictions and lack of specific agreement on unique aspects of the job.

3. Were you satisfied with the quality of workers dispatched to your job site?

Responses	Response Percentage	Response Count
Yes	64%	7
No	0%	0
Not Sure	36%	4

Comments:

- We are a locally owned and operated union company and provided most of our own labor rather than dispatching.

- To date yes, we have had a problem with a few but this is less than 5% of the workforce.
- So far so good.
- It depended on the market, when the construction market was hot, we could not get a qualified journeyman carpenter dispatched. In slower economy, the quality of help is better. We further have had experience where the union halls could not even dispatch a craft worker.
- Didn't use PLA.
- Quality worker availability is not aided by government negotiated PLAs.

4. The PLA called for 20% apprenticeship involvement. Were you able to meet that hiring goal?

Responses	Response Percentage	Response Count
Yes	46%	5
No	36%	4
Not Sure	18%	2

Comments:

- Prime is exceeding this number, but overall on the project we are not making the goal due to some of the subcontractors not meeting the goal.
- Tunnel work apprenticeship was lowered to 15% - our analysis shows it will be difficult to achieve over 13%.
- The Laborers Union will not allow a contractor to meet this goal. The Teamsters' goal is also impossible to meet when using owner/operators.
- Didn't use PLA.

5. The PLA had hiring goals of 21% for minority employees and 12% for women. Were you able to meet those hiring goals?

Responses	Response Percentage	Response Count
Yes	64%	7
No	9%	1
Not Sure	27%	3

Comments:

- To date we are close to meeting the requirements. but overall on the project we are not making the goal due to some of the subcontractors not meeting the goal.
- At the present time we are not meeting the women goals.
- Didn't use PLA.

6. Sound Transit contracts required specific goals for use of small business, women, and minority/disadvantaged business participation. Were you able to meet those goals?

Responses	Response Percentage	Response Count
Yes	100%	11
No	0%	0
Not Sure	0%	0

Comments:

- Ongoing, we are meeting the small business, women, minority/disadvantaged business participation.

7. Did the PLA contribute to a positive labor-management work environment?

Responses	Response Percentage	Response Count
Yes	0%	0
Somewhat	9%	1
Not Sure	46%	5
No	46%	5

Comments:

- We have a potential grievance that may arise due to interpretation of the contract and PLA language.
- If bidders rely on a negotiated PLA that is then usurped by state regulations it will have a negative impact to labor-management and Sound Transit work environment.
- The PLA pre-job meetings for prime contractors and all sub-tier levels creates an unnecessary level of management. Particularly for small service contracts. It was not uncommon to see some of the smaller subcontractors and service subcontractors expend half the value of their contracts administratively navigating the PLA process.
- The contractor cannot operate as they have in the past. Some unions claimed and preformed work outside of the PLA but on the PLA work the past does not count.
- Didn't use PLA.
- Positive relationships are a function of attitude and long-term relationships, not a forced marriage under a PLA. There were more difficulties in the environment caused by a number of specialty trade unions excepted a portion of the work that would not otherwise be involved in the project.

8. Did the PLA contribute to a positive working relationship between contractors and Sound Transit?

Responses	Response Percentage	Response Count
Yes	9%	1
Somewhat	0%	0
Not Sure	46%	5
No	46%	5

Comments:

- Not sure how the PLA contributes to a positive working relationship between us and the owner. Seems that it is more about assuring Sound Transit that there will be no labor issues, strikes, etc. while giving the unions some concessions which are in addition to their existing contracts with contractors. It does provide for a fair bid environment between union and non-union contractors.
- Sound Transit will need to take charge on some issues and not allow the Unions to dictate the decision irrespective of whose feathers will be ruffled.
- If bidders rely on a negotiated PLA that is then usurped by state regulations it will have a negative impact to labor management and Sound Transit working environment.
- In general, contractors don't like owners negotiating working rules and wages with the contractors' employees. This could negatively affect the relationship between the contractor and Sound Transit.
- Sound Transit involvement in the relationship between the employers and the employees was not helpful to any party.

9. Was your project affected by strikes?

Responses	Response Percentage	Response Count
Yes	36%	4
No	64%	7

Briefly describe the strike and how your project(s) was affected by the strike(s):

- Teamsters went on strike affecting concrete pours [concrete delivery].
- Teamsters struck concrete suppliers halting work on the project.
- Operating Engineers working for the concrete suppliers went on strike and the project was shut down for one month.
- In spite of the PLA, union negotiations with concrete and aggregate suppliers caused the work to be affected.

Was the strike related to the PLA?

- Yes
- Yes.
- The presence of the Sound Transit PLA had an affect that was opposite to that intended. With a certain percentage of jobs guaranteed through the PLA, union activists are actually more easily able to take economic actions against the remaining contracts.

How was it related to the PLA?

- The Teamsters were signatory to the PLA but the vendor was not.
- Operating Engineers Local 302 were signatory to the PLA, however due to a loophole in the PLA, they were striking against the concrete suppliers and not Sound Transit. This resulted in a strike that delayed the project.

10. Did the wage escalation reimbursement process for contractors work well?

Responses	Response Percentage	Response Count
Yes	46%	5
Somewhat	18%	2
Not Sure	36%	4
No	0%	0

Comments

- Ongoing--an audit to confirm procedures in place would be useful.
- This process takes a lot of time. The subs don't always understand it and a lot of time was spent with them.
- We didn't experience this process.

What suggestions do you have to improve this process?

- None (4 respondents gave this answer).
- Not sure how this went on our project.
- Ongoing--an audit to confirm procedures in place would be useful.
- There was not process in place; the contractor came up with their own method. Audits or reviews should take place early in the process.
- Have not had to deal with wage escalation clause.
- We didn't experience this process.
- Sound Transit should prepare a template containing all of the trades that they expect on the project, and provide it in the documents at bid time. This will greatly increase the bidders understanding of the process and help to get started.

- Escalation is not a serious issue at this time. The clause should be revisited and employed only when uncertainty exists.

11. Do you know if the use of the PLA encouraged or discouraged small business and minority or women-owned contractors from bidding on ST PLA construction projects. Please elaborate with specific details.

- I don't know about it on Sound Transit projects, but in my experience on Port of Seattle projects, some small non-union subcontractors did not want to bid due to the PLA and the need to pay dues and dispatch their employees through the union. I also heard complaints that they did not like mixing crews of union and non-union workers. I would say it was definitely not encouraging to anyone, but was only discouraging to a few.
- Don't know.
- Only information I have is passed down and not from a direct source; therefore, I will keep quiet !!
- Non-Union firms are spooked by the process. Their concerns are that they will have to sign a union contract or cannot utilize all of their own employees (only some).
- Initially I think it made little difference. My experience with small businesses and minority or women owned contractors was little different than any other subcontractor. The majority of subcontractors, regardless of classification, who have gone through the PLA process have said they would not do it again. The smaller the subcontract value, the more likely that the subcontractor would not bid on a PLA project again.
- It encouraged since they could be an open shop job - however many could not use all of their current crews as some unions would only let them "bring" a few of their key people.
- We did have a couple of SM/WBE contractors who were only willing to quote us if we did not sign-up for the PLA. Based on this, I would say that the PLA discouraged some contractors from bidding the work.
- I have been told by some firms that they will never again bid a ST project with a PLA due to the administrative burdens in the agreement.
- Yes

12. On a scale of 1-10, with 10 being the highest rating, how would you rate the Sound Transit PLA in terms of effectiveness?

Responses	Response Percentage	Response Count
1	0%	0
2	11%	1
3	11%	1
4	22%	2
5	22%	2
6	0%	0
7	33%	3
8	0%	0
9	0%	0
10	0%	0

13. Please describe why you chose that rating.

Rating	Why Rating Was Chosen
"2"	Work force harmony, worker quality, training, apprenticeship and EEO already exists in the region. Many large-scale projects have been and are being delivered under free-market conditions. There exists a healthy balance of power between contractors and worker representatives.
"3"	Sound Transit needs to take a leadership role in issues in hand.
"4"	Parking issue is not defined and shift overtime rules may be changed by L&I.
"4"	PLA agreements add costs to construction process and remove the contractor from the collective bargaining process. As the contractors are forced to live by these agreements, it does not seem reasonable that the contracting agencies should be negotiating the agreements on the behalf of the contractors. The PLA process has shown that it limits competition for both union and non-union subcontractors. For many smaller subcontractors, the added administrative costs make performing work on PLA projects unprofitable.
"5"	Owner negotiated PLA's are not effective for contractors (give it a 0). I believe that the PLA was effective for organized labor. (give it a 10). The average is 5.
"5"	I don't have an answer one way or the other.
"7"	There is room for improvement. The 20% apprentice goals are impossible to meet, open shop subs cannot bring their whole crew, certain union halls cannot perform work that they have preformed previously. For example, carpenters cannot install metal handrail on a bridge, must be an ironworker.
"7"	Didn't see a good or bad benefit from the PLA.
"7"	I think it provides a more competitive bid environment for union contractors, and guarantees better labor resources on the project. In theory, it eliminates labor stoppages, but due to the low daily fine of going on strike, often the unions weigh the pluses and minuses of the fine vs. the effects of a strike. Also, other PLA projects I have been involved in were affected by strikes by Sand and Gravel workers and Teamsters, who are not working onsite. The unions take advantage to put the pressure on contractors in these situations because the owner expects the contractor to work these issues out on their own.

14. Would you support Sound Transit's use of a PLA for the next construction phase?

Responses	Response Percentage	Response Count
Yes	22%	2

If yes, what improvements would you like to see in a future Sound Transit PLA?

- Don't know at this time.
- None.

Responses	Response Percentage	Response Count
No	33%	3
Not Sure	44%	4

Please explain why you chose "No" or "Not Sure".

- At the end of the project we will be able to determine if the PLA was successful; it's too early in the project.
- If a contractor cannot rely on the PLA to determine the application of overtime rules, drug testing or parking, the contractor is better off without a PLA.
- I do not think the PLA process adds value to the program, it results in added administrative costs to both Sound Transit and the contractors and subcontractors. Navigating the process and complying with the conditions of the PLA is a major

expense. For many contractors and subcontractors, the unknowns of the work force affect production rates of their estimates. Many non-union subcontractors--forced to hire union craft workers by the PLA--cannot fully utilize their core employees, as they typically must staff one to one with union craft employees that may or may not be qualified. I understand the value to Sound Transit to have "no strike" clauses for their major, time-sensitive projects. This has already shown itself to not be fully reliable as evidenced by the Operating Engineers strike against concrete suppliers in 2006. It also does not seem reasonable as a primary reason for Sound Transit, as the PLA is essentially used to hold Sound Transit hostage for fear of a strike if a PLA is not used. The process is obviously exclusively biased to union craft labor and limits non-union contractor participation.

- I think that many contractors could be more productive using their current union agreements than having the PLA assign union halls that they don't normally use and having them perform work that is not full-time work.
- Owner negotiated PLA's are generally not as good as contractor negotiated PLA's.
- Just not necessary to achieve Sound Transit construction goals.
- Because I am not sure how it effected us if at all.

15. Please provide any thoughts you have regarding Sound Transit's PLA that would be important for us to know as we conduct our study.

- None (3 respondents gave this answer).
- Remarks discussed previously.
- As stated in previous responses, the PLA must be definitive or it has no positive value.
- See previous comments.
- Assign apprenticeship % goals by union rather than a percentage for all. In other words the Laborers agreement with the state won't allow them to ever have 20% apprentices on project - assign the labors a % such as 12%. Owner/operator trucking will have 0% so assign it accordingly.
- I would encourage Sound Transit to allow the contracting community to negotiate PLAs. If the contractors understand what Sound Transit's goals are, they can be incorporated into the PLA.
- I would like to see Sound Transit consider contractor-negotiated labor agreements on future work.

Community Survey Response

Agreement Dynamics received 76 responses to the Sound Transit PLA Study Survey. Two of those responses were from community members. Because the initial survey question asked respondents if they had worked on Sound Transit projects and they said they had not, additional community member responses can also be found in the Interested Parties summation.

1. Did you work on a Sound Transit construction project during the past 11 years?
Yes (2 responses)
2. What was your role on the Sound Transit Project(s)?
 - Community representative (2)
3. Please describe your role related to the Sound Transit PLA.
 - Helped under-served community members with employment.
 - We are a private, independent non-profit that promotes compliance with prevailing wage laws. When we have reason, or sometimes at random, we monitor the certified payroll records provided by contractors. We have found violations of the law that are primarily scope of work issues. Back wages have been collected.
4. From your perspective, how did the Sound Transit PLA perform?
 - Given the construction boom that occurred during this PLA , the numbers of community hires was under represented.
 - Sound Transit is extremely cooperative in providing us with the records that we request in order to do our work. Sound Transit staff NAME DELETED is completely accessible to us and knows all of the "ins" and "outs" of how this works. Sound Transit staff NAME DELETED also has an excellent working relationship with the trades and the workforce.
5. Have you been involved with other PLAs?
Yes (2 responses)
 - Sound Transit PLA has served as a prototype and has been improved upon in the more recent PLAs.
 - They are very similar
6. The PLA called for 20% apprenticeship involvement. Was that goal achieved?
No (1 response); Not sure (1 response)
 - Goals of a PLA should be actively pursued to hold creditability, this was not consistently done over the term of this PLA.
 - I don't think so... not sure... but I am sure that it was not achieved on a trade-by-trade basis. I believe that the number or percentage is based on the total. This means that, for certain trades, there may have been no apprenticeship opportunities.
7. The PLA had hiring goals of 21% for minority employees and 12% for women. Was Sound Transit able to meet those hiring goals?
No (1 response); Not Sure (1 response)
 - I am under the impression that they have.
8. Sound Transit contracts required specific goals for small, women, minority and disadvantaged businesses. Did Sound Transit meet these goals?
No (1 response); Not Sure (1 response)

-
- I am under the impression that they have.
9. Do you know if the use of the PLA encouraged or discouraged small business and minority or women-owned contractors from bidding on ST PLA construction projects. Please elaborate with specific details.
- Sound Transit should look into mentorship from the primes.
 - It goes both ways depending on philosophy. There is almost no downside to bidding on these projects, yet we have had to work with small business and WMBEs to encourage them to bid. There is a great deal of misinformation out there, especially put out by Merit Shop contractors, about what PLAs are, and it frightens some contractors away because they believe things about PLAs that are not at all true.
10. What role did FAST Jobs play during the PLA?
- Fast Jobs, being an unfunded community group, was able to achieve great things going into the PLA but was not able to sustain its momentum. This could be fixed with the funding of a community coordinator.
 - I have no knowledge on this.
11. From your perspective, has Sound Transit's administration of the PLA been effective?
- Somewhat. Sound Transit has not consistently put into action corrective measures to ensure the goals of the PLA were adhered to.
 - Yes. All of the interactions that I've had with Sound Transit have been outstanding.
12. Did Sound Transit communicate with the community about employment and contracting opportunities?
Yes (2 responses)
13. How did Sound Transit communicate with the community?
- Community forums etc.
 - Sound Transit conducts lots of outreach programs in many venues.
14. Was it effective in your view?
- The response was large the success was inadequate.
 - I believe that they are effective.
15. What suggestions, if any, do you have for improving this communication?
- Put together a flow chart for a successful path to employment.
 - Communication with contractors, and especially those that it wants to attract, has lots of middle people. Other government agencies, etc. Plain old mailings to these lists of contractors might be very effective. Lots of these folks are not computer fluent.
16. What recommendations, if any, do you have for changes to the PLA?
- A greater emphasis on enforcement of the goals.
 - None.
17. Would you support a PLA for the second phase of Sound Transit projects?
- Yes, I believe that ST has been moving in the right direction. Also that the community was better served with this PLA in place then they would have been without it.
 - Yes, the PLA has resulted in a high level of compliance prevailing wage law, apprenticeship utilization, WMBE goals, and other similar things. The projects are protected from Job Actions and strikes which ensures that these sorts of

things will not affect their schedules, and there is a greater focus on safety for the workers.

18. Please provide us any thoughts you have regarding Sound Transit's PLA that would be important for us to know as we conduct our study.
- As the governing agency ST needs to hold all parties accountable because the goals are achievable.
 - We think it works. Compliance with all laws is much higher on this project than your average public construction project.

Interested Parties Survey Response

Agreement Dynamics received 76 responses to the Sound Transit PLA Study Survey. The first question of the survey asked if respondents had worked on Sound Transit Projects over the past 11 years. Eighteen responded that they had not. Regardless, they were given an opportunity to provide their input and their response are shown here.

1. **Please share with us your reason(s) for responding to this survey.**

- Provide technical assistance to small businesses.
- As the administrator of another regional transportation agency PLA, I have an interest in offering my thoughts on Sound Transit's PLA so that Sound Transit's future PLA administration can be consistent with other agencies in the Puget Sound region.
- Glaziers and Glassworkers Local 188, representing employers and workers who have worked on Sound Transit projects.
- Because I am committed to Apprenticeship.
- I represent mainly open shop (non-union) contractors who are essentially precluded from bidding on ST work due to the PLA. I was on the original PLA negotiating "team" when the PLA was developed.
- None.
- Emails said to
- I deal with people who work on Sound Transit projects.
- Oversee a preferred entry program.
- As an Apprenticeship Coordinator with the Laborers I've had numerous apprentices work on the Sound Transit projects and anticipate a working relationship for years to come.
- I feel the PLA is a blatant act of discrimination and should not be funded with tax payer dollars.
- I am interested in training the future workforce with the help of the present one.
- As a contractor pursuing work with Sound Transit, the PLA has direct impact on the way we pursue and conduct business.
- I represent workers who benefit from a PLA, and my tax dollars benefit from a PLA.
- Because I have taken this survey already with Mr. John B. Catoe, from Innovation in Transit Leadership (and Agreement Dynamics).
- While REBOUND has not worked ON a Sound Transit Project, we have worked with Sound Transit, as the designated representative of a consortium of building and construction trades unions in WA and OR. We have monitored compliance with applicable prevailing wage laws on Sound Transit Projects and found that, as a direct result of the Project Labor Agreements, there were far fewer violations of prevailing wage laws than in non-PLA Projects and, where there were violations, they were, for the most part, more easily resolved.
- Requested by the Pierce County Building Trades Executive Secretary.
- Was asked to do so as a business manager.

Please provide any thoughts you have regarding Sound Transit's PLA that would be important for us to know as we conduct our study.

- PLA should offer non-union small businesses the flexibility to use existing workforce before normal dispatch rules are enforced. And, track capacity impact for non-union small businesses that sign a project-specific agreement.
- The PLA should be mandatory for all contractors, or it should have an exemption based on specific criteria, like SBA certification.
Drug testing should be overseen by the agency.
Administration should continue to be done in-house, building the connection between contractors and unions.
A quantitative analysis should be done to determine the cost impact of using the PLA on ST-1.
The agency should consider what the purpose of the PLA is: To decrease costs? Avoid strikes? Build the apprentice base? Build the regional low-income / minority / female construction workforce? All of the above? This high-level goal setting will lead the direction any future PLA goes.
Future PLAs may wish to consider allowing non-union contractors to opt out of paying union benefit funds, if they pay an equivalent amount to the employees.
The wage & benefit provisions may be better set by local collective bargaining than by prevailing wage determination.
Apprenticeship plans should be developed at the pre-job stage.
I am happy to elaborate on my reasoning for any or all of these suggestions.
- Keeping to area standards for wages and benefits.
- I would like to see more apprenticeship utilization by sub contractors on sound Transit projects.
- I support removing the PLA from ST work and any other public works project. All citizens, whether they belong to a union or not, pay taxes to support ST and other PW projects and they should have equal opportunity to bid on and work on them -- under a PLA, open shop contractors and workers are at a competitive disadvantage.
- None.
- None.
- We have provided resumes and contact information to the contractors when we are both asked and we learn of a job opportunity for one of our graduates. We follow up with our graduates to ensure they are contacted. It is very rare they are. Our women who have extensive and transferable skills seem to be overlooked.
- There seems to be some huge concerns over Drug Testing notification, mentoring and training.
- Sound Transit's PLA mandates union only hiring and prohibits non union participation.
- I am very interested in the direction of the mentor program and its potential ROI for the contractors.
- Even though a union contractor, we find the PLA diminishes our ability to resolve issues with labor and interferes with fair resolutions to issues. It places Sound Transit in the position to negotiate an agreement for us without our input. It reduces/eliminates competition and prevents open shop trades from competing. All this drives the cost up with no value added.
- PLAs help us to have labor and community harmony. They help us to ensure fairness to contractors and workers who perform work for public entities using taxpayer dollars.
- There is nothing wrong with the PLA Agreement itself. The problem is the owner, meaning Sound Transit, has no teeth, and will not enforce the Agreement as written. This make it very costly for them--meaning Sound Transit--as well as for the Unions with grievance that should have to be filed. This is a lot of time wasted that shouldn't be happening, management needs real help.
- The PLA in place at Sound Transit ensures the level playing field for bidding that is the foundation of the Davis-Bacon Act. The pre-job conferences resolve jurisdictional disputes, and the internal grievance process prevents job-actions based on these

disputes. The PLA, because it requires payments to benefits funds, provides an incentive for non-signatory contractors to use the "Benefits" allocation of the total wage to provide benefits for employees where they were not providing these prior to the job. The accessibility of materials regarding the project, from certified payroll records to specifications, is far superior to the majority of non-PLA jobs, and the existence of a PLA Specialist ensure ongoing contact with Sound Transit to discuss problems prior to their becoming issues of major importance. The guarantee of payment of CBA rates not only reinforces the level-playing field for contractors, it also ensures that workers will be paid full family wages, irrespective of their union status. The PLA provides an open opportunity for all contractors, while retaining the protections afforded by unions --with the guarantee that there will be no labor actions, strikes, slow-downs, double-gates, etc. We strongly encourage the continued use of PLAs and stand with President Obama in his encouragement of the use of this process to ensure the success of each project.

- To bring information and knowledge of the project to the appropriate parties (i.e., the public and workers).
- The IUFC will not sign a PLA that does not allow the elevator the right to work under the negotiated contract.
- We haven't worked the Sound Transit.

Appendix Section H6: Project Information for SR 520 Bridge Replacement and HOV Program

Project schedule



Innovative pontoon testing effort in Satsop

In order to build quality bridge pontoons, WSDOT completed an innovative pontoon testing effort in 2010. This work involved testing mix designs for strength and durability, and testing forming methods for efficiency.

The pontoon testing contractor found that we can help minimize cracking with the following pontoon construction methods:

- Using thermal controls.
- Using exterior vibration equipment.
- Refining the concrete mix.



Crews built a test pontoon at Satsop Business Park. The test pontoon was approximately one-sixth the size of a proposed SR 520 bridge pontoon.

For more information:

WSDOT
 Pontoon Construction Project
 600 Stewart Street, Suite 520
 Seattle, WA 98101
 1-888-520-NEWS (6397)
www.wsdot.wa.gov/Projects/SR520/Pontoons
pontoons@wsdot.wa.gov

Kiewit-General Joint Venture
 SR 520 Pontoon Project
 5620 112th St E, Ste 126
 Puyallup, WA 98373
 Phone: (253) 200-3500
www.kiewit.com

ADA Statement: Materials can be provided in alternative formats: large print, Braille, cassette tape, or on computer disk for people with disabilities by calling the Office of Equal Opportunity (OEO) at 360-705-7097. Persons who are deaf or hard of hearing may contact OEO through the Washington Relay Service at 7-1-1.

Title VI Information: WSDOT ensures full compliance with Title VI of the Civil Rights Act of 1964 by prohibiting discrimination against any person on the basis of race, color, national origin or sex in the provision of benefits and services resulting from its federally assisted programs and activities. For questions regarding WSDOT's Title VI Program, you may contact the Department's Title VI Coordinator at 360-705-7088.



Pontoon construction begins in spring 2011

The SR 520 floating bridge across Lake Washington has endured severe winter storms, making the floating section increasingly vulnerable to wind and waves.

WSDOT is moving forward with pontoon construction in order to replace the SR 520 floating bridge if it fails in a catastrophic event. If the pontoons are not needed in an emergency, they can be stored and used for the proposed SR 520 floating bridge replacement project.

Gov. Gregoire authorized tolling on the existing SR 520 bridge. With this funding, WSDOT can begin construction in Grays Harbor in spring 2011.

Pontoon construction in Grays Harbor will allow crews to open a new floating bridge across Lake Washington in 2014.



Conceptual rendering of the Pontoon Construction Project casting basin facility in Aberdeen. Construction is set to begin as soon as February 2011.

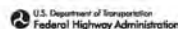
We recently completed our environmental analysis, and with concurrence from the Federal Highway Administration, are ready to begin final engineering design. We will begin construction in Grays Harbor as permits become available, expected as soon as February 2011.

This spring, we will begin building a new pontoon casting facility in Aberdeen to construct pontoons for a new SR 520 floating bridge. Over the coming months, Kiewit-General Joint Venture, the project contractor, will begin final engineering design and obtain permits. They will then be able to break ground on a new casting facility and then build pontoons.

Based on our environmental review, we have selected the Aberdeen Log Yard site for pontoon construction. Work includes:

- Building a new casting basin facility and 33 pontoons.
- Transporting the pontoons to approved moorage locations.
- Storing and/or mooring pontoons until they are needed.
- Maintaining the pontoon casting facility while it is owned and operated by WSDOT.
- Providing natural resources mitigation at the Grass Creek site.

Crews will begin casting basin construction this year, and will begin building pontoons at the site in late 2011. Pontoon construction will be complete in 2014.



Why is pontoon construction important?

If the SR 520 floating bridge were damaged during a catastrophic event, it could take crews several years to construct the 1.4 miles of pontoons necessary to replace the existing bridge.

We need to have pontoons ready and available to replace a failed floating bridge in order to maintain the regional transportation system.

Environmental process complete

WSDOT completes environmental documentation before obtaining construction permits.

We published the final environmental impact statement (EIS) for the Pontoon Construction Project in December 2010.

The final EIS contains a thorough analysis of potential construction and environmental effects related to building a pontoon facility at two possible sites.



Strong waves batter the SR 520 floating bridge during a windstorm

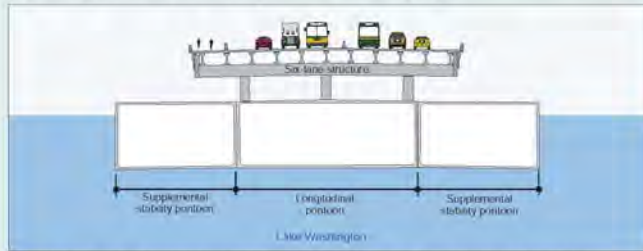
What are bridge pontoons?

Bridge pontoons are the foundation of a floating bridge. These large, hollow concrete structures are designed to support the weight of the road, plus the cars, trucks and buses that use the bridge every day.

SR 520 bridge pontoons will be up to 360 feet long – as long as a football field – and weigh a

little over 11,000 tons – approximately equal to 23 Boeing 747 jets.

Pontoons are similar to a tanker ship or barge – even though they are very heavy, they can still float. This is because each pontoon displaces an amount of water that is more than the weight of the floating bridge.



Conceptual graphic of the proposed new SR 520 floating bridge showing the 4+2 lane configuration with two general-purpose lanes and one transit/HOV lane in each direction, and a bicycle/pedestrian path.

WSDOT brings jobs to Grays Harbor

We awarded a contract to Kiewit-General Joint Venture worth \$367 million. The contract includes designing and building a new casting facility at the Aberdeen Log Yard site, and building 33 pontoons at this facility.

We expect the Pontoon Construction Project to support hundreds of project-related jobs in Grays Harbor, including work in construction, supplies and supporting services.

Kiewit-General is responsible for all hiring for the project and will work closely with unions to provide a skilled workforce for the project along with training opportunities.

Several types of materials and skilled trades will be needed for pontoon construction.

Materials	Skilled trades
• Asphalt	• Carpenters
• Concrete	• Concrete workers
• Electrical	• Crane operators
• Fencing and gates	• Electricians
• Job trailers	• Iron workers
• Lumber	• Laborers
• Pumping equipment	• Machine operators
• Rebar	• Painters
• Scaffolding	• Truck drivers
• Steel	• Welders

Equal opportunities in construction

The Pontoon Construction Project contract includes several goals to encourage participation from disadvantaged, minority and women-owned business enterprises (DBE):

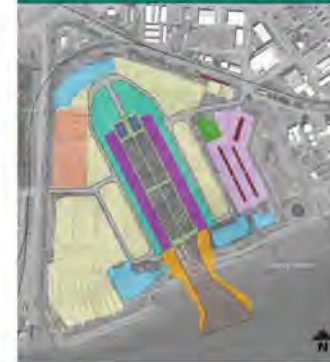
- 6 percent DBE goal for participation.
- 15 percent apprentice requirement.
- 50,000 training hours.
- State and federal prevailing wage requirements.

Contractor	Contract amount	Contract dates
Kiewit-General Joint Venture	\$367 million	2010-2014

Visit the WSDOT Contract Ad & Award Web site: www.wsdot.wa.gov/biz/contad



Aberdeen Log Yard site: 55 acres



LEGEND:

- Existing railroad
- Crane rail area
- Infiltration trench
- Access road
- Launch channel
- Rock side slope
- Concrete batch plant
- Supplemental stability pontoon
- Longitudinal pontoon
- Water treatment area
- Casting basin
- Casting basin side slope
- Dry storage and laydown area
- Office
- Parking

Appendix Section H7: Agreement Dynamics Consulting Team

The following five team members conducted the Sound Transit PLA Study. All members have backgrounds and expertise in transportation, construction, and/or labor relations.

Rhonda Hilyer, Project Manager

Rhonda Hilyer is the president and founder of Agreement Dynamics, a 20-year, King County-based small business. Rhonda is an international consultant with a reputation for helping to convert conflict-laden environments into productive, collaborative ones. She began working with labor and management over 35 years ago and has developed a unique approach for solving problems. Rhonda's RESOLVE program is a proven method for achieving successful results in employment, labor-management and complex multi-party negotiations. She has also authored "Success Signals," a best selling book, public television program, and workshop on communication. Dozens of clients report that this is the **one** training that has stayed with their employees for years and has made the most lasting impact on their organizational culture. Rhonda Hilyer is one of the few trainers/consultants who is regularly retained by both management and labor. She has extensive experience consulting in the public and private sectors, including with dozens of transit agencies.

John B. Catoe, Jr.

John Catoe is an executive with a national reputation for exceptional transportation leadership. He was one of four co-chairs working with 700 transit agencies and suppliers to develop the transit industry's recommendations for reauthorization of the federal transit funding program. Prior to forming his own consulting firm, the Catoe Group, John was the General Manager of the Washington, D.C. transit authority the nation's second-largest rail and fifth-largest bus system. At the Los Angeles transportation authority he served for six years as Deputy Chief Executive Officer overseeing rail, bus and paratransit operations, planning, labor relations, law enforcement, safety and facilities. In Santa Monica he directed the Big Blue Bus, who received the American Public Transportation Association award for the best midsize transit system during John's tenure.

Daniel J. Villao

Mr. Villao is the Managing Director of Intelligent Partnerships, an energy management and consulting firm that specializes in energy efficiency project development and technologies; construction related social and environmental policy advocacy and labor/management relations. He also directs the California Construction Academy (CCA), a project of the UCLA Labor Center in Los Angeles, California. Mr. Villao's work includes assessing the impact of Project Labor Agreements (PLA's) and conducting commercial and residential energy efficiency retrofit analyses. The CCA's work is recognized for its relevance and innovative modeling by industry leaders as well as municipal, state and national organizations. Mr. Villao has played a leadership role for several years advocating for the inclusion of public sector apprenticeship as a model for access into the construction industry for minority groups. He was the first Latino

appointed to serve on the Los Angeles County Building Trades Council, the largest in the nation,

Uyen Le

Uyen is the Research Director for the California Construction Academy (CCA), a project of the UCLA Labor Center. There Uyen conducts research, advises stakeholders, and develops programs on topics related to green jobs, energy efficiency retrofits, apprenticeships, and project labor agreements (PLAs). Uyen Le is also a Research Affiliate at the Community Innovators Lab (CoLab) at the Massachusetts Institute of Technology (MIT). Prior to working with the CCA and the CoLab, Uyen had four years of experience working directly with Vietnamese American communities on planning, economic development, and housing. Uyen worked in the Gulf Coast after Hurricane Katrina as a Dan Than fellow for the National Alliance of Vietnamese American Service Agencies (NAVASA). Uyen graduated from the Massachusetts Institute of Technology (MIT) with a Master's Degree in City Planning, and from the University of California, Berkeley with a Bachelor's Degree in Political Science.

Ginny Ratliff

Ginny Ratliff joined Agreement Dynamics as Executive Director in 1995, where she oversees business operations, provides consulting services and leads the company's marketing efforts. She has served as project manager for large consulting projects, including Ecology's Electronic Waste Stakeholder Discussions, Lake Tapps Task Force, and King County Solid Waste Stakeholder discussions to name a few. In addition, Ginny has designed and administered employee surveys; conducted needs assessments, and researched and written client briefings. Prior to joining Agreement Dynamics, Ginny owned and operated a publishing and design business for six years. Before owning her own business, Ginny was a METRO bus driver and chair of Amalgamated Transit Union's Political Action Committee while she was attending university.

**AGREEMENT DYNAMICS, INC. – FOR MORE INFORMATION
CALL 206-546-8048 or visit: www.agreementdynamics.com**



Appendix Section H8: Sound Transit PLA

The next section of this report contains the Sound Transit PLA used for this study. The PLA is a stand-alone document and maintains its own page numbering. Its pages are cross-referenced in the PLA comparison matrix in Study Question 9.





CENTRAL PUGET SOUND

REGIONAL TRANSIT AUTHORITY

Project Labor Agreement
for the Construction of
Sounder Commuter
and
Link Light Rail Projects



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ARTICLE 1

PURPOSE

The Central Puget Sound region is known to have some of the worst traffic congestion in the nation. Sound Transit was created to develop and deliver a cost-effective regional public transportation system to the urbanized portions of King, Pierce and Snohomish counties.

On May 31, 1996, the Sound Transit Board adopted "Sound Move"- a 10 year Regional Transit System Plan. Included in this plan is a commuter rail and link light rail system. Requirements for timely completion of the work associated with these two components of the transit system without interruption or delay and at-budget are vital to Sound Transit and the region.

On July 8, 1999, the Sound Board executed Sound Transit Resolution No. R99-21, which established the intent to use project labor agreements for these portions of the Project.

This Project Labor Agreement, hereinafter, "PLA", entered into on December 1, 1999, by and between the Central Puget Sound Regional Transit Authority (hereinafter referred to as "Sound Transit"); contractors with whom Sound Transit executes a construction contract for a project to which this Project Labor Agreement ("PLA") applies, hereinafter referred to as "Contractors"; the Building and Construction Trades Department, AFL-CIO, along with the Washington State Building and Construction Trades Council, the Seattle/King County Building and Construction Trades Council, the Pierce County Building and Construction Trades Council, the Northwest Washington Building and Construction Trades Council and their affiliated unions who become signatory hereto, all of whom are collectively referred to as the "Unions", with respect to the construction work within the scope of this PLA owned and contracted by the Central Puget Sound Regional Transit Authority, hereinafter referred to as "Sound Transit", for the construction execution of Link Light Rail Projects and certain Sounder Commuter rail projects located in the Puget Sound region of the State of Washington, hereinafter known as the "Project".

Upon acceptance by the parties to this PLA, this PLA will become the policy of Sound Transit. The construction work covered by this PLA shall be contracted exclusively to Contractors who agree to execute and be bound by the terms of this PLA. Therefore, the Unions agree that any Contractor may execute this PLA for purposes of covering such work. Sound Transit, and/or its Labor Coordinator, hereinafter Coordinator, shall monitor the compliance of this PLA by all Contractors who, through their execution of this PLA, or a Letter of Assent binding them to this PLA, together with their subcontractors, shall have become bound hereto.

The term "Contractor" shall include all construction contractors and subcontractors of whatever tier engaged in onsite construction work within the scope of this PLA.

The Unions and all signatory Contractors agree to abide by the terms and conditions contained in this PLA; and further, acknowledge that unless specifically identified otherwise herein or provided by law, this PLA represents the complete understanding of the parties. No Contractor shall be required to sign any other agreement with any signatory union as a condition of performing work within the scope of this PLA.

No practice, understanding or agreement between a contractor and a union performing work on this Project which is not specifically set forth in this PLA will be binding on any other party unless endorsed in writing by Sound Transit or its Coordinator.

The Unions agree that this PLA will be made available to, and will fully apply to, any successful bidder for Project work who becomes signatory hereto, without regard to whether the successful

bidder performs work at other sites as either a union or a non-union Contractor, and without regard to whether employees of such bidder are or are not members of any labor union. This PLA shall not apply to the work of any Contractor which is not specifically included in this PLA or its Addendums.

The purpose of this PLA is to ensure that all the construction work associated with the Project proceeds continuously, efficiently, economically and with due consideration for the protection of labor standards, wages and working conditions as well as to promote fairness in employment for both union and non-union contractors and craft workers, without discrimination. The parties hereto agree and do establish and put into practice effective and binding methods for the settlement of all misunderstandings, disputes, or grievances that may arise between the Contractor and the Unions, or their members, to the end that Sound Transit, the Contractors and the Unions are assured of complete and safe continuity of operation without strikes, slowdowns or interruptions of any kind that labor-management peace is maintained.

The parties are committed to providing open access to bidding and employment opportunities for all contractors, prospective craft workers and other parties. The parties agree to work jointly to promote access to construction opportunities and training to interested applicants from throughout the local region.

The parties commit to the principles and policies set forth in Sound Transit's Guiding Principles for Employment and Contracting which identify the following four key objectives:

- a. Workforce diversity reflective of the region
- b. Maximum use of local businesses
- c. Maximum use of small businesses
- d. Maximum use of minority, women and disadvantaged businesses in a manner consistent with applicable federal and state laws, regulations, policies and grant requirements.

The Project is subject to federal funding, which may require that certain conditions of federal grants and regulations apply including the requirements of the USA Department of Transportation, Federal Transit Administration's Master Agreement (FTA Master Agreement). In such cases, said conditions will prevail over conflicting provisions of this PLA. This PLA shall be subordinate to any and all such stipulated requirements and other relevant statutes.

Section 22 of the FTA Master Agreement includes important provisions requiring compliance with Titles of the Civil Rights Act of 1964 as amended, ensuring use of non-discrimination provisions, providing for Equal Employment Opportunities for Construction Activities, and assuring measures to facilitate participation by Disadvantaged Business Enterprises (DBE).

ARTICLE 2

SCOPE OF AGREEMENT

This PLA shall apply and is limited to all new construction as defined in Section 2.1 of this Article and performed by those Contractor(s) and their subcontractor(s) of any tier who have been awarded contracts for such work, or for whom bids have been received for contracts on or after the effective date of this PLA, and covering construction, including rework, and other construction related activities necessary to the Sound Transit Project and specifically described below.

2.1 The Project is specifically referred as and limited to:

(a) The Sounder Commuter Rail Stations at the following locations:

- Puyallap
- Tukwila
- Tacoma Dome
- Lakewood
- Edmonds
- Mulkiteo

(b) The following projects for Link Light Rail, including contract packages for the heavy civil, systems and finishes work:

- N120-NE 60th to Pacific St. (new light rail alignment)
- N230-45 St. to Capital Hill Cross Over (new light rail alignment)
- N240-DSTT to Capital Hill (renovation of existing bus tunnel)
- N250-Station Finishes, Pacific St. to 45th St. (new light rail stations)
- C500-DSTT (renovation of existing bus tunnel)
- S700-International District to East of I-5 (new light rail alignment)
- M600-Central Yard and Maintenance Facility (new light rail vehicle maintenance facility)
- S740-Beacon Hill Tunnel (new light rail alignment)
- S720-E. Beacon Hill Tunnel Portal to Walden (new light rail alignment)
- S730-Walden St. To S. Holly St. (new light rail alignment)
- S740-S. Holly St. to Norfolk (Boeing Access) (new light rail alignment)
- S750-Boeing Access Road to 130th St. (new light rail alignment)
- S760-130th St. to 150th St. (new light rail alignment)
- S770-150th St. to South Sea-Tac (188th St.) (new light rail alignment)
- S780-188th St. to South of 200th St. (new light rail alignment)

It is understood by the parties that Sound Transit may at its sole discretion and at any time modify, delete or add to the list of Projects defined in Section 2.1 above. In so doing, Sound Transit will first notify the Washington State Building and Construction Trades Council of their intended changes.

2.2 The following items are specifically excluded from the scope of this PLA:

- (a) Work for non-manual employees, including but not limited to, superintendents, supervisors, assistant supervisors, staff engineers, inspectors, quality control and quality assurance personnel, timekeepers, mail carriers, clerks, office workers, including messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional, engineering, administrative, community relations or public affairs, environmental compliance, supervisory and management employees.
- (b) Work by employees of a manufacturer or vendor necessary to maintain such manufacturer's or vendor's warranty or guarantee, including the on-site supervision of such work.
- (c) All work by employees and/or consultants of Sound Transit, including tenants or concessionaires doing business at Sound Transit facilities.

- (d) All non-construction support service contracted by Sound Transit or its contractor(s) of any tier in connection with the Project.
- (e) All equipment, machinery and facilities owned and/or operated by Sound Transit or its assigns.
- (f) Furniture, fixture, and equipment installers retained by Sound Transit, or its assigns.
- (g) Artists retained by Sound Transit, or its assigns, during the course of the Project.
- (h) Employees engaged in any work performed on or near, or leading to or into, the Project site(s) by state, county, city or other governmental bodies or their contractors; Burlington Northern Santa Fe Railroad, Amtrak, or their contractors; or public utilities or their contractors.

2.3 Sound Transit and/or Contractors performing work on this Project have the right to select any qualified bidder and award contracts or subcontracts without regard to the Contractor(s) being signatory to any collective bargaining agreement with any Union party to this PLA, or any other union so long as such Contractor(s) become signatory to and comply with all terms and conditions of this PLA, or Letter of Assent, should such Contractor(s) be awarded work covered by this PLA.

It is understood that this PLA, together with the Schedule A's and Addendums, constitutes a stand alone agreement, and by virtue of becoming signatory to this PLA, or Letter of Assent, the Contractor or subcontractor will not be obligated to sign any other labor agreement as a condition of performing work within the scope of this PLA. It is further understood that the provisions of this PLA shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area, and/or national Agreements, which may conflict with or differ from the terms of this PLA. Where a subject covered by the provisions of this PLA is also covered by a conflicting provision of another collective bargaining agreement(s), the provisions of this PLA shall "*prevail*". In those instances where this PLA is silent on an issue, the parties shall refer to and abide by the applicable local, area, or national Collective Bargaining Agreements in ascending order of precedence (in other words, the local agreements shall apply, but if the local agreements do not apply, then the area agreements shall apply, but if the area agreements do not apply, then the national agreements shall apply) **except** when (1) resolution of the issue would be through use of a "Parity", "Most Favored Nations", or "Me Too" clause of the collective bargaining agreement or reference to some other agreement; or (2) the collective bargaining agreement contains provisions that by specific reference, or for all practical purposes, are only applicable to a Sound Transit project or projects. Furthermore, when an issue is resolved under the terms of a particular collective bargaining agreement, that issue shall only be resolved as to the particular members of the trade(s) covered by that collective bargaining agreement. Other trades not covered by the particular collective bargaining agreement shall not achieve a similar result by way of "Parity", "Most Favored Nation", or "Me Too" agreements or clauses in their own collective bargaining agreement or the collective bargaining agreement used to resolve the issue. This amendment to this agreement shall only apply to new contracts entered into after the date of adoption of this amendment and not to existing contracts.¹

Sound Transit and/or its Coordinator will obtain from each Contractor or Subcontractor who has been awarded work on this Project either a fully executed PLA or Letter of Assent

¹ Article 2.3 amendment effective as of January 29, 2009 by action of the Joint Administrative Committee.

to this PLA and forward a copy to the Union(s) upon receipt.

- 2.4 This PLA shall only be binding upon the signatory parties hereto.
- 2.5 This PLA covers the work as set forth in 2.1 of this Article, as well as work covered in Attachments B and C of this PLA, for which bids have been received after the effective date of this PLA. Nothing contained herein shall be construed to prohibit, restrict, or interfere with the performance of any other operation, work or function awarded to any Contractor before the effective date of this PLA or which may be performed or contracted by Sound Transit for its own account on the property or in and around the Project.
- 2.6 It is understood that the liability of the Contractor and the liability of the separate Unions under this PLA shall be several and not joint. The Unions agree that this PLA does not have the effect of creating any joint employment status between or among Sound Transit and/or any Contractor.
- 2.7 None of the provisions of this PLA shall apply to Sound Transit employees, nor shall Sound Transit employees be restricted from performing work not covered by this agreement on the Project site.
- 2.8 It is further agreed that, where there is a conflict, the terms and conditions of this PLA shall supersede and override terms and conditions of any and all other national, area, or local collective bargaining agreements, except that the work of the International Union of Elevator Constructors on this Project shall be performed under the terms of its National Agreements, with the exception of Article 15, Work Stoppages and Lockouts; Article 16, Jurisdictional Disputes; and Article 17, Grievance Procedure, of this PLA, which shall apply to such work.

¹ Article 2.3 amendment effective as of January 29, 2009 by action of the Joint Administrative Committee.

ARTICLE 3

UNION RECOGNITION, REPRESENTATION, DUES, REFERRAL AND SECURITY

3.1 Union Recognition

- (a) The Contractor(s) recognize the signatory Unions as the sole and exclusive bargaining representatives of all craft employees within their respective jurisdictions working on the Project within the scope of this PLA.
- (b) All employees covered by this PLA who are currently members of a Union and who are working for a contractor signatory to a collective bargaining agreement other than this PLA, shall remain members in said Union during the term of this PLA.
- (c) For all employees not presently members of a Union, becoming and remaining a member of the Union shall not be a requirement for employment under this PLA.
- (d) The Contractor(s) agree to deduct Union Dues or Representation Fees and remit same to the Union on a monthly basis. Employees will be required to sign an authorization form (Attachment A).

3.2 Union Representation

- (a) Authorized Union representatives shall have reasonable access to the Project, provided they do not interfere with the work of the employees, and further provided that such representatives fully comply with the visitor, safety and security rules established for the Project.
- (b) The Business Representative(s) for each of the Local Unions signatory hereto shall have the right to designate for each shift worked with each Contractor one (1) working journey-level worker as Steward for all related craft personnel, who shall be recognized as the Union's representative for a signator hereto. Such designated Stewards shall be qualified workers assigned to a crew and shall perform the work of their craft. Under no circumstances shall there be a non-working steward on the job.
- (c) The working Steward shall be paid at the applicable wage rate for the job classifications in which they are employed.
- (d) Steward(s) for each craft of the signatory Unions employed on the Project shall be permitted on the Project site at all times. They shall not be subjected to discrimination or discharge on account of performing proper union business. The Unions agree that such business shall not unreasonably interfere with the Steward's work for the Contractor.
- (e) It is recognized by the Contractor that the employee selected as Steward shall remain on the job as long as there is work within their craft for which they are qualified, willing and able to perform. The Contractor shall be notified in writing of the selection of each Steward. The Contractor shall give the Unions prior written notice before discharging a Steward for any reason.

- (f) The Steward may not cause or encourage a work stoppage and, if found guilty of instigating such action, will be subject to disciplinary action by the Contractor, including discharge.
- (g) The Steward's duties shall not include hiring and termination.
- (h) The Stewards shall be given the option of working all reasonable overtime within their craft and shift provided they are qualified to perform the task assigned.

3.3 Dues

Dues shall be according to the requirements of Local Unions signatory to this PLA, except for those non-members a Representation Fee of 94% of regular dues shall be required.

3.4 Union Referral and Security

In the event that Local Unions are unable to fill any request for employees within forty-eight (48) hours after such request is made by the Contractor (Saturdays, Sundays and Holidays excepted), the Contractor may employ applicants from any other available source. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources and shall refer the applicant to the Local Union for dispatch to the Project within twenty-four (24) hours after they are hired.

ARTICLE 4

COMMUNITY REPRESENTATION

- 4.1 As diverse and low-income communities are underrepresented in the construction industry, the parties to this PLA support the direct involvement of FAST JOBS Coalition Community Representative and Agents hereinafter referred to as "FJC-Rep" and "FJC-A's", to insure the securement and successful retention of people of color and women. In accordance with Sound Transit resolution R99-21, FJC-Reps and FJC-A's will be trained in the jobsite monitoring and advocacy of community interests in the implementation of the social justice provisions contained in this agreement.
- 4.2 FJC-Reps are employees of contractors party to this agreement. FJC-A's are representatives of the FAST JOBS Coalition, hereinafter referred to as "FAST".
 - (a) All FJC-Reps and FJC-A's will be recruited and selected by FAST. FJC-Reps will be journey level workers in their respective trades.
 - (b) All FJC-Reps and FJC-A's will complete a comprehensive training program and will receive certification cards from FAST. Elements of this training will include but not be limited to:

- FAST Objectives
- Monitoring of the provisions of this PLA
- Communication Skills
- Responsibilities
- Accountability of Activities and Reporting
- Jobsite Safety
- Mentoring
- Community Resource and Referral (to services)

(c) The FJC will train and certify twenty-five (25) journey level workers.

4.3 FJC-Reps may be designated on any project or contract valued at \$1 million dollars or more.

- (a) For projects meeting the above criteria, the FAST will notify the PLA Coordinator in writing, with the name of the employee to represent FAST as a FJC-Rep under this Article.
- (b) Such designated FJC-Rep shall be a qualified worker assigned to a crew and shall perform the work of their craft. Under no circumstances shall there be a non-working FJC-Rep on the Project.
- (c) FAST may appoint a FJC-Rep for each shift.
- (d) FJC-Reps selected by FAST on applicable Projects shall be permitted on the jobsite at all times. They shall not be subjected to discrimination or discharge on account of proper FJC-Rep activities. FAST agrees that such activities shall not unreasonably interfere with the FJC-Reps work for the Contractor.
- (e) It is recognized by the Contractor that the employee selected as the FJC-Rep shall remain on the job so long as there is work within their craft which they are qualified, willing and able to perform. The Contractor shall give FAST prior written notice before discharging a FJC-Rep for cause. For purposes of this section, "cause" shall mean incompetence, unexcused absenteeism, disobedience of orders, unsatisfactory performance of duties, or violation of Project Work Rules.
- (f) The FJC Rep shall be given the option of working all reasonable overtime within their craft and shift providing they are qualified to perform the task assigned.
- (g) FJC Reps and FJC-A's shall have reasonable access to the Project, provided they do not interfere with the work of the employees, and fully comply with the visitor, safety, and security rules established for the Project.

4.4 All FJC-Reps and FJC-A's will contact FAST if non-compliance or other irregularities are observed or reported. Activities include, but are not limited to:

- (a) Monitoring of the stated goals for the participation of workers of color and women within the construction trades workforce, as contained in this PLA.
- (b) Support, mentoring and problem solving for all workers, including workers of color and women, to promote harmony and safety on the jobsite, and to increase retention of workers of color and women in the industry.

- (c) Act as a liaison for workers of color and women and the FJC, between employers and their Union representatives to enhance effective communication and expedite resolution of issues.
 - (d) Participate as needed in the implementation of Sound Transit Project policy or mutually agreed upon contractor, Union, and/or FAST directives.
 - (e) Serve as a recruitment resource for employers, Unions, and the SAC apprenticeship programs consistent with the "RAPID" model contained in Article 8.
 - (f) None of the above activities shall interfere with established jobsite safety or the normal productivity of the job.
- 4.5 All FJC-Reps and FJC-A's will submit a monthly report to FAST detailing their activities.
- (a) FJC-Reps, when working for contractors under this PLA will notify the FAST of the following:
 - Name of contractor, jobsite telephone number, and name of supervisor.
 - Project name and location
 - Hours of work and schedule (shift)
 - Activities
 - (b) FAST reserves the right to report its findings to the JAC at anytime.
- 4.6 As it is recognized that the presence of FJC Reps are "value added", they will be paid for activities covered under this Article as part of their normal duties by their contractor, up to one-half (1/2) hour per week at the employee's normal rate of pay.

ARTICLE 5

JOINT ADMINISTRATIVE COMMITTEE

- 5.1 The parties to this PLA will form a Joint PLA Administrative Committee, hereinbefore referred to in Article 4 as the "Committee", which shall serve in an advisory capacity to assist the parties in their implementation and interpretation of the PLA. Further, the Committee may amend the PLA, in accordance with the procedures identified herein. The purpose of the Committee shall be to promote harmonious relations on the Project, to ensure the provisions contained in this PLA are adhered to and to advance the efficiency, safety and quality of the crafts working on this Project. All parties acknowledge the importance of attendance and active support of the Committee and agree to participate in the meetings as required.
- 5.2 The Committee shall be comprised of representatives of the Unions and Management. For purposes of this Article, Management shall include: the Coordinator, the Contractor and FAST. The Committee shall be jointly chaired by two individuals, hereinafter referred to as the "Joint Chairs", one who is a representative appointed by the Unions and one who is a representative of Management.
- 5.3 For purposes of making amendments to the PLA, the Unions will have one voice and Management will have one voice regardless of the number of actual representatives of the Unions and Management who are present. (The development of the Management voice

will be by consensus.) Amendments to the PLA must be by mutual agreement of the Unions and Management who shall commit their agreement to writing and sign it.

- 5.4 The Committee shall meet on a regularly scheduled monthly basis or at the call of the Joint Chairs to discuss the administration of the PLA, the progress of the Project, labor/management problems that may arise, and any other matters consistent with this PLA.
- 5.5 The Committee procedures to be mutually agreed after the Committee convenes.
- 5.6 Language regarding additional responsibilities of the Coordinator to be added e.g. Pre-Job Conferences, by the Committee.

ARTICLE 6

HIRING PROCEDURES, REFERRAL AND EMPLOYMENT

- 6.1 Unless otherwise required by this PLA or obligated to abide by other collective bargaining agreements, Contractors shall be required to use the dispatch resources or procedures of the signatory Unions hereto to acquire workers.
- 6.2 In the event that the Unions are unable to fill any request for employees within forty-eight (48) hours after such request is made by the Contractor (Saturdays, Sundays and all Holidays in this PLA excepted), the Contractor shall first consider referrals from FAST before seeking applicants from other available sources. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources and shall refer the applicant to the Local Union for dispatch to the Project within twenty-four (24) hours after they are hired.
- 6.3 The parties recognize Sound Transit's commitment to provide opportunities to participate on the Project to emerging business enterprises, as well as other enterprises which may not have previously had a relationship with the Unions signatory to this PLA. To ensure that such enterprises will have an opportunity to employ their core workers on this Project, the parties agree that in those situations where a Contractor not a party to a current collective bargaining agreement with the signatory Union having jurisdiction over the affected work and is a successful bidder, the Contractor may request by name and the Union will honor referral of core employees. The contractor must first demonstrate those persons possess the following qualifications:
 - Possess any license required by state or federal law for the Project work to be performed.
 - Have worked a total of at least one thousand (1,000) hours in the construction craft during the prior three (3) years.
 - Were on the Contractor's active payroll for at least sixty (60) out of the one hundred-eighty (180) calendar days prior to the contract award.
 - Have the ability to perform safely the basic functions of the applicable trade.

Core employees who meet the aforementioned qualifications will be dispatched as follows:

- (a) Contractors with six (6) or more craft employees may request by name, and the Union will honor by referral up to a maximum of five (5) persons in each craft on an

alternating basis with the Contractor selecting first. All subsequent referrals will be through the respective Union hiring hall.

- (b) Contractors with five (5) or fewer craft employees may request by name, and the Union will honor, by referral as follows:
- Core Employee
 - Union Referral
 - Core Employee
 - Core Employee
 - Union Referral
 - Core Employee
 - Union Referral
 - Core Employee

All subsequent referrals will be through the respective Union hiring hall.

- (c) It is agreed that specific terms and conditions governing hiring and assignment of union workers in supplement to small Contractors existing core employees (who would be displaced by the local referral procedure) may be negotiated jointly by Sound Transit, the Contractor, and applicable local Union.

6.4 It is the goal of the parties to increase the membership and participation of underrepresented groups, including women and people of color, in the construction of the projects to which this PLA applies. It is an additional goal of the parties, that said underrepresented groups, including low-income women and people of color, will perform one-third (33%), or more, of the total work hours on this project. A minimum threshold of one-quarter (25%) of the total labor hours will be performed by women and people of color. It is recommended that the sub-goals for women and people of color be reviewed by the Committee on an annual basis. These sub-goals are:

People of color	21%
Women	12%

The implementation of these goals will be a responsibility of the Committee, who will regularly review, no less than quarterly, actual participation and activities towards meeting these goals; and make recommendations or issue direction on specific means to increase participation of underrepresented groups. Underrepresented groups, including women and people of color, will be employed and receive training in all job classifications including foremen, leads, journey-level and apprenticeship positions.

ARTICLE 7

APPRENTICESHIP

- 7.1 Apprenticeship Program. The parties will jointly develop and implement an Apprenticeship Program that will increase the skill of the Puget Sound region work force, specifically women, people of color, and individuals who are low-income or under-represented on the work force, so that these workers can enter the pool of skilled labor, fully qualified for living wage jobs. Said Apprenticeship Program shall include the following components:

- (a) A Project-wide goal of 20% for the utilization of Washington State Apprenticeship Council (SAC) approved apprentices.
- (b) Methods that will be used by the Committee to identify opportunities for the utilization of apprentices on specific contract packages.
- (c) Means and methods for reporting, collecting and analyzing data related to the utilization of apprentices on the Project.
- (d) Means and methods for monitoring and enforcing the apprenticeship efforts of the parties.
- (e) Means and methods for ensuring the inclusion of women and people of color in the apprenticeship program as follows:
 - Women and people of color to perform at least 50% of all first-year apprentice hours in all trades.
 - Women and people of color to perform at least 33% of all apprentice hours worked.
- (f) Means and methods for removing barriers to the inclusion of low income and under-represented individuals in the apprenticeship and pre-apprenticeship program.

7.2 Removing Barriers. The Seattle/King County, The Northwest Washington and the Pierce County Building and Construction Trade Councils and their affiliate member Unions ("Council") and other state-approved apprenticeship programs serving these counties will cooperate with Sound Transit and FAST to assist low-income residents to gain entrance to, and successfully complete, SAC apprenticeship programs. The Council and other state-approved apprenticeship programs, will inform the coordinators and sponsors of the apprenticeship and training programs and Union representatives of the goals and activities covered by this Agreement, and will provide advocacy and assistance to encourage, support and involve the apprenticeship program coordinators in meeting these goals.

Examples of the advocacy and assistance that shall be provided include, but are not limited to:

- (a) Establish and facilitate discussions between various SAC programs and their apprenticeship coordinators, with FAST to identify policy or program enhancements to increase the participation of people of color and women.
- (b) Immediate reporting from each SAC program indentures for the period 1994-1999 by class year the total number of indentured apprentices, numbers of male and female and racial breakdown.
- (c) Projected or actual apprenticeship class size by program and trade for period 2000-2005.
- (d) Report their internal diversity goals and timelines for the participation of people of color and women.
- (e) A collaborative effort between the SAC programs and various community-based organizations to recruit in communities of color and women.

- 7.3 The parties shall exercise good faith and affirmative efforts to remove barriers that prevent women, people of color, and individuals who are low-income or under-represented on the work force in the apprenticeship programs. Barriers that need to be removed include, but are not limited to:
- (a) The requirement for a driver's license when a driver's license is not a bona fide requirement of the work.
 - (b) Questions about criminal history when the work does not involve exceptional and extraordinary security requirements.
 - (c) Requirement for apprenticeship application fees.
 - (d) Non-standardized testing.

ARTICLE 8

PRE-APPRENTICE TRAINING PROGRAM

The parties will develop and implement a program by which a Regional Apprenticeship Preparation Integrated Delivery System, hereinafter RAPID, will be established. RAPID will prepare unemployed and underemployed people to compete for entry-level positions as apprentices in the building and construction trades occupations. Unions and Contractors will actively recruit RAPID graduates for entrance to and successful completion of SAC.

The RAPID model will contain, but not be limited, to the following elements:

- 8.1 A funding mechanism consisting of a Pre-Apprentice Training Program Fund that will be established and that will continue in full force and effect during the term of this Agreement. Sound Transit will make contributions in the sum of no less than five cents (\$.05) per hour worked by employees covered under this Agreement into said Fund. Said Fund will be administered by Sound Transit to compensate service providers involved in the RAPID program. A Fund Administration Committee consisting of representatives of labor, FAST and Sound Transit will be established to provide guidance to Sound Transit.
- 8.2 A tiered, integrated delivery system that will act as a pipeline for residents interested in a career in the building and construction trades and related transit project industries. The tiered system will be comprised on three levels that strive to provide the following services:
- (a) Entry Core Services – Individuals will enter the first tier and receive case management, an Individual Work Plan (IWP), career counseling, drug testing and rehabilitation, reinstatement of driver's license/transportation assistance, immigration assistance, child care, ex-offender's life skills training, English as a Second Language, paid stipends, problem solving skills, work ethics, mentoring, leadership development training, and work experience. Case managers will be given extensive training in the RAPID model.
 - (b) Apprenticeship Prep – Upon successful completion of the IWP, individuals will enter the second tier where they will receive placement in an approved pre-apprenticeship training program, industry specific training and education, work experience and

mentoring.

- (c) Apprenticeship – Individuals who successfully complete the Apprenticeship Prep tier will receive, but not be limited to, "Direct Entry" or "Special Consideration" into any SAC program where an articulation agreement has been developed in cooperation with that SAC approved program. Trade mentors will be assigned and continue to assist apprentices throughout their apprenticeships.

To the largest extent possible, the parties will utilize existing community-based organizations and resources in King, Snohomish, and Pierce Counties to provide services required to implement RAPID.

ARTICLE 9

HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

- 9.1 Work Week/Work Day. The standard work week for the Project will be five (5) consecutive days Monday-Friday. Eight (8) consecutive hours, between 6:00a.m. and 6:00p.m., shall constitute a work day. There will be an unpaid one half-hour lunch period during the shift. The Contractor may vary the Starting Time to take advantage of daylight hours, weather conditions, shifts, or traffic conditions.

An alternate four (4) day ten (10) hour shift may be elected by the Contractor and will be Monday-Thursday. The ten (10) hour work day may be scheduled between the hours of 6:00a.m. and 8:00p.m. Prior to changing a shift from 5x8 hours to 4x10 hours, a contractor must give at least five (5) calendar days advance notice to the employees.

Nothing herein shall be construed as guaranteeing any employee forty (40) hours of work per week.

- 9.2 Overtime. All hours worked in excess of eight (8) daily on a 5x8 hour schedule Monday-Friday, and all hours in excess of ten (10) hours daily on a 4x10 hour schedule Monday-Thursday shall be paid for at one and one-half times the straight time rate of pay. The first ten (10) hours scheduled on Friday and Saturday of a 4x10 hour work week, and the first ten (10) hours scheduled on Saturday of a 5x8 hour work week will be paid for at one and one-half times straight time rate of pay. All hours in excess of ten (10) hours on Friday and Saturday of a 4x10 hour work week, or ten (10) hours Saturday of a 5x8 hour work week and all hours on Sunday and holidays for either 5x8 or 4x10 work week shall be paid for at two times the straight time rate of pay. When computing overtime pay, overtime work performed shall be paid in one-quarter (1/4) hour periods, and fractional parts of such period shall count as one-quarter (1/4) hour.
- 9.3 Shifts. Shifts may be established for some or all crews when considered necessary by a Contractor. When three (3) shifts are worked, the first, or day shift shall be established on an (8) hour basis, the second shift shall be established on a seven and one-half (7 1/2) hour basis and the third shift shall be established on seven (7) hour basis. The pay for the second and third shifts shall be equivalent of eight (8) hours pay at the employee's regular hourly rate. If only 2 shifts are worked, the second shift will work 7 1/2 hours for 8 hours pay for a 5X8 shift or 9 1/2 hours for 10 hours pay for a 4X10 shift. There shall be no split shifts. Shifts may be staggered on a crew basis. Other shift provisions may be established on a pre-bid basis by mutual consent of the parties. When shift work is established, it must continue for a minimum of three (3) consecutive days. In the event that an employee's

shift is changed, the employee shall be offered a minimum of eight hours of rest before being required to work the following shift or will be paid applicable overtime for any hours worked for the following shift.

- 9.4 Recognized holidays shall be as follows: New Years Day, Martin Luther King Jr.'s Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, and Christmas Day. Work may be performed on Labor Day when conditions warrant, i.e., the preservation of life and/or property. In the event a holiday falls on Sunday, the following day, Monday, shall be observed as such holiday. In the event a holiday falls on Saturday, the preceding day, Friday, shall be observed as such holiday. Monday holidays shall be honored in keeping with Federal law. There shall be no paid holidays unless explicitly stipulated under a local collective bargaining agreement. If employees are required to work on a holiday, they shall receive the appropriate overtime rate.
- 9.5 Reporting Pay. Any employee who reports for work and for whom no work is provided shall receive two (2) hours pay provided the employee remains available for work. Any employee who reports for work and for whom work is provided shall be paid for actual time worked but not less than four (4) hours provided the employee remains available for work. Procedures for prior notification of work cancellation shall be determined at the pre-job conference.
- 9.6 Starting Time. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor. Employees shall be at their place of work at the Starting Time and shall remain at their place of work (as designated by the Contractor) performing their assigned functions until quitting time. The place of work shall be defined as the gang or tool box, or equipment at the employee's assigned work location or the place where the foreman gives instructions.
- 9.7 It will not be a violation of this PLA, when the Contractor considers it necessary to shut down work in whole or in part to avoid the possible loss of human life, because of an emergency situation that could endanger the life and safety of an employee. In such cases, employees will be compensated only for the actual time worked. In the case of a situation described above whereby the Contractor requests employees to stand by, the employees will be compensated for the "stand by time". In the event of any conflict, the appropriate local collective bargaining agreement shall apply.
- 9.8 In the event the Contractor deems it necessary, the parties agree to develop a mutually acceptable system(s) for employees checking in and out of the Project. This system, if necessitated, would be subject to the approval of the Committee.

ARTICLE 10

WAGES AND BENEFITS

- 10.1 In consideration of the mutual desires of the Contractor, Sound Transit and the Union that all construction work to proceed efficiently and economically, that the Project attract and retain an adequate supply of skilled workers, and that labor standards, wages and working conditions of the workers be protected, the parties agree that:

- (a) All employees covered by this Agreement shall be classified in accordance with work performed and paid the hourly wage rates for those classifications in compliance with the applicable prevailing rates as required by Chapter 39.12 of the Revised Code of Washington, as amended, and/or by the Davis-Bacon Act, 40 U.S.C. "276a et seq., whichever is greater. This requirement applies to laborers, workers and mechanics, employed by any Contractor at whatever tier, or by any other person who performs a portion of the work contemplated by this Agreement and which is covered by the terms hereof.
- (b) The published prevailing hourly wage and fringe benefit rates set forth in the bid specifications for each contract in effect at the time of the bid shall remain in effect until the effective date of the Washington State prevailing rate adjustments published twice each year. Twice annually and effective on the date that the March and September adjustments are published and made effective for public works projects, the Contractor's wage rate(s) paid to its employees shall be adjusted to such newly published rate(s).
- (c) The current prevailing wage rates as provided to Sound Transit by the Industrial Statistician of the Washington State Department of Labor and Industries and/or the U. S. Department of Labor, will be available from the Coordinator for review and are incorporated into this PLA as if set forth herein.

10.2 All Contractors shall make contributions in the amounts designated in the appropriate prevailing wage determination for fringe benefit contributions to each of the applicable Schedule A Funds and will make all employee-authorized deductions in the amounts designated. Such contributions shall be made in compliance with the applicable prevailing wage determination and shall be due and payable on the due date contained in the applicable Schedule A. Payment of cash in lieu of contributions shall not be permitted.

- (a) All Contractors adopt and agree to be bound by the written terms of the legally established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Schedule A Funds. Such Contractors authorize the parties to such Funds to appoint Trustees and successor Trustees to administer the Funds and hereby ratify and accept the Trustees so appointed as if made by the Contractors. Copies of the trust agreements are available upon request.

10.3 Contractors of whatever tier shall make regular and timely contributions required by Section 2 of this Article in amounts required by this PLA and on the time schedule set forth in the appropriate Schedule A.

10.4 Delinquent trust payments shall be subject to the procedures outlined in Article 11, section 3.

ARTICLE 11

PAYDAY

- 11.1 All employees covered by this PLA shall be paid by payroll check, and shall be paid weekly no later than the end of shift Friday. No more than five (5) days wages may be withheld.
- 11.2 Lay-off is pay off. Any employee who is discharged or laid off shall be paid all accrued wages upon layoff or discharge.

11.3 Delinquent wage payment / Wage payments not compliant with Prevailing Wage and benefits:

The parties recognize that the timely payment of prevailing wages is key to a stable and productive work force. It is important that, in the unforeseen event of delinquent wage/benefit payments or payments below the prevailed wage, the parties will work to resolve the issues at the earliest possible time. The parties also recognize that such problems should be resolved, if possible, in a manner that keeps all the parties on the contract.

- **Notification:** In the case of delinquent wage/benefit payment, whether by non-payment or bad check, the prime contractor, sub-contractor, appropriate craft trades union, Joint Co-chairs of the Joint Administrative Committee, and representative of the owner (Construction Manager/Resident Engineer) shall be notified immediately. These parties shall meet within two working days of notification to address the wage/benefit delinquency issues.
- **Joint Check:** Upon notification, arrangements shall commence for payroll/benefit payment to be covered by jointly issued check in the next payroll/benefit payment period. Extended utilization of the joint check protocol will be determined as part of the "Corrective Action Plan".
- **Corrective Action Plan:** The meeting of the parties indicated above will yield a mutually agreed upon "corrective action plan" to avoid any further delinquency of wage/benefit payments. This corrective action plan shall be submitted to the Joint Administrative Committee for review and acceptance. The corrective action plan shall include the time period for which the corrective action will remain in effect.

11.4 **Penalty:** A penalty of 4 hours taxable, straight time pay for each 24 hour period or portion thereof (Saturdays and Sundays included) following the day in which the payroll became delinquent, shall be paid in addition to all wages due to the employee based upon when settlement is made up to, but not exceeding 2 weeks. Penalty payment may be made by jointly issued check.

ARTICLE 12

MANAGEMENT RIGHTS

12.1 The Contractor retains full and exclusive authority for the management of its operations required to perform its work under the contract documents of any Project to which this PLA applies. The Contractor shall direct its working forces at its sole prerogative, including, but not limited to, promotion, transfer, lay-off or discharge for just cause. Subject to the Grievance procedure contained in Article 17 of this PLA, the Contractor shall have the right to terminate any construction employee who in its opinion fails to satisfactorily, competently, professionally and diligently perform their assigned work, and to refuse to rehire such individual. All foremen and superintendents shall have the authority and responsibility to terminate any construction employee working under their supervision who fails to satisfactorily competently and diligently perform their assigned duties. No rules, customs, or practices shall be permitted or observed which limit or restrict

production, or limit or restrict the working efforts of employees. Sound Transit and the Contractor may, in their sole discretion, utilize the most efficient method or techniques of project delivery, design, construction means and methods, tools, or other labor-saving devices.

- 12.2 Upon referral or dispatch from applicable Union, "turnaround" or refusal of any worker by the Contractors, requires a written explanation that shall be communicated to the Coordinator, Union, FAST and Contractor within 48 hours.
- 12.3 The foregoing enumeration of management rights shall not be deemed to exclude other functions not specifically set forth. Sound Transit and the Contractor, therefore, retains all legal rights not specifically covered by this PLA.
- 12.4 Except as otherwise expressly stated in this PLA, there shall be no limitation or restriction upon Sound Transit's or the Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and installation of equipment, machinery, package units, pre-casts, pre-fabricated, pre-finished, or pre-assembled materials, tools, or other labor-saving devices, consistent with the contract documents for any Project to which this PLA applies. Sound Transit and the Contractor may without restriction install or otherwise use materials, supplies or equipment regardless of their source and in accordance with Washington State prevailing wage laws. The on-site installation or application of such items shall be generally performed by the craft having jurisdiction over such work; provided, however, it is recognized that other personnel having special talents or qualifications may participate in the installation, check-off or testing of specialized or unusual equipment.

ARTICLE 13

SUBCONTRACTING

- 13.1 The Contractor(s) agrees that neither it nor any of its subcontractors will subcontract any work to be done on the Project except to a person, firm or corporation who is, or agrees to become party to, this PLA. Any Contractor or Subcontractor working on the Project shall, as a condition to working on said Project, become signatory to and perform all work under the terms of this PLA.

ARTICLE 14

GENERAL WORK RULES

- 14.1 Slowdowns, standby crews and featherbedding practices will not be tolerated.
- 14.2 Sound Transit may establish reasonable project rules that will be uniformly applied and adhered to by all Contractors, Subcontractors and the Unions. These rules will be provided by the Coordinator to all Contractors and Subcontractors at the pre-job conference and available in writing to their employees. They may be amended thereafter as necessary by the Committee as described in Article 5 of the PLA.

- 14.3 Security procedures for control of tools, equipment and materials are the responsibility of the Contractor. Employees having any company property or the property of another employee in their possession without authorization are subject to immediate discharge. The Contractor will be responsible for the establishment of reasonable security measures for the protection of personal, company and Sound Transit property.
- 14.4 There shall be no restrictions on the use of any tools by any qualified employee in any emergency situation endangering life, limb or property; or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools and/or the equipment involved.
- 14.5 The selection of craft foreman and general foreman and the number of same required shall be entirely the responsibility of the Contractor, it being understood that in the selection of such individuals the Contractor will give primary consideration to the qualified individuals available in the local area. If none are available, the Contractor is free to pick foremen/ general foremen from out of the area.
- 14.6 The Contractor shall have the sole and exclusive right to assign specific employees and/or crews to perform overtime work when such overtime work is necessary to accomplish the job.
- 14.7 The Contractor(s) shall provide a convenient and sanitary supply of drinking water, cooled in the summer months, and sanitary drinking cups.
- 14.8 The Contractor(s) shall provide adequate sanitary toilet facilities, water, and clean up facilities for the employees.
- 14.9 The Contractor(s) shall provide a safe place for storage of tools and facilities ventilated, lighted and heated for changing clothes.
- 14.10 All required safety equipment will be provided by the Contractor(s).
- 14.11 Parking will be provided at the jobsite. If parking is not available at the jobsite, compensation in accordance with determinations issued by the Washington State Department of Labor and Industries will be required, (Attachment H).

ARTICLE 15

WORK STOPPAGES AND LOCKOUTS

- 15.1 During the term of this Agreement there shall be no strikes, picketing, work stoppages, slow downs or other disruptive activity for any reason by the Union, its applicable Local Union or by any employee, and there shall be no lockout by the Contractor. Failure of any Union, Local Union or employee to cross any picket line established at the Project site is a violation of this Article.
- 15.2 The Union and its applicable Local Union shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing or other disruptive activity at the Contractor's project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with

the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the Project for a period of not less than ninety (90) days.

- 15.3 Neither the Union nor its applicable Local Union shall be liable for acts of employees for whom it has no responsibility. The International Union General President or Presidents will immediately instruct, order and use the best efforts of his office to cause the Local Union or Unions to cease any violations of this Article. An International Union complying with this obligation shall not be liable for unauthorized acts of its Local Union. The principal officer or officers of a Local Union will immediately instruct, order and use the best efforts of his office to cause the employees the Local Union represents to cease any violations of this Article. A Local Union complying with this obligation shall not be liable for unauthorized acts of employees it represents. The failure of the Contractor to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.
- 15.4 In the event of any work stoppage, strike, picketing or other disruptive activity in violation of this Article, the Contractor may suspend all or any portion of the Project work affected by such activity at the Contractor's discretion and without penalty.
- 15.5 There shall be no strikes, picketing, work stoppages, slowdowns or other disruptive activity affecting the Project site during the duration of this PLA. Any Union or Local Union which initiates or participates in a work stoppage in violation of this Article, or which recognizes or supports the work stoppage of another Union or Local Union which is in violation of this Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 6 of this Article.
- 15.6 In Lieu of, or in addition to, any other action at law or equity, any party may institute the following procedure when a breach of this Article is alleged, after the Union(s) or Local Union(s) has been notified of the fact.
 - (a) The party invoking this procedure shall notify Michael Beck, who the parties agree shall be the permanent Arbitrator under this procedure. In the event that the permanent Arbitrator is unavailable at any time, he or she shall appoint an alternate. Notice to the Arbitrator shall be by the most expeditious means available, with notice by facsimile, telegram or any other effective written means, to the party alleged to be in violation and the International Union President and/or Local Union.
 - (b) Upon receipt of said notice, the Arbitrator named above shall set and hold a hearing within twenty-four (24) hours if it is contended the violation still exists.
 - (c) The Arbitrator shall notify the parties by facsimile, telegram or any other effective written means, of the place and time he or she has chosen for this hearing. Said hearing shall be completed in one session. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an Award by the Arbitrator.
 - (d) The sole issue at the hearing shall be whether or not a violation of this Article has in fact occurred. The award shall be issued in writing within three (3) hours after the end of the hearing, and may be issued without an Opinion. If any party desires an Opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of the award. The Arbitrator may order cessation of the violation of this Article, and such Award shall be served on all parties by hand or

registered mail upon issuance.

- (e) Such award may be enforced by any court of competent jurisdiction upon the filing of this PLA and all other relevant documents referred to herein above in the following manner. Facsimile or expedited mail or personal service of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the Arbitrator's award as issued under Section 6 of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The Court's order or orders enforcing the Arbitrator's Award shall be served on all parties by hand or by delivery to their last known address by registered mail.
 - (f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure, or which interfere with compliance therewith, are hereby waived by parties to whom they accrue.
 - (g) The fees and expenses of the Arbitrator shall be borne by the party or parties found in violation, or in the event no violation is found, such fees and expenses shall be borne by the moving party.
 - (h) If the Arbitrator determines that a work stoppage has occurred in accordance with Section 15.6 d above, the Union(s) and its applicable Local Union shall, within eight (8) hours of receipt of the Award, direct all the employees they represent on the Project to immediately return to work. If the trade involved does not return to work by the beginning of the next regularly scheduled shift following receipt of the Arbitrator's Award, and the Union(s) or its applicable Local Union Have not complied with Section 15.3 of this Article, then the Union and/or Local Union shall pay the sum of ten thousand dollars (\$10,000.00) as liquidated damages to Sound Transit, and shall pay an additional ten thousand dollars (\$10,000.00) per shift for each shift thereafter on which the trade has not returned to work. The Arbitrator shall retain jurisdiction to determine compliance with this Section and Article.
- 15.7 The procedures contained in Section 15.6 through 15.6 h shall be applicable to violations of this Article. Disputes alleging violation of any other provision of this PLA, including any underlying disputes alleged to be in justification, explanation or mitigation of any violation of this Article, shall be resolved under the grievance adjudication procedures of Article 17 Grievance Procedure.
- 15.8 Sound Transit is a party of interest in all proceedings arising under this Article and Articles 16 and 17 and shall be sent copies of all notifications required under these Articles and, at its option, may initiate or participate as a full party in any proceeding initiated under this Article.

ARTICLE 16

JURISDICTIONAL DISPUTES

- 16.1 The assignment of work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the Plan) or any successor Plan (Attachment F).
- 16.2 All jurisdictional disputes on this Project, between or among Building and Construction Trades Unions and employees, parties to this PLA, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractors and Unions parties to this PLA.
- (a) Where the work in dispute is not traditional building and construction work, or is claimed by any of the parties to the dispute not to be traditional building and construction work, and a difference exists among the parties as to the appropriate procedure with jurisdiction to resolve the dispute, the dispute will be settled in accordance with the following procedure. If the dispute is not resolved among the parties within seven (7) working days, the dispute shall be referred, within five (5) working days thereafter, by any one of the Unions or the involved Contractor to the International Unions with which the disputing Unions are affiliated. The International Unions and the involved Contractor shall meet promptly to resolve the dispute. Any resolution shall be reduced to writing and signed by representatives of the involved Contractor and the International Unions.
- (b) In the event that the respective International Unions of the disputing Local Unions and the involved Contractor are unable to resolve the dispute within fifteen (15) calendar days from the date of referral, the dispute shall be referred by any of the interested parties to Dr. John Dunlop or a mutually agreed upon successor, who the parties agree shall be the permanent arbitrator under this Article to hear and decide issues arising from the work assignment that is the basis of the dispute. The parties agree that the arbitrator shall, within twenty (20) calendar days of such referral, conduct a hearing and render a determination of the dispute.
- 16.3 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractors assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.
- 16.4 Each Contractor will conduct a pre-job conference with the appropriate Building and Construction Trades Council prior to commencing work. The Coordinator and Sound Transit will be advised in advance of all such conferences and may participate if they wish.
- 16.5 Any award or resolution made pursuant to this procedure, shall be final and binding on the disputing Unions and the involved Contractor under this PLA only, and may be enforced in any court of competent jurisdiction in accordance with the Plan. Such award or resolution shall not establish a precedent on any construction work not covered by this PLA. In all disputes under this Article, Sound Transit shall be considered a party in interest.

ARTICLE 17

GRIEVANCE PROCEDURE

- 17.1 This PLA is intended to provide close cooperation between management and labor. Each of the Unions will assign a representative to this Project for the purpose of completing the construction of the Project economically, efficiently, continuously, and without interruptions, delays, or work stoppages.
- 17.2 The Contractors, Unions, and the employees, collectively and individually, realize the importance to all parties to maintain continuous and uninterrupted performance of the work of the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.
- 17.3 Any question or dispute arising out of and during the term of this PLA (other than trade jurisdictional disputes) shall be considered a grievance and subject to resolution under the following steps:
- (a) Step 1-When any employee subject to the provisions of this PLA feels they have been aggrieved by a violation of this PLA, through their local union business representative or job steward, shall, within five (5) working days after the occurrence of the violation, give notice to the work-site representative of the involved Contractor stating the provision(s) alleged to have been violated. The business representative of the local union or the job steward and the work-site representative of the involved Contractor shall meet and endeavor to adjust the matter within three (3) working days after timely notice has been given. The representative of the Contractor shall keep the meeting minutes and shall respond to the Union representative in writing at the conclusion of the meeting but not later than twenty-four (24) hours thereafter. If they fail to resolve the matter within the prescribed period, the grieving party may, within forty-eight (48) hours thereafter, pursue Step 2 of the Grievance Procedure, provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the provision(s) of the PLA alleged to have been violated.
- Should the Local Union(s) or any Contractor(s) have a dispute with the other party and , if after conferring, a settlement is not reached within three (3) working days, the dispute may be reduced to writing and proceed to Step 2 in the same manner as outlined herein for the adjustment of an employee complaint.
- (b) Step 2-The International Union Representative and the involved Contractor(s) shall meet within seven (7) working days of the referral of a dispute to this second step to arrive at a satisfactory settlement thereof. Meeting minutes shall be kept by the Contractor. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days thereafter.

- (c) Step 3-If the grievance has been submitted but not adjusted under Step 2, either party may request in writing, within seven (7) calendar days thereafter, that the grievance be submitted to either Michael Beck, Kenneth McCaffree or Gary Axon the mutually agreed upon Arbitrators for this Article. The decision of the Arbitrator shall be final and binding on all parties. The fee and expenses of such Arbitration shall be borne equally by the Contractor(s) and the involved Local Union(s).

Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The Arbitrator shall have the authority to make decisions only on issues presented, and shall not have authority to change, amend, add to or detract from any of the provisions of this PLA.

- 17.4 Sound Transit and/or the Coordinator shall be notified of all actions at Steps 2 and 3 and shall, upon their request, be permitted to participate in all proceedings at these steps.

ARTICLE 18

NON-DISCRIMINATION

- 18.1 The Parties agree that they will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, creed, national origin, age, marital status or physical or mental disability in any manner prohibited by law or regulation. The parties further agree to cooperate to the fullest extent possible to achieve the Intent and purpose of the applicable regulations of the Civil Rights act of 1964. Any complaints regarding the application of this provision shall be brought to the immediate attention of the Committee, the involved Contractor, Union or the Coordinator for consideration and resolution. The Committee has the right to review alleged patterns of discrimination and to take remedial action.
- 18.2 It is recognized that special procedures may be established by joint agreement of the parties to this PLA for the hiring, employment, training, promotion, transfer or termination of persons who have not previously qualified to be employed on construction projects of the type covered by this PLA. The parties agree that they will make all good faith efforts to assist in the proper implementation of such orders, regulations or agreements for the general benefit of the residents of the Puget Sound region.
- 18.3 It is recognized that the Parties to this PLA are committed to advancing the utilization of business enterprises owned and/or controlled by disabled persons, people of color and/or women. The parties shall jointly endeavor to assure that these commitments are fully met and that any provisions of this PLA which may appear to interfere with any disabled person, person of color or woman owned business enterprise successfully bidding for work within the scope of this PLA shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the parties, to assure full compliance with the spirit and the letter of the Parties commitments and all applicable Federal, State and Local rules and regulations relating to employment and utilization of disabled persons, people of color and/or women owned businesses.

ARTICLE 19

SAFETY, ENVIRONMENTAL AND HEALTH

- 19.1 It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules established by Sound Transit, or the Contractor, and in accordance with applicable Federal or State laws including, but not limited to OSHA, WISHA, and IMSHA.
- 19.2 The employees shall be bound by the safety, security and site access rules established by Sound Transit or the Contractor for the project. These rules will be published and given to each employee as part of their new-hire orientation, as well as posted throughout the project. Violators of these rules will be subject to termination for cause. If justifiably discharged for the above reason, the employee shall not be eligible for rehire on the project for a period of not less than ninety (90) days.
- 19.3 Sound Transit reserves the right to utilize a site-access drug and alcohol testing program, Attachment G, and require all Contractors and their employees to comply with the same. Prior to implementing any such program, the Committee reserves the right to review and comment on the established program.

ARTICLE 20

SAVINGS CLAUSE

- 20.1 If any Article or provision of this PLA shall be declared invalid, inoperative or unenforceable by any competent authority of the executive, legislative, judicial or administrative branch of the Federal or any State government, the Contractor and the Union(s) shall suspend the operation of such Article or provision during the period of its invalidity, and the matter shall be referred to the Committee for consideration and resolution by substituting an Article or provision which will meet the objectives to its validity and which will be in accord with the intent and purpose of the Article or provision in question.
- 20.2 If any Article or provision of this PLA shall be held invalid, inoperative or unenforceable by operation of law or by any of the above mentioned tribunals of competent jurisdiction, the remainder of this PLA or the application of such Article or provision to persons or circumstances other than those as to which it has been held invalid, inoperative or unenforceable shall not be affected thereby.

ARTICLE 21

DURATION OF PLA

- 21.1 The PLA shall be effective on the date approved by the Sound Transit Board of Directors, and shall continue in full effect for the duration of the Project construction work as described in Article 2.1 of this PLA.
- 21.2 The PLA shall have no further force or effect on a particular contract for work, or portions of work, to which this PLA applies, once the work has, or portions of the work have, been designated by Sound Transit as being Substantially Complete, except to the extent that "punch list work" remains to be done. "Substantial Completion" is defined as the time at which the work (or a specified part) has progressed to the point where it is sufficiently complete, in accordance with the Contract Documents, so that the work (or specified part) can be utilized for the purposes for which it is intended. The PLA will apply to the performance of any "punch list work" until such time as a Notice of Acceptance or Final Acceptance has been issued, whichever comes first.

In witness whereof, the parties have caused this PLA to be executed and effective as of the day and year first above written:

For Sound Transit:

Warren D. Beckley

Robert Wohl

Alie Stephens

Alan S. Jarr

Jack Gehrst

Steve Koch

John H. Meyer

Ted Bostwick

Ed Eisenberger

Dave Strydom

John Steffens

Roger Sederman

Mike Grunwald

Milt Foster

Jim Bender

Doug Glozier

Gary Pix

Tom Freudenstein

Dan O'Connell

Gary Cune

INTERNATIONAL SIGNED FOR UNION

Clyde Wilson

INTERNATIONAL SIGNED FOR UNION

Gordon Howay

Bob Frazier

Eric Anderson

Jim Jock

Jimmy O'Grady

Philip Wells

Paul Blask

Mark Martinez

Sean Mahoney

Barry Scherck

INTERNATIONAL SIGNED FOR UNION

Bob Missegawa

INTERNATIONAL SIGNED FOR UNION

Jim Bender

INTERNATIONAL SIGNED FOR UNION

Bob Menderrall

In witness whereof, the parties have caused this to be executed and effective as of the day and year first above written:

For the Union (continued)

David K. Smith

IBEW Local 77 Dave K. Smith, Business Manager

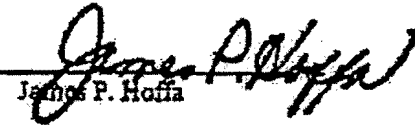
Rick Hite

IBEW Local 483 Rick Hite, Business Manager

Alan A. Phillips
ASSISTANT B.M.

Sounder Commuter and Link
Light Rail Projects
PLA # 740-99

International Brotherhood of Teamsters

By: 
James P. Hoffa


International Union of Painters and Allied
Trades

By: 
Michael E. Monroe

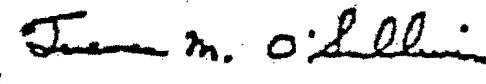
Sheet Metal Workers' International
Association

By: 
Michael J. Sullivan

United Association of Journeymen and
Apprentices of the Plumbing and Pipe
Fitting Industry of the United States and
Canada

By: 
Martin J. Maddaloni

Laborers' International Union of North
America

By: 
Terence O'Sullivan

Original signatures on file with the National Building and Construction Trades
Department

SCHEDULE A-Prevailing Wage/Fringe Rates

Craft

BOILERMAKERS

Journey Level

BRICK AND MARBLE MASONS

Journey Level

CARPENTERS

Acoustical Worker

Carpenter

Creosoted Material

Drywall Applicator

Floor Finisher

Floor Layer

Floor Sander

Millwright and Machine Erectors

Piledrivers, Bridge, Dock & Warf Carpenters

Piledrivers, Driving, Pulling, Placing Collars and Welding

Sawfiler

Shingler

Stationary Power Saw Operator

Stationary Woodworking Tools

CEMENT MASONS

Journey Level

DIVERS & TENDERS

Diver

Diver Tender

DRYWALL TAPERS

Journey Level

ELECTRICIANS-INSIDE

Cable Splicer

Cable Splicer (Tunnel)

Certified Welder

Certified Welder (Tunnel)

Construction Stock Person

Journey Level

Journey Level (Tunnel)

Lead Covered Cable Splicer

Note: The Coordinator is responsible for obtaining the current prevailing wage rate, including the breakdown for fringe benefits and publishing wage/fringe rate sheets for each individual County for all Contractors. Additionally the Coordinator is responsible for obtaining and publishing all changes to the prevailing wage/fringe rates for this Project and listing the due dates for trust payments. Listed in this Section are the known existing craft classifications for construction work on the Sound Transit Project including, King, Snohomish, and Pierce Counties.

Craft

ELECTRICIANS-POWERLINE CONSTRUCTION

Cable Splicer
Certified Line Welder
Groundperson
Head Groundperson
Heavy Line Equipment Operator
Jackhammer Operator
Journey Level Lineperson
Line Equipment Operator
Pole Sprayer
Powderperson

ELEVATOR CONSTRUCTORS

Constructor
Mechanic
Mechanic in Charge
Probationary Constructor

FLAGGERS

Journey Level

GLAZIERS

Journey Level

HEAT & FROST INSULATORS AND ASBESTOS WRK.

Mechanic

IRONWORKERS

Journey Level

LABORERS

Asphalt Raker
Ballast Regulator Machine
Batch Weighman
Carpenter Tender
Cassion Worker
Cement Dumper/Paving
Cement Finisher Tender
Chipping Gun (Over 30 lbs.)
Chipping Gun (Under 30 lbs.)
Chuck Tender
Clean-up Laborer
Concrete Form Stripper
Concrete Saw Operator
Crusher Feeder
Curing Laborer
Demolition, Wrecking & Moving (Including Charred Materials)
Ditch Digger
Diver
Drill Operator (Hydraulic, Diamond)
Drill Operator, Airtrac

Craft

LABORERS CONTINUED

Dumpman
Faller/Bucker, Chainsaw
Final Detail Cleanup (i.e. dusting, vacuuming, window cleaning;
NOT construction debris cleanup)
Fine Graders
Fire Watch
Form Setter
Gabion Basket Builder
General Laborer
Grade Checker & Transit Person
Grinders
Grout Machine Tender
Hazardous Waste Worker Level A
Hazardous Waste Worker Level B
Hazardous Waste Worker Level C
High Scaler
Hod Carrier/Mortarman
Jackhammer
Laser Beam Operator
Miner
Nozzleman, Concrete Pump, green Cutter when using High Pressure Air
& Water on Concrete & Rock, Sandblast, Gunite, Shotcrete, Water Blaster
Pavement Breaker
Pilot Car
Pipe Reliner (Not Insert Type)
Pipelayer & Caulker
Pipelayer & Caulker (Lead)
Pipewrapper
Pot Tender
Powderman
Powderman Helper
Powerjacks
Railroad Spike Puller (Power)
Re-Timberman
Riprap Man
Signalman
Sloper Sprayman
Spreader (Clay Power or Similar Types)
Spreader (Concrete)
Stake Hopper
Stockpiler
Tamper & Similar Electric, Air & Gas
Tamper (Multiple & Self-Propelled)
Toolroom Man (At Jobsite)
Topper-Tailer
Track Laborer
Track Liner (Power)
Tugger Operator
Vibrating Screed (Air, Gas, or Electric)
Vibrator
Welder

Craft

LABORERS CONTINUED

Well-Point Laborer

LABORERS-UNDERGROUND SEWER & WATER

General Laborer

Pipe Layer

PAINTERS

Journey Level

PLASTERERS

Journey Level

PLUMBERS & PIPEFITTERS

Journey Level

POWER EQUIPMENT OPERATORS

Assistant Engineers

Backhoe, Excavator, Shovel (3 YD & Under)

Backhoe, Excavator, Shovel (Over 3 YD & Under 6 YD)

Backhoe, Excavator, Shovel (6 YD and Over with Att.)

Backhoes, (75 HP & Under)

Backhoes, (Over 75 HP)

Barrier Machine (Zipper)

Batch Plant Operator, Concrete

Belt Loaders (Elevating Type)

Bobcat

Brooms

Bump Cutter

Cableways

Chipper

Compressors

Concrete Finish Machine-Laser Screed

Concrete Pump-Truck Mount with Boom Attachment

Concrete Pumps

Conveyors

Cranes, Thru 19 Tons, with Attachments

Cranes, 20-44 Tons, with Attachments

Cranes, 45-99 Tons, Under 150FT of Boom (Including JIB with Attachments)

Cranes, 100-199 Tons, Under 150FT of Boom (Including JIB with Attachments)

Cranes, 200-300 Tons, Under 250FT of Boom (Including JIB with Attachments)

Cranes, A-Frame, 10 Ton and Under

Cranes, A-Frame, Over 10 Ton

Cranes, Over 300 Tons, or 300 FT of Boom (Including JIB with Attachments)

Cranes, Overhead, Bridge Type (20-44 Tons)

Cranes, Overhead, Bridge Type (45-99 Tons)

Cranes, Overhead, Bridge Type (100 Tons & Over)

Craft

POWER EQUIPMENT OPERATORS CONTINUED

Cranes, Tower Crane up to 175FT in Height, Base to Boom
Cranes, Tower Crane over 175FT in Height, Base to Boom
Crushers
Deck Engineer/Deck Winches (Power)
Derrick, Building
Dozers, D-9 & Under
Drill Oilers-Auger Type, Truck or Crane Mount
Drilling Machine
Elevator and Manlift, Permanent and Shaft-Type
Equipment Service Engineer (Oiler)
Finishing Machine/Bidwell Gamaco and Similar Equipment
Fork Lifts (3000 lbs and over)
Fork Lifts (Under 3000 lbs)
Grade Engineer
Gradechecker and Stakeman
Hoists, Outside (Elevators and Manlifts), Air Tuggers
Horizontal/Directional Drill Locator
Horizontal/Directional Drill Operator
Hydralifts/Boom Trucks (10 Ton and Under)
Hydralifts/Boom Trucks (Over 10 Ton)
Loaders, Overhead (6 YD Up to 8 YD)
Loaders, Overhead (8 YD & Over)
Loaders, Overhead (Under 6 YD) Plant Feed
Locomotives, All
Mechanics, All
Mixers, Asphalt Plant
Motor Patrol Grader (Finishing)
Motor Patrol Grader (Non-Finishing)
Mucking Machine, Mole, Tunnel Drill And/or Shield
Oil Distributors, Blower Dist. and Mulch Seeding Operators
Pavement Breaker
Piledriver (Other than Crane Mount)
Plant Oiler (Asphalt Crusher)
Posthole Digger, Mechanical
Power Plant
Pumps, Water
Quad 9, D-10, and HD-41
Remote Control Operator, Rubber Tired Earth Moving Equip.
Rigger and Bellman
Rollagon
Roller, Other than Plant Road Mix
Rollers, Plantmix or Multilift Materials
Roto-Mill, Roto-Grinder
Saws, Concrete
Scrapers, Concrete and Carry All
Scrapers, Self-Propelled (Under 45 YD)
Scrapers, Self-Propelled (45 YD and Over)
Screed Man
Shotcrete Guniting
Slipform Pavers

Craft

POWER EQUIPMENT OPERATORS CONTINUED

Spreader, Topside Operator-Blaw Knox
Subgrade Trimmer
Tractors (75 HP & Under)
Tractors (Over 75 HP)
Transfer Material Service Machine
Transporters, All Track or Truck Type
Trenching Machines
Truck Crane Oiler/Driver (Under 100 Tons)
Truck Crane Oiler/Driver (100 Tons & Over)
Wheel Tractors, Farmall Type
Yo Yo Pay Dozer

ROOFERS

Journey Level
Using Irritable Bituminous Materials

SHEET METAL WORKERS

Journey Level

SIGN MAKERS & INSTALLERS-ELECTRICAL

Journey Level
Stock Person

SIGN MAKERS & INSTALLERS-NON-ELECTRICAL

Construction
Construction "B"
Journey Level
Production Silk Screener
Shop Person
Sign Hanger
Sign Painter
Silk Screener

SOFT FLOOR LAYERS

Journey Level

SPRINKLER FITTERS (FIRE PROTECTION)

Journey Level

SURVEYORS

Chain Person
Instrument Person
Party Chief

TERRAZZO WORKERS & TILE SETTERS

Journey Level

TILE, MARBLE & TERRAZZO FINISHERS

Finisher

Craft

TRUCK DRIVERS

- Dump Truck
- Dump Truck & Trailer
- Other Trucks
- Transit Mixer

ATTACHMENT A

AUTHORIZATION FOR PAYROLL DEDUCTION

I hereby authorize my employer and/or Sound Transit to withhold monthly dues and/or representation fees and to forward those funds to my exclusive bargaining representative, Local Union No. _____, AFL-CIO. I understand that this authorization will go into effect within 30 days of receipt. I also understand it will take 30 days on receipt of written notification to terminate this authorization.

Date:

Print Name:

Social Security Number:

Signature:

ATTACHMENT B

SHEET METAL

LETTER OF UNDERSTANDING RE: PREFABRICATION -

(Date)

Mr. Sean Mahoney
Sheet Metal Workers, Local 66
(address)

Re: Sound Transit, Project Labor Agreement, Article 12, Management Rights

Dear Mr. Mahoney:

This letter will confirm the discussions we had during the captioned Project Labor Agreement and the clarifications we made concerning the application of Article 12, Management Rights, of the Agreement. Consistent with the provisions of that Article, the on-site fabrication and installation of duct and ductwork components which are traditionally the work of SMWIA members will continue to be recognized as such.

As you know from the discussions in negotiations, if done off-site, this work will be performed in the Puget Sound Area and in the shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established in the area under the prevailing wage laws for employees represented by the Sheet Metal Workers, unless such work is performed otherwise pursuant to the provisions of this letter.

The Sheet Metal Workers recognize that the timely completion of this Project is vital to Sound Transit and the Community it is intended to serve. Therefore, if the nature of the work, the project schedule, or the contracting circumstances make it necessary to obtain fabrication outside the region or under conditions different than those described above, the Sheet Metal Workers agree to cooperate in accommodating the reasonable needs of the Project. The Contractor and the Union agree to discuss such circumstances affecting off-site fabrication contracting purchases where an accommodation is sought and any reasons making it necessary to depart from the conditions set forth above. The Sheet Metal Workers will not unreasonably withhold its consent to such accommodations and Local 66 agrees to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to ensure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article 12 of the PLA. Please indicate your acceptance in the space provided below.

Signed:

By:  (for Sound Transit)

By:  Sean Mahoney, Local 66

ATTACHMENT C

UNITED ASSOCIATION

LETTER OF UNDERSTANDING RE: PREFABRICATION

(Date)

Mr. James Moss, Business Manager, UA Local 32, Seattle, Washington
Mr. Larry Overly, Business Manager, UA Local 82, Tacoma, Washington
Mr. Phillip D. Wells, Business Manager, UA Local 265, Everett, Washington

Re: Sound Transit, Project Labor Agreement, Article 12, Management Rights

Dear Mr. Moss, Overly and Wells:


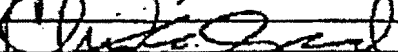

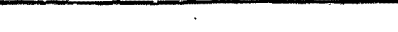
This letter will confirm the discussions we had during the captioned Project Labor Agreement and the clarifications we made concerning the application of Article 12, Management Rights, of the Agreement. Consistent with the provisions of that Article, the on-site fabrication and installation of pipe and pipe formations between manufactured components which are traditionally the work of UA members will continue to be recognized as such.

As you know from the discussions in negotiations, if done off-site, this work will be performed in the Puget Sound Area and in the shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established in the area under the prevailing wage laws for employees represented by the United Association, unless such work is performed otherwise pursuant to the provisions of this letter.

The United Association recognizes that the timely completion of this project is vital to Sound Transit and the Community it is intended to serve. Therefore, if the nature of the work, the project schedule, or the contracting circumstances make it necessary to obtain fabrication outside the region or under conditions different than those described above, the United Association agrees to cooperate in accommodating the reasonable needs of the Project. The Contractor and the Union agree to discuss such circumstances affecting off-site fabrication contracting purchases where an accommodation is sought and any reasons making it necessary to depart from the conditions set forth above. If it is necessary to vary from the terms of the Agreement to accommodate the needs of the Project, due consideration will be given to United Association Union Label Fabrication shops that may employ workers whose terms and conditions of employment do not equal or exceed those established in the area under the prevailing wage laws for employees represented by the United Association. The United Association will not unreasonably withhold its consent to such accommodations and Locals 32, 82 and 265 agree to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to ensure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article 12 of the PLA. Please indicate your acceptance in the space provided below.

Signed: **INTERNATIONAL SIGNED FOR ALL THREE UNIONS, LOCALS 32, 82, AND 2**

By:  (for Sound Transit)
By:  James Moss, UA Local 32
By:  Larry Overly, UA Local 82
By:  Phillip D. Wells, UA Local 265

ATTACHMENT D

IBEW

LETTER OF UNDERSTANDING RE: PREFABRICATION
(Date)

Ms. Gwendolyn Lee, IBEW Local 46
Mr. Mike Grunwald, IBEW Local 76
Mr. Milt Foster, IBEW Local 191

Re: Sound Transit, Project Labor Agreement, Article 12, Management Rights

Dear Ms. Lee; Mr. Grunwald & Mr. Foster:

This letter will confirm the discussions we had during the captioned Project Labor Agreement and the clarifications we made concerning the application of Article 12, Management Rights, of the Agreement. Consistent with the provisions of that Article, the on-site fabrication and installation of electrical components which are traditionally the work of members of IBEW Locals 46, 76 & 191 (IBEW) will continue to be recognized as such.

As you know from the discussions in negotiations, if done off-site, this work will be performed in the Puget Sound Area and in the shops or at off-site assembly yards employing workers whose terms and conditions of employment equal or exceed those established in the area under the prevailing wage laws for employees represented by the IBEW, unless such work is performed otherwise pursuant to the provisions of this letter.

The IBEW recognizes that the timely completion of this Project is vital to Sound Transit and the Community it is intended to serve. Therefore, if the nature of the work, the project schedule, or the contracting circumstances make it necessary to obtain fabrication outside the region or under conditions different than those described above, the IBEW agrees to cooperate in accommodating the reasonable needs of the Project. The Contractor and the Union agree to discuss such circumstances affecting off-site fabrication contracting purchases where an accommodation is sought and any reasons making it necessary to depart from the conditions set forth above. The IBEW will not unreasonably withhold its consent to such accommodations and the IBEW agrees to install on-site any components fabricated pursuant to the terms of this letter without limitation. The parties will make every effort to keep an open channel of communication to ensure that both parties are fully informed of the facts affecting the substance of this letter.

If you agree this letter accurately sets forth the substance of our understanding and provides the basis for resolving any questions concerning the interpretation and application of Article 12 of the PLA. Please indicate your acceptance in the space below.

Signed:

By: (for Sound Transit)
By: Gwendolyn Lee, IBEW Local 46
By: Mike Grunwald, IBEW Local 76
By: Milt Foster, IBEW Local 191

ATTACHMENT E

TUNNEL PROVISIONS

Except as noted below, the terms, conditions of employment, wage rates and fringe benefits of the Sound Transit PLA apply to underground tunnel work:

Change House-The individual employer shall establish and maintain a change house within reasonable distance of each portal, adit or shaft which shall include separate shower rooms, toilet facilities, lockers and heating; and drying facilities for both men and women workers in sufficient numbers to support the amount of workers in each crew.

Bull Gangs-When required to support tunnel construction operations, special shifts maybe established by the Contractor for tunnel "Bull Gangs". The Contractor will provide adequate notice to the Committee as well as the employees when a special shift is required for "Bull Gang" work.

Lunch Provisions –

Section 1. Employees shall not be required to work more than five (5) hours from the start of the shift without at least a one-half ($\frac{1}{2}$) hour break for lunch. This lunch period shall not begin earlier than three and one-half ($3\frac{1}{2}$) hours after the start of the shift. If they are required to work past five (5) hours, one-half ($\frac{1}{2}$) hour at the applicable overtime rate shall be added to the hours worked and they must then be allowed time to eat their lunch. If not allowed time to eat lunch, employees will be paid an additional one-half ($\frac{1}{2}$) hour of overtime.

Section 2. Employees required to work more than two (2) hours after the end of the regular shift shall be allowed at least one-half ($\frac{1}{2}$) hour meal period which shall be considered as time worked, and if it is impractical for the employees to leave the job, they shall be provided a lunch by the employer. If not given the one-half ($\frac{1}{2}$) hour meal period, one-half ($\frac{1}{2}$) hour at the applicable overtime rate shall be added to the hours worked.

Section 3. Employees required to work more than five (5) hours after the end of the regular shift shall be allowed at least one-half ($\frac{1}{2}$) hour meal period which shall be considered as time worked, and if it is impractical for the employees to leave the job, they shall be provided a lunch by the employer. If not given the one-half ($\frac{1}{2}$) hour meal period, one-half ($\frac{1}{2}$) hour at the applicable overtime rate shall be added to the hours worked.

Section 4. In the event that the Employer establishes a ten (10) hour day, the first lunch period shall be at mid-shift. Employees' lunch period may be staggered during the period of three and one-half ($3\frac{1}{2}$) to five (5) hours from the start of the shift to cover necessary work of a continuous nature.

Section 5. For the purposes of these Tunnel Provisions, the applicable overtime rate following a delay/missed meal, as noted above shall be as follows:

- a. In the event the rate of the day is straight time, the applicable overtime rate will be time and one-half ($1\frac{1}{2}$) times the straight time rate of pay.
- b. In the event the rate of the day is time and one-half ($1\frac{1}{2}$), the applicable rate will be two (2) times the straight time rate of pay.
- c. In the event the rate of the day is double time, the applicable overtime rate will be two and one-half ($2\frac{1}{2}$) times the straight time rate of pay.²

² Lunch Provisions amendment effective as of January 8, 2009 by action of the Joint Administrative Committee.

Starting Times—Portal to Portal:

- a. Employees working within a tunnel shall have their time start at the portal of the tunnel, at which he/she is directed by the Contractor or their Subcontractor to report for work on his/her shift and shall end at such portal.
- b. Employees working within a shaft shall have their time start and end at the collar of the shaft.³

³ Starting Times—Portal to Portal amendment effective as of January 8, 2009 by action of the Joint Administrative Committee.

ATTACHMENT F

THE PLAN FOR THE SETTLEMENT OF JURISDICTIONAL DISPUTES IN THE CONSTRUCTION INDUSTRY

The Building and Construction Trades Department, AFL-CIO, on behalf of its fifteen affiliated National and International Unions and their Local Unions, have joined with five employer associations¹ to establish the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the Plan). The jurisdictional disputes procedure has been in effect since 1984 and replaced such predecessor plans as the Impartial Jurisdictional Disputes Board and the National Joint Board. The Building and Construction Trades Department's Constitution requires all jurisdictional disputes between crafts to be settled pursuant to the Plan. As the Plan is a voluntary dispute resolution mechanism, however, a case will not be processed unless the employer agrees to be bound to the Plan.²

When a jurisdictional dispute arises, the National or International Unions have five days to resolve the matter. Anytime within the five day period, the involved National or International Unions or the contractor responsible for making the assignment may request the matter be arbitrated. The parties then have three days to select an arbitrator from a permanent panel of arbitrators knowledgeable in the construction industry. Once selected, the arbitrator must hold the hearing within seven days. The arbitrator issues a decision within three days of the close of the hearing.³ The arbitrator may not award back pay or damages for a miss-assignment of work nor may any party bring an independent action for damages based on the arbitrator's award. The losing party pays the fees and expenses of the arbitrator. The arbitrator's decision is final and binding. There is no appeal procedure.

The Plan prohibits work stoppages, slowdowns, NLRB and court actions, and grievances under a collective bargaining agreement where the issue involves a jurisdictional dispute or assignment of work by a stipulated contractor. If a union engages in such activity, the Plan provides for expedited arbitration to resolve the matter. Upon notice by the contractor of an impediment to job progress, the Administrator informs the appropriate General President. If the General President is unable to stop the impediment, the Administrator selects an arbitrator to hold a hearing within 24 hours. The sole issues at the hearing is whether there has been an impediment to job progress. The arbitrator must issue a decision within three hours after the close of the hearing. If court enforcement of an arbitrator's decision is necessary, the Administrator is authorized to file a court action to enforce the decision.

¹ Mechanical Contractors Association, National Constructors Association, National Electrical Contractors Association, National Erectors Association, and Sheet Metal and Air Conditioning Contractors National Association.

² An employer may stipulate to the Plan by the terms of a collective bargaining agreement, signing a separate stipulation form, or by membership in an employers' association which binds its members to the Plan.

³ The criteria utilized by Plan arbitrators in rendering decisions are: 1) whether a previous decision or agreement of record between the parties to the dispute governs; 2) if not, whether there is an applicable agreement between the crafts governing the case; and 3) if not, the arbitrator then considers the established trade practice and prevailing practice in the locality. In addition, the Plan provides that because efficiency, cost or continuity and good management are essential to the well-being of the industry, the arbitrator shall not ignore the interest of the consumer or the past practice of the employer.

A third type of dispute processed under the Plan involves changes in original assignment. Under the Plan, a contractor may not change an assignment of work from one craft to another unless directed by a Plan arbitrator or there is agreement between the crafts involved. The Administrator decides all original assignment questions. The sole issue is whether there has been a change in assignment, not whether the assignment was correct. Any party may appeal an original assignment determination of the Administrator to a Plan arbitrator.

ATTACHMENT G

LINK LIGHT RAIL AND SOUNDER COMMUTER PROJECT

SUBSTANCE ABUSE PREVENTION PROGRAM

The Local Unions signatory to this PLA and Sound Transit have agreed on this Substance Abuse Prevention Program ("Program") for application to all Contractor craft personnel working on the Project. This Program supersedes any policies negotiated for any other work outside of the Project by Contractors and the Unions that might otherwise apply. Nothing in this Agreement is intended to supersede or diminish more restrictive controlled substance or alcohol regulations imposed by federal or state agencies upon specific employee groups or categories of employees who are also covered by this Program. A summary of this Program shall be provided to all employees. The full Agreement shall be made available to any Union representative or to Project employees upon request.

The intention of this Program is to establish the Project as a drug- and alcohol- free workplace in order to assure safe and productive working conditions with due regard for the personal privacy interests of Project employees. It is not the intention of the parties that any Contractor intrude on off-duty activities of Project employees away from the Project site unless those activities have a job-related impact. The circumstances permitting controlled substance and alcohol testing in this Program have been carefully defined and intentionally restricted. The Sound Transit Substance Abuse Coordinator hereinafter "Substance Abuse Coordinator" will retain oversight over the Programs and will monitor test procedures, as well as Contractor, Union and Third Party Administration policy compliance.

SUMMARY

The basic elements of the Program are simple. Unauthorized use, possession or sale of controlled substances or alcohol on the Project is prohibited. Persons who violate this rule or who are convicted for selling, using, or possessing controlled substances off the job will not be permitted to work on the Project. Applicants for Project employment will be subject to pre-employment controlled substance, alcohol and adulterant testing. Thereafter, employees will be subject to reasonable cause, post-accident, random and return-to-work testing for the presence of controlled substances, alcohol or adulterants in their systems. Employees who report for work with alcohol, adulterants or unauthorized controlled substances in their system will not be permitted to remain on the Project. Employees who violate the substance abuse policy and applicants who fail the pre-employment testing, will be denied employment and will not be eligible for reassignment to any Contractor on the Project until a period of not less than ninety (90) calendar days has passed and the employee/applicant has successfully completed a Sound Transit-approved counseling or rehabilitation program, at the employee's expense. An employee/applicant will be deemed to have "successfully completed" a Sound Transit-approved counseling or rehabilitation program when Sound Transit is provided written documentation from the approved agency/organization that the employee/applicant has met all of the Program requirements. Such employees/applicants shall be subject to pre-employment, random and periodic controlled substance, adulterant or alcohol testing thereafter at the request of Sound Transit for up to one year. The program will apply to all Contractor craft personnel, union and non-union, at all construction sites covered by the PLA.

Special safeguards have been undertaken to assure that testing will be conducted by licensed laboratories, under the strictest federal guidelines, with special provisions to assure test reliability, employee privacy and confidentiality. All testing will be conducted only by laboratories approved by the Substance Abuse and Mental Health Services Administration ("SAMHSA") (formerly the National Institute of Drug Abuse, or "NIDA") in accordance with the Mandatory Guidelines for Federal Workplace Testing Programs established by the U.S. Department of Health and Human Services, as amended.

CONTROLLED SUBSTANCES

For purposes of this Program, "controlled substances" shall include any illegal drugs, such as cocaine, marijuana, opiates, phencyclidine (PCP) and/or amphetamines, which may alter or affect an individual's motor functions or mental capacity. Appendix A lists the controlled substances and the threshold levels for which an employee/applicant will be tested. Threshold levels of categories of controlled substances listed by DOT constituting positive test results shall be determined using the applicable SAMHSA threshold levels in effect at the time of the testing. The schedule of controlled substances to be tested for on this Project and their threshold levels are listed in Appendix A and shall be updated periodically to reflect SAMHSA and industry threshold changes.

PRESCRIPTION AND OVER-THE-COUNTER MEDICATION ABUSE

Abuse of a drug or medication prescribed by a duly licensed health care provider, over-the-counter drug or medication, health supplement or designer and synthetic drug which may alter or affect an individual's motor function or mental capacity is prohibited and will be treated for the purposes of this Program as a controlled substance.

Employees may maintain on Project premises prescription and over-the-counter medications provided:

1. The prescription is written by a licensed health care provider for current use by the person in its possession and the medication is in its original container and in the employee's name.
2. Employees must not consume prescribed or over-the-counter medications more often or in greater dosages than as prescribed by the employee's health care provider or as per the instructions and they must not allow any other person to consume the prescribed medication.
3. Where an employee has been informed that the medication could cause adverse side effects while working or where the medication, either prescribed or over-the-counter, indicates such a warning, the employee must inform the Contractor prior to using such substances on the job. The use of a medication prescribed by a licensed health care provider for the individual employee is permitted, provided that it will not affect work performance. However, the Contractor at all times reserves the right to have a licensed health care provider determine if use of a prescription medication by an employee may produce effects which may increase the risk of injury to the employee or others while working. If such a finding is made, the Contractor may check with the prescribing health care provider (with permission of the employee) to see if other medications are available which would not seriously affect the employee's ability to work safely. If appropriate substitute medication is not available, the Contractor may limit or suspend the work activity of the employee during the period that the licensed

health care provider advises that the employee's ability to perform his job safely may be adversely affected by the consumption of such medication.

4. Any employee who tests positive for a prescribed medication or whose work site performance or behavior has been impaired or affected by the use of a prescribed or over-the-counter medication will be found in violation of this Agreement unless proper notice has been given as required by paragraph 3 above.

ADULTERATED, SUBSTITUTED OR DILUTE SPECIMENS

This Substance Abuse Prevention Policy will adhere to guidelines established in SAMHSA Public Document 035 dated September 28, 1998 for determining the validity of a specimen. This guideline is consistent with the Department of Transportation (DOT) regulations (49 CFR Part 40) that permit laboratories to conduct additional tests to determine the validity of a specimen.

An employee/applicant submitting a specimen for which an approved testing laboratory reports the existence of an "adulterant", "interfering substance" and/or "masking agent" or the sample is identified as a "substituted specimen" will be deemed in violation of this Agreement and will be processed as if the test result were positive. Those employees/applicants for whom the testing laboratory reports an "adulterated", "interfering substance", "masking agent" or "substituted" specimen will be prohibited from the Project for not less than ninety (90) calendar days and the employee/applicant will be required to successfully complete a Sound Transit-approved rehabilitation program.

The guideline issued in PD 035, in the SAMHSA September 28, 1998 memo uses the following reporting protocols:

a.) **Adulterated Specimen:** PD 035 includes three definitions for *Adulterated*:

- i) *adulterated* if the nitrite concentration is equal to or greater than 500 mcg/mL.
- ii) *adulterated* if the pH is less than or equal to 3, or if it is greater than or equal to 11.
- iii) *Adulterated* if a foreign substance is present, or if an endogenous substance (one that is normally found in urine) is present at a concentration greater than the normal physiological concentration.

b.) **Substituted Specimen:** one that has a creatinine of less than or equal to 5 mg/dL and a specific gravity less than or equal to 1.001 or greater than or equal to 1.020. These specimens do not exhibit the clinical signs or characteristics associated with normal urine.

c.) **Dilute Tests:** Protocol covering dilute specimens will follow guidelines established by SAMSHA PD 035 in their memo dated September 28, 1998. Specimens identified by the testing laboratory as dilute will require the employee/applicant to be retested. A second consecutive retest indicating a dilute specimen will require the employee/applicant to be prohibited from working on the Project for a minimum of ninety (90) calendar days. Refusal to retest or noncompliance with drug testing procedures will result in the employee being prohibited from working on the Project for at least ninety (90) calendar days. In all instances, such employee will not be allowed work on the Project until he has successfully completed a drug and alcohol test.

A "dilute specimen" is defined as: "one that has a creatinine reading less than 20 mg/dL, but greater than 5 mg/dL, and a specific gravity less than 1.003 but greater than 1.001.

JOB APPLICANTS

1. The special circumstances of the Project, including its unique construction activities and working conditions, warrant special assurances that all Contractor personnel are certified as alcohol- and drug-free before they are eligible for regular employment. All offers of employment for Project positions will be conditional until the applicant has satisfactorily completed a controlled substance and alcohol test. Specimens will be collected during in-processing on the Project site or at a designated off-site location prior to the commencement of any work on the Project, but not more than twenty-four (24) hours prior to the commencement of any work. Applicants will be on the clock for all time spent in-processing, including specimen collection, with a minimum of four (4) hours paid show-up time.
2. Applicants for Project positions will be permitted conditional access to the Project pending receipt of final test results. If test results are confirmed positive for controlled substances without a valid prescription, alcohol or adulterants, the employee will be barred from the Project immediately. Such employees will be paid for all time worked. An applicant with a confirmed positive test may request in writing from Sound Transit for a copy of the drug test result.
3. Any conditional employee so barred will not be eligible for reapplication for employment on the Project until a period of not less than ninety (90) days has passed and the employee has successfully completed a Sound Transit-approved counseling or rehabilitation program, at the employee's expense. Before being hired, any such employee must provide written documentation of successful passage of the counseling or rehabilitation program to the Substance Abuse Coordinator and must complete a controlled substance and alcohol test conducted by a SAMHSA-approved laboratory at the employee's expense. Upon the successful completion of such a subsequent test, the applicant will be eligible for assignment to the Project provided the applicant further agrees in writing to submit thereafter to periodic controlled substance or alcohol testing at Sound Transit's request. Such periodic testing will be conducted for up to one year after the applicant is assigned to the Project, in addition to any other testing provided for in this Agreement. The applicant will be responsible for any costs associated with the periodic tests.
4. Any applicant who receives a negative result on his pre-employment controlled substance and alcohol test will not be required to submit to a second pre-employment test within one (1) year of the first such test and will be issued a drug testing "clean card". The "clean card" may be linked to, and valid on both the Sound Transit and Sea-Tac Airport Projects. If linkage with the Sea-Tac Airport Project is approved, Sound Transit will provide notification to the Contractor. Re-employment after the anniversary date that the clean card is issued will require the applicant to submit to normal pre-employment requirements. An employee who is issued a clean card will continue to be subject to reasonable cause, post accident, random and return-to-work testing.
5. Refusal on the part of any applicant or employee to comply with the testing procedure will disqualify the applicant or employee from consideration for continued employment on the Project for not less than ninety (90) calendar days.

ACTIVE EMPLOYEES

All regular employees are subject to a controlled substance or alcohol test while on the job or in a job status (such as on Contractor- or Owner-provided transportation) for the following reasons:

- (a) **Reasonable Cause Testing:** An employee will be tested for reasonable cause when specific, reliable objective facts and circumstances are sufficient to warrant a prudent person to believe that the employee more probably than not may have used a controlled substance or alcohol as evidenced by work performance, behavior or appearance while on the job site. If cause results from an observation, the observation must be confirmed by a second member of Contractor supervision and those Contractor representatives will endeavor to consult with the prime Contractor's Safety Representative or designee. The Contractor will notify the Substance Abuse Coordinator within one (1) working day of directing the employee to a reasonable cause test.

- (b) **Post-Accident Testing:** Any employee who is involved in an accident in the course of job duties which involved use of vehicles, heavy equipment, power tools or other dangerous instrumentalities or working conditions and which resulted in injury or property damage may be tested in cases where the designated Contractor safety representative or designee concludes that:
 - 1. the accident was caused by human error or could have been avoided by reasonably alert action; and
 - 2. the employee to be tested was an active participant in the accident circumstances; and
 - 3. use a controlled substance or alcohol or abuse of a prescription or over-the-counter drug cannot be discounted as a contributing factor.

Any employee directed for post-accident testing shall be entitled to request the presence of a Union steward in pre-test meetings with Contractor management, provided a Union steward is readily available and the circumstances allow. The Contractor will notify the Substance Abuse Coordinator within one (1) working day of directing the employee to drug and alcohol test following an accident.

- (c) **Random Testing:** The Coordinator will conduct periodic random testing of regular employees for controlled substances and alcohol. Employees will be selected for testing by lottery; to be conducted solely by the Coordinator or a Project-designated Third Party Administrator (TPA). (Up to fifty percent (50%) of regular employees will be randomly tested annually.) Such testing will be in addition to any other testing permitted by this Agreement.

- (d) **Return-To-Work Testing:** An employee who has submitted a positive drug, adulterant or alcohol test for work on the Project and who seeks to return to work on the Project after successfully completing all Program requirements, will consent and submit to periodic testing for up to one (1) year from his return at the direction of the Substance Abuse Coordinator. These tests are in addition to any reasonable cause, post-accident and random testing requirements.

Employees removed from duty for reasonable cause and post-accident testing will remain off duty until test results are received. If the employee tests negatively, the employee will be

reinstated with full backpay for lost time. Employees required to present for random testing will remain on duty unless and until the employee tests positively for a controlled substance and/or alcohol.

If the employee tests positively, the employee will be barred from the Project effective the date and time of the specimen collection. Any employee so barred will not be eligible for reemployment on the Project until a period of not less than ninety (90) calendar days has passed and the employee has successfully completed a Sound Transit-approved counseling or rehabilitation program, at the employee's expense. Before being rehired, any such employee must provide documentation of successful completion of the counseling or rehabilitation program to the Substance Abuse Coordinator and must complete a controlled substance test conducted by a Sound Transit-approved laboratory at the employee's expense. Such employees will be required to submit to periodic controlled substance and alcohol testing at Sound Transit's request, for up to one year after they return to the Project. Any costs associated with the periodic testing will be the responsibility of the employee. The employee's consent to such periodic testing, which shall be conducted in addition to reasonable cause and random testing, is a condition of reemployment.

Any employee/applicant convicted for selling, using, manufacturing or possessing a controlled substance in any court of law will notify the Substance Abuse Coordinator within one (1) working day of the conviction. The conviction will be treated as a positive test result and the employee/applicant will be held to the same requirements set for this violation. Failure to report a conviction to the Substance Abuse Coordinator may lead to prohibition from the Project for up to one (1) year.

COLLECTION PROCEDURES

An employee/applicant dispatched to the Project will present himself for collection of a specimen and breathalyzer test prior to the commencement of any work on the Project, but not earlier than one working day prior to the commencement of any work. The specimen will be divided into a split sample in the presence of the employee/applicant. Urine specimens shall be collected in such a manner as to give the employee/applicant as much privacy as possible without degrading the reliability of the test.

An employee/applicant undergoing urine testing will be given a maximum of three hours at the collection site to produce a valid specimen. All breathalyzer tests shall be conducted immediately upon the employee's/applicant's presentation for the test. Failure to produce a valid specimen constituting no less than 45ml of urine in one void within this time frame or to submit to the breathalyzer test will result in the employee being considered as "refusing to test" and he will be prohibited from working on the project for not less than ninety (90) calendar days and until he successfully passes an approved drug and alcohol test.

An employee/applicant who can not produce a valid specimen within the three hour time frame may contact the Medical Review Officer (MRO) for review of his circumstance. The MRO may refer the employee/applicant for a medical evaluation to a physician designated by the MRO to determine if there is a valid medical reason that would prevent the employee/applicant from providing a sufficient specimen. If the MRO finds documented evidence of a valid medical reason for failing to provide a sufficient specimen, he may authorize the employee/applicant to present himself for a new collection. The employee/applicant is responsible for all expenses pertaining to the medical evaluation. The Contractor to whom the employee/applicant is dispatched, will be responsible for the expenses related to the new collection and drug and alcohol test.

TEST PROCEDURES

Testing procedures, including controlled substances to be tested, specimen collection, chain of custody and threshold and confirmation test levels shall comport with the Mandatory Guidelines For Federal Workplace Testing Programs established by the U.S. Department of Health and Human Services, as amended and the Federal Motor Carrier Safety Act regulations, where applicable. Controlled substance tests shall be conducted only by laboratories licensed and approved by SAMHSA, which comply with the American Occupational Medical Association (AOMA) ethical standards. Controlled substance tests shall be by urinalysis and shall consist of two procedures, a screen test (EMIT or equivalent) and if that is positive, a confirmation test (GC/MS or equivalent). Alcohol tests shall be by breathalyzer. Any test revealing a blood/alcohol level equal to or greater than .04 percent shall be positive and will be conducted under procedures consistent with Washington State law.

An employee/applicant presenting himself at a Sound Transit-approved drug collection site must have a minimum of one piece of government-issued photo identification and may not leave the collection site for any reason - unless authorized by the collection agency - until he has fully completed all collection procedures. Failure to follow all collection procedures will result in the employee/applicant being classified as "refusing to test" and being prohibited from working on the Project for a minimum of ninety (90) calendar days from the date of the scheduled test.

TEST RESULTS

Any positive test for controlled substances, alcohol or an adulterant shall be reported to a Medical Review Officer (MRO) appointed by the designated laboratory. The Medical Review Officer shall review the test results and any disclosure made by the employee/applicant and shall attempt to interview the employee/applicant to determine if there is any physiological or medical reason why the result should not be deemed positive. If no extenuating reasons exist, the MRO shall designate the test positive. The MRO will make good faith efforts to contact the employee/applicant, but failing to make contact within two (2) working days, may deem the employee's/applicant's result a "lab positive". After the issuance of a lab positive, the employee/applicant will be barred from the Project until the employee/applicant makes contact with the MRO and the MRO sends the Substance Abuse Coordinator a written confirmation of a negative result.

If the MRO declares the test positive or adulterated, notification shall be provided, in writing, to the Substance Abuse Coordinator. The Substance Abuse Coordinator shall keep test results in confidence. A limited notification will be provided to the employing Contractor, by the Substance Abuse Coordinator, solely reporting that the employee is "ineligible" for further employment. The employing Contractor shall have no access to individual test files. In addition, the Substance Abuse Coordinator shall contact the appropriate Union representative and advise him of the employee's eligibility status for continued work on the Project. The Unions shall keep the test results in confidence and only use the results to determine the eligibility of the member to be re-dispatched to the Project. If written notification of termination is required, the Contractor will state that the employee is "in violation of the Link Light Rail and Sounder Commuter Project PLA Policy".

RE-TESTS

In the event of a positive controlled substance test, an automatic confirmation test will be performed on the original specimen by the testing laboratory at no cost to the employee. In addition, the testing laboratory shall preserve a sufficient specimen to permit independent re-testing at the request of the employee at his expense. Re-tests may be conducted by the same or any other approved Sound Transit laboratory. The laboratory shall endeavor to notify the MRO of positive controlled substance test results within five (5) working days after receipt of the specimen. The employee may request a re-test within five (5) working days from notice of a positive test result by the MRO. Costs of re-tests will be paid in advance by the requesting party.

CONSENT FORMS

Employees must execute a written consent, in the form attached at Appendix B, to submit to the test and for the testing laboratory to release the report of test results to the Substance Abuse Coordinator. Failure to sign the appropriate release form or to comply with testing procedures otherwise will result in the employee or applicant being barred from the Project for not less than ninety (90) calendar days.

SUBSTANCE ABUSE COORDINATOR

Sound Transit shall designate a Substance Abuse Coordinator to monitor compliance with this Agreement and to provide assistance to Project employees with questions concerning controlled substance or alcohol test procedures, availability of a Sound Transit-approved counseling or rehabilitation or any other substance- or alcohol-related matters. All inquiries to the Substance Abuse Coordinator will be confidential. The parties are eager to help employees with substance abuse problems. The Substance Abuse Coordinator will be prepared to assist employees in discussing insurance coverage and locating available counseling, rehabilitation and community resources.

EMPLOYEE ASSISTANCE PROGRAMS

The Substance Abuse Coordinator will work with the signatory Unions to develop an "approved" list of counseling and rehabilitation programs to be used by employees/applicants who test positively for controlled substances, alcohol or adulterants. The cost of counseling and rehabilitation will be the responsibility of the employee/applicant.

APPEAL PROCEDURE

Any disputes involving application of this Program shall be referred to the Dispute and Grievance Procedure established by Article 17 of the PLA. Such disputes may be initiated at Step 2. Nothing in the grievance procedure may void the application of this Substance Abuse Prevention Program on the Project.

SAVINGS AND SEVERABILITY

It is not the intention of the Unions or Sound Transit to violate any applicable federal or state laws by enactment of this Program or in its application. In the event any provisions of the Program are held to be illegal or void as being in contravention of any law, the remaining provisions shall remain in full force and effect. The parties agree further to meet promptly to commence negotiations concerning the provision affected by such decision for the purpose of achieving conformity with the requirements of the applicable law and the intent of the parties hereto.

REVISIONS OR AMENDMENTS

No revisions or amendments shall be made to this Program except with the written approval of the parties hereto. This Program shall be effective November 17, 1999, and shall remain in effect for the duration of the Project unless terminated or amended by mutual consent.

For The Signatory Unions:

For Sound Transit:

By _____

By _____

ATTACHMENT H



STATE OF WASHINGTON

DEPARTMENT OF LABOR AND INDUSTRIES

General Administration Building • Olympia, Washington 98504-1101
ESAC DIVISION - TELEPHONE (206) 956-5310
PO BOX 44540, OLYMPIA, WASHINGTON 98504-4540

September 9, 1992

Jennifer Balliet, Business representative
IBEW Local Union No. 46
2700 First Avenue
Seattle, Washington 98121

Dear Ms. Balliet:

Thank you for your letter dated January 31, in which you asked for a determination of whether or not the travel time you described is compensable.

Section 2.03 of the Contract W/F34-90, Volume 2A of 19, appears to clearly state that construction workers may not park their personal vehicles at the job site. That section further appears to state that contractors shall provide bus transportation from a staging area away from the job site.

If, and this appears to be the case it goes to the benefit of the contractor to comply with this requirement by requiring workers to report to a designated staging area where they will be transported by bus to the work area, then the staging area would be considered the job site. The workers appear not to have an alternative way to get to the work area. For these reasons the time is compensable.

If you have any further questions, please do not hesitate to contact me at (206) 956-5310. Thank you for expressing your concerns and giving me the opportunity to respond.

Sincerely,

A handwritten signature in cursive script that reads "Greg T. Mowat".

Greg T. Mowat,
Employment Standards Manager



STATE OF WASHINGTON

DEPARTMENT OF LABOR AND INDUSTRIES

EMPLOYMENT STANDARDS DIVISION (208) 958-8318
P.O. BOX 44510, OLYMPIA WASHINGTON 98504-4510

December 29, 1983

Valley Electric of Mount Vernon
Mr. Ernest Ward

Dutton Electric of Everett
Mr. Kim Dutton

Messrs Ward and Dutton:

The department has completed a full investigation of several complaints related to the work being performed for METRO on the West Point Water Treatment Plant project. The complaints specifically address the compensability of the time involved in travel from a remote staging/parking area to the actual construction site.

The department's investigation reveals the following facts:

1. The arrangement by which employees must assemble at the remote staging area "and ride a shuttle bus to the actual site" [approximately 4.8 miles from the actual site] is a requirement of the contract between Metro and all contractors working on the Treatment Plant.
2. Employees may not use any other means of reaching the actual construction site, they must ride the shuttle bus provided by the contractor and adhere to the schedule of that bus transportation.
3. The duration of the travel time is 10-15 minutes each way and is in addition to the eight (8) hour shift spent at the actual site.

The department believes that the travel time in question is compensable. Our analysis is as follows:

1. Chapter 49.48 RCW, the minimum wage act, clearly requires that an employee be compensated for all time worked at the agreed-to rate (regular rate) of pay. Further, time worked is defined as "all hours during which the employee is authorized or required by the employer to be at a prescribed work place." [WAC 298-128-002(8)]. Finally, Washington Courts consider "whether such time is primarily spent for the employer's or employee's benefit..."

West Point Water Treatment Plant

December 29, 1993

Page 2

2. The travel time in question clearly accrues to the employee's benefit as it is based on a requirement of the contract with the awarding agency (METRO). It is also clear to us that the employer is in full control of the employee's activity from the time that the employee's board the shuttle bus, even to the prescription of the time that boarding takes place.
3. Associated with an initial determination in this matter we need to address the possible application of the Portal-to-Portal Act [29 U.S.C. 251 et seq.] The department does not believe that this body of Federal Statute is appropriately applied in this case. We are interpreting Washington State Wage and Hour statutes in this instance; if the Legislature of this state had felt compelled to apply the principles of the Portal-to-Portal Act, they would have enacted analogous legislation, they have not done so. Further, all the contractors on this job pay some portion of the travel time thus establishing a practice of doing so; if the Portal-to-Portal Act did apply, which we dispute, it would allow for travel time payment based on practice.

The department hereby determines that the travel time in question is compensable. Further, as all work done on the West Point Water Treatment Plant is public work as defined in Chapter 39.12 RCW, the appropriate pay rates are the prevailing rates as determined by the Industrial Statistician. We would see all past and present employees who have worked on this project compensated for the travel time they have accrued and paid for all travel time accrued in the future.

Sincerely,


Greg Mowat
Program Manager
Employment Standards Division

cc: Joseph Brewer III, Acting Assistant Director
Bill Mirand, IBEW 48
Clyde Wilson, IUOE 302
James Karlee, State Council of Carpenters
Dahhia Cook, Metro

ATTACHMENT I

CONTRACTOR/SUBCONTRACTOR AGREEMENT TO BE BOUND

_____ Contractor/Subcontractor has been awarded construction work within the scope of the Sounder Commuter and Link Light Rail PLA and hereby agrees to be bound by all its terms and conditions.

For the Contractor/Subcontractor:

Signature	Title	Date
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Coordinator receipt	Date	Contract Number
---------------------	------	-----------------

CONTACT ADDRESS:

PHONE NUMBER(S) :

MEMORANDUM OF UNDERSTANDING

BETWEEN AND AMONG

Central Puget Sound Regional Transit Authority (“Sound Transit”)

And

Washington State Building and Construction Trades Council, AFL-CIO

Seattle/King County Building and Construction Trades Council, AFL-CIO

Pierce County Building and Construction Trades Council, AFL-CIO

Northwest Washington County Building and Construction Trades, AFL-CIO

And

The undersigned participating Local Unions

WHEREAS, the Central Puget Sound Regional Transit Authority (“Sound Transit”) and all the Unions signatory to the Sound Transit Central Puget Sound Regional Transit Authority Project Labor Agreement (“PLA”) for the Construction of Sounder Commuter Rail Stations and Light Link Rail Projects, have had a longstanding commitment to the employment of apprentices by contractors working on the various Sound Transit Projects, and to the direct entry program established by the parties, and

WHEREAS, Sound Transit Resolution NO. R99-21 for the establishment of the PLA committed Sound Transit, the Contractors and all signatory Unions to the employment of Washington State Apprenticeship Council (SAC) registered apprentices and the utilization of the SAC-approved apprenticeship programs for the Sound Transit Program, and

WHEREAS, Sound Transit and the unions signatory to the PLA endorse the activities of the community pre-apprenticeship organizations within King, Pierce, and Snohomish Counties that are recruiting, assessing and preparing workers who are residents in King, Pierce, and Snohomish Counties for entry into SAC-approved apprenticeship training programs, and

WHEREAS, the undersigned participating Unions have undertaken to create a “preferred entry” pathway to SAC- approved apprenticeship training, and desire to call upon the resources of such community organizations as sources, among others, for apprenticeship candidates, and

WHEREAS, the purpose of the Preferred Entry Program is to facilitate a workforce reflective of the Sound Transit region; supporting the goals of workforce inclusiveness in Sound Transit Resolution No. R99-21, and

WHEREAS, Sound Transit and the Unions signatory to the PLA wish to establish standards facilitating such Preferred Entry Program, in conjunction with community-based organizations associated with construction workforce development, and

WHEREAS, the Preferred Entry Program will emphasize apprenticeship opportunities for minorities, women, disadvantaged workers, and veterans from the communities in the Sound Transit region which are impacted by Sound Transit construction.

NOW, THEREFORE, the Parties to this Memorandum of Understanding agree to the following mutual commitments:

1. This Memorandum of Understanding is directly related to newly adopted program for "Pre-Apprenticeship Entry" in support of the foregoing commitments by the parties and as reflected in Article 7, Apprenticeship, and Article 8, Pre-Apprentice Training Program in the PLA.
2. The parties agree to work in cooperation to provide pre-qualified applicants access to apprenticeship opportunities generated by the construction contracts under the Sound Transit PLA. The identification and selection of qualified applicants shall include Sound Transit, individual contractors where candidates have been proposed by such contractors and the individual apprenticeship program's designated representative. The final selection decision will be the responsibility of the applicable Joint Apprenticeship Training Committee (JATC)
3. The parties agree that given the apprenticeship utilization goal of 20% on the Sound Transit projects, the goal for Preferred Entry Apprentices shall be one (1) of each five (5) of those apprentices.
4. The parties agree to extend employment to the Preferred Entry Apprentices on the Sound Transit PLA contracts, which employment shall be guaranteed as follows:
 - a. If employed by Prime Contractors – for a minimum period of six months or 1000 hours, whichever is greater.
 - b. If employed by Sub Contractors – for three months or 500 hours, whichever is greater.
5. Preferred Entry Apprentices may be terminated for disciplinary reasons by the employer/contractor or by the individual apprenticeship program. Termination shall be documented and, if made by the employer/contractor, shall be subject to review under the Disputes and Grievances procedure of Article 17, Grievance Procedure, of

the PLA. If the termination is by the apprenticeship program, any dispute will be resolved under the Apprenticeship Program's internal procedures for addressing apprenticeship rights.

6. In support of the recruitment and screening processes, the Parties recognize the location of projects within King, Pierce, and Snohomish Counties and desire to facilitate the entry of residents of King, Pierce, and Snohomish Counties into the building and construction trades through the pathway of apprenticeship.

7. The Unions agree to coordinate with various pre-apprenticeship organizations within King, Pierce, and Snohomish Counties. Pre-apprenticeship organizations will serve as resources for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs of minorities, women, disadvantaged workers, and veterans identified through the "Helmets to Hardhats" program, within King, Pierce, and Snohomish Counties.

8. This Memorandum of Understanding shall be governed by the laws of the State of Washington and the venue for any action between or among the parties shall be in King County.


9. The signature page of this Memorandum of Understanding may be executed in any number of counterparts, each of which shall be an original.

10. Any party may terminate this Memorandum of Understanding in the event one or more of the other parties fails to perform its obligations as described in this Memorandum of Understanding, and such failure has not been corrected to the reasonable satisfaction of the terminating party within 30 days after notice of breach has been provided to all parties.

ENTERED INTO ON THIS TWENTY-NINTH DAY OF AUGUST 2009.

For Sound Transit

Joni Earl, CEO



For Washington State Building and Construction Trades Council, AFL-CIO

Dave Johnson, Executive Secretary



For Seattle/King County Building and Construction Trades Council, AFL-CIO

Lee J. Newgent, Executive Secretary



For Pierce County Building and Construction Trades Council, AFL-CIO

Mark Martinez

For Northwest Washington County Building and Construction Trades, AFL-CIO

Todd Taylor, Executive Secretary

(Union Name & Local Number)

(Signature)

(Union Name & Local Number)

(Signature)

(Union Name & Local Number)

(Signature)

(Union Name & Local Number)

(Signature)

(Union Name & Local Number)

(Signature)