

Christine M. Fix
Secretary to the Board
Joint School Construction Board
203 City Hall
Syracuse, NY 13202

Dear Ms. Fix:

I am writing to give you perspective on the experiences of the City of Fall River with Project Labor Agreements as you consider whether or not to use them in the construction of your city's schools.

In 2005, Fall River received state funding assistance for the construction on four schools. After hearing from both supporters and opponents of PLAs, Fall River's Mayor made a determination to implement a PLA on the construction projects. As a member of the city council, I could understand the Mayor's desire to support the unions in a city with a strong union presence, but I was concerned about how the PLAs restrictions on non-union contractors would affect the bidding. These fears proved to be well-founded.

As the bidding process went forward, we received bids on the first school as high as 100% over the proposed budget. In some trades, such as electrical, we received no bids.

As local news stories continued to report on bids exceeding the budget by millions of dollars, it became clear that the state would not provide additional assistance, meaning that our local taxpayers would have to pay for these overages. This was simply not feasible. Knowing that something dramatic had to be done, the Mayor rescinded the PLA in May of this year and re-bid the projects.

With the first re-bid, 64 bids came in, compared to 21 when the PLA was used. Furthermore, the costs were cut by 17%, and every trade had multiple bidders, even electrical.

Earlier this month, the *Fall River Herald News* reported the following on the results for the second school: "Mayor Edward M. Lambert Jr.'s decision to remove a Project Labor Agreement could potentially save the city approximately \$3 million on the construction of the new Matthew J. Kuss Middle School based on previous bid amounts. Along with the potential savings, the opening of sub-bids for the school project Thursday revealed an increase in the number of bidders in the categories of masonry, waterproofing, roofing, aluminum windows, glass and glazing, ceramic tile, flooring, painting, fire protection, plumbing and electrical. Due to the PLA, previous bidding was limited to contractors who used a unionized work force."

Based on our results, I would strongly recommend refraining from enacting a PLA and instead encouraging full competition among all qualified contractors, union and non-union.

If I can be of any assistance in your project, or if you have questions, please feel free to contact me.

Regards,



Joseph Camara
City Councilor
City of Fall River