

## **PROJECT LABOR AGREEMENT CASE STUDY WYOMING COUNTY WESTSIDE HIGH SCHOOL**

On February 26, 2000, the voters of Wyoming County, West Virginia approved a \$7 million bond for the construction of the new Westside High School. On May 8, the board of education approved a union-only Project Labor Agreement for this job. It was believed that the board of education agreed to this deal in exchange for the union's help in getting the school bond passed.

After many delays, the board was ready to accept bids, to be opened on December 12, 2000. Merit shop contractors decided to submit protest letters in lieu of bids. The Wyoming County Board of Education ended up with a total of 10 bids for five separate packages. They also received 16 protest letters.

Of the five bid packages, four were covered by the PLA: (1) general construction, (2) plumbing, mechanical, HVAC, (3) Electrical, (4) Fire Protection. The fifth package was for kitchen equipment. When the bids were opened, Wyoming County received two bids for general construction, three for plumbing, three for electrical, and one for fire protection, all of which were over budget by a total of more than \$1.5 million.

On 12/18/00, the board held another meeting to decide what to do. Merit shop contractors were on hand and convinced board members to re-bid without the PLA.

When the new bid results came in, Wyoming County received three bids for general construction, five for plumbing, six for electrical, and still only one for fire protection. It may only be a coincidence that packages 1-3 came in under budget, and package 4 was the only one over budget. Packages 1-3 were awarded to merit shop contractors, who saved the taxpayers of Wyoming County and West Virginia over \$1.4 million.

	<b>WITH PLA</b>	<b>WITHOUT PLA</b>	<b>DIFFERENCE</b>
<b>NUMBER OF BIDS</b>	9	15	67% INCREASE
<b>COST</b>	\$12,889,915	\$11,482,449	11% DECREASE

It should be noted that this project was covered under state prevailing wage statutes. Labor costs and school construction plans were identical—the only difference was the project labor agreement.