May 28, 2019

The VOICE of Construction

INDUSTRY NEWS

AGC Lawsuit Against the City of San Diego Regarding Pure Water Project

Eddie Sprecco, CEO

Last week, the AGC San Diego Chapter and Apprenticeship Program filed a lawsuit against the City of San Diego over contract requirements added to the "Pure Water" program. The basis of the lawsuit is the City violating its own Fair and Open Competition in Construction Ordinance by mandating all apprentices working on the projects to come from only "Joint Labor Management Programs" (union). These requirements are not only a violation of the Ordinance, but of Substantive Due Process and Equal Protection under the California Constitution. The lawsuit seeks an injunction to stop Pure Water projects from bidding so that contractors, union and non-union, are not harmed by making public their bids and tying up their bonding capacity for a project that will be delayed and/or derailed by self-inflicted legal, financial, and logistical problems.

The step of filing this lawsuit against the City was not taken lightly. AGC represents roughly 1,100 members, including hundreds of contractors and suppliers who do work for the City of San Diego. These businesses are large and small, diverse in their ownership, history and approach to success in the construction industry - including choosing to partner with union labor, or not. AGC supports each of these enterprises to compete on a level playing field to give taxpayers the best return on their infrastructure dollars.

Voters agree. In 2012, City of San Diego voters passed Proposition A, imposing a prohibition against discriminatory union-only provisions in City contracts. With good reason - PLAs cost quite a bit of money. University
studies and recent history in San Diego PLAs show a 15-20% premium in construction cost, due to lack of competition and out of town contractors.

At the end of 2018, the critically important Pure Water Program was being approved by the City Council of San Diego when this problematic contract language was added without proper vetting. This multi-billion dollar project is on a tight budget and even tighter timetable for the City, having violated federal deadlines to clean up its discharge of sewage into the Pacific Ocean.

AGC San Diego, on multiple occasions, alerted the City of San Diego of the significant risks to the project introduced by violating its own Ordinance. AGC has met with City officials seeking ways to resolve these problems without delay of the important Pure Water project. Unfortunately, with an upcoming bid date of May 31, the only recourse is through the Courts.

AGC is hopeful that these issues can be resolved through this legal action without further delay.

If you have any questions or comments regarding this lawsuit, please contact Eddie Sprecco, CEO of AGC San Diego.

---

Vista Unified Embarking on Potential Broken Promise to Voters...Advisory Meeting on June 4th

Brad Barnum, Executive Vice President

It's been just six months since 68.6% of voters in the Vista Unified School District supported Measure LL, a $247 bond measure to modernize and build needed educational facilities. A coveted endorsement by the San Diego County Taxpayers Association (SDCTA) helped achieve that victory. However, one of the promises made to voters may be on the path of being broken...fair and open competition in construction. Let's take a look at the promise and where we are today.

In order to receive consideration for SDCTA support of a school bond measure, districts must complete SDCTA's School Bond Support Process and Criteria. Last year, Vista Unified went through the application process, which included a presentation in front SDCTA's Ballot Issues Subcommittee. During that process, District staff committed to fair and open competition, and the Board reiterated that commitment in a May 8, 2018 Board Resolution:

WHEREAS, the San Diego County Taxpayers Association has published criteria that it believes provides the level and type of accountability that local taxpayers deserve from their public servants, including the District, and the Board is committed to meeting those criteria at a high standard if an election is successful.
(e) The District will promote fair and open competition for all capital projects funded with bond proceeds, consistent with procurement laws, policies and public works construction laws. As stated in the ballot measure resolution, the District does not intend to enter into a Project Labor Agreement for the construction of bond-funded projects. In the event that the Board wishes to consider the use of a Project Labor Agreement for construction of bond projects, the Board shall inform the public at least 90 days in advance of any such decision. Notice shall be given via website, publication, social media, District email, or other similar methods of public notice.

By a 4-0 vote, Board Members Alderson, Weise Herrera, Smithfield, and Vargas committed to fair and open competition and signaled their "intention not to enter into a PLA" as referenced in SDCTA's School Bond Support Criteria.

Well, here we are one year later, and it looks like some of the Board Members could be wavering on the fair and open commitment for Measure LL projects. Just 19 days ago, at the May 9th Board meeting, newly elected member Martha Alvarado requested a future discussion on PLAs. The Board agreed to the creation of a Superintendent Advisory Committee that will further delve into the issue over the course of two meetings. The committee will likely make a recommendation to the Board within the next few months.

It's unfortunate that three of the Board members, who committed to fair and open competition, have been pressed to consider a PLA. We hope Board members Alderson, Smithfield, and Vargas have an open mind as the first subcommittee meeting gets underway on June 4th. If they do, they will find out that PLAs increase the cost of construction, limit competition, bring in out-of-town contractors, shut out hard-working apprentices, and wipe out health and welfare benefits for workers.

The last time a school district reversed its promise - Grossmont Cuyamaca Community College District in 2014 - SDCTA revoked its support of the District's 2012 Proposition V Bond Measure. SDCTA then went on to oppose the District's next bond, Measure X, in 2016, as did AGC. At that time, the Grossmont Board had telegraphed its intention to have a PLA on Measure X projects. Voters rejected that idea, and it failed at the ballot box.

Vista Unified's Board Members should take heed of what happens when one breaks a promise for fair and open competition, as voters will remember the next time a bond measure is on the ballot. Grossmont-Cuyamaca knows what happens.

Survey Says: Spike in Highway Work Zone Crashes

Mike McManus, Director of Engineering Construction & Industry Relations

A recent national survey of highway contractors, by the Associated General Contractors of America, revealed an astounding jump in reports of errant vehicles crashing into contractor highway construction zones. The survey, conducted in April and May, showed that 67% of
contractors, who responded to the survey, reported that their firm had experienced a work zone crash in the last year. This is up from only 39% in 2016.

Diving into the data a little bit reveals some troubling trends that seem to be evolving in recent years. The first being the number of workers injured or killed due to these crashes has risen dramatically. In 2015, 9% of contractors surveyed reported that work zone crashes had resulted in worker injuries or fatalities. The most recent survey, just out, showed that in California, 37% of contractors reported worker injuries or fatalities had occurred due to errant vehicles crashing into their work zones on highways. That is a disturbing figure. Equally, so is the fact that 29% reported that the occupants of the errant vehicle were injured or killed in the crash.

The survey is also only the tip of the iceberg. Anecdotally, there is a continuous stream of reports of close calls where there is no damage done, but the potential for disaster is often hair-raising.

What to do about this troubling picture? The survey also asked that question, and the results are illuminating. More than two-thirds of contractors cite three things that are needed in greater amounts:

- Police presence in work zones
- Closing roads and detouring traffic
- Stricter enforcement of moving violations

There is a focus on this issue here in California. Caltrans has been taking measures where they can to incrementally improve safety of workers and drivers in highway work zones. For example, recently, in San Diego, Caltrans reduced the maximum allowable speed through the I-5 North Coast Project to 55 mph. Caltrans officials in Sacramento recently reported to us that reducing speed limits to 55 mph in construction zones will become the norm because speed is a key factor in highway accidents and speed zones allow for enhanced speed enforcement which contractors cite as an important need.

Caltrans also reached out to industry recently in developing a pilot specification to enhance the safety of workers on foot in work zones. These workers are the most vulnerable to injury and fatalities because of errant vehicles. The purpose of the new specification is to require a buffer lane in certain circumstances and barrier vehicles in others to give workers on foot additional protection from oncoming public traffic. This concept will be tried as a pilot in several northern California districts to see how bidders respond to it and how it works practically in the field.

We applaud Caltrans’ efforts towards work zone safety and hope that it is rolled into their designers thinking in the future. For example planning projects to use more opportunities for closure and detours not only can improve worker safety but can also improve constructability and productivity on projects which reduces costs and improves quality.

This will need a continuing focus here in California due to the passage of the Road Repair and Accountability Act in 2017. Caltrans and all public works agencies are ramping up road rehabilitation and maintenance projects that provide high paying jobs for construction workers. It is
important that we do it safely and make sure those folks come home to their families after their day at work.

EVENTS

It's Not too Late to Register for AGC Annual Baseball Bash on June 18!
Get in on the 2nd order of tickets

Sponsored by Swinerton and Finch, Thornton & Baird, LLP!

We're about to order the 2nd batch of tickets for the AGC Baseball Bash on June 18 on the roof of the Western Metal Building at Petco Park! If you haven't registered yet, we suggest you do it soon. This is an amazing venue, with views of downtown San Diego and Petco Park, and offering plenty of space to mix/mingle and party.

Registration includes your ticket to the game, and food & beverages, including ballpark snacks.

- Food served 6:00 p.m. until one hour after first pitch
- Ballpark snacks served in the 3rd inning
- Drinks served from 6:00 p.m. until the bottom of the 7th inning
- Cash bar in our area for those that want to order cocktails

Want to "Ring the Mission Bell" before the game? Enter the contest by pre-ordering raffle tickets on your registration form. Your registration and raffle ticket order must be received in the AGC office, by June 3 to be eligible. The winner of the drawing will be notified by June 6. There will be many other raffle prizes as well, so we encourage you to order your tickets now!
2019 MEMBERSHIP LISTINGS

Online Form

Please notify AGC if your company has relocated, or if there are updates to your company's listing (i.e. contacts, phone/fax, job titles, CSI codes, & certified business listings).

Email Marcy Knopman

DIRECTIONS

6212 Ferris Square
San Diego, CA 92121
(858) 558-7444

JOIN AGC MEMBERS TO CHEER ON THE SAN DIEGO PADRES AS THEY PLAY THE MILWAUKEE BREWERS, GAME STARTS AT 7:10 P.M.

The "Baseball Bash" committee is looking for some fun raffle prize donations, so we are offering all those who sponsor a raffle prize of $150 or more, the chance to be entered in the "Ring the Mission Bell Drawing." Click on links below for more information.

REGISTER  RAFFLE PRIZE SPONSORSHIP

Contact Rae Krushensky with any questions.

Call for Car Entries - AGC Summer Mixer & Car Show

July 30!

Mark your calendars for the seventh annual AGC Summer Mixer & Car Show on July 30! Enjoy delicious food truck fare and beer and margaritas while checking out the classic cars and hot-rods on display. This event is hosted by AGC San Diego's Construction Leadership Council (CLC) and is free to members!

The event starts at 4:30 p.m. and goes to 7:00 p.m. at the AGC San Diego Training Facility. Registration details coming soon.

Do you have a classic car or truck you want show off?

Register to display your vehicle at the event, and be in the running for one of three awards: Best in Show, Best Mod-Rod, or Best Classic.
Visit the AGC website Events page to download the Car Entry form to register.

Questions about the event or interested in sponsorship opportunities, please contact Kellie Korhonen or 858-750-4268 for more information.

AGC GIVES BACK - CALL FOR VOLUNTEERS

The AGC Build & Serve Charitable Alliance invites AGC members to get involved with AGC-partnered charitable projects.

We are requesting AGC member volunteers for upcoming projects.
Camp NAWIC - June 17-21

Camp NAWIC San Diego (National Association of Women in Construction) provides a unique hands-on approach to a construction career for high school girls. This week-long event is being held at the AGC facility. Campers learn the basic elements of various construction trades, and develop a “can-do” attitude they can apply in many aspects of their lives.

CALL FOR VOLUNTEERS:

AGC Member Volunteer Opportunities:

- Morning Counselors
- Afternoon Counselors
- Journeywomen Camp Counselor
- Set-up
- Clean-up
- Trades helper

MORE INFO

Daily Schedule:
Monday, June 17: Safety, Concrete, Solar
Tuesday, June 18: Sheet Metal, Tile Setting
Wednesday, June 19: Electrical
Thursday, June 20: Plumbing, Carpentry, Heavy Equipment
Friday, June 21: Carpentry, Graduation

VOLUNTEER SIGN-UP

Our Future Construction Leaders

RED SHOE DAY - June 20

Register by June 10th

CALL FOR VOLUNTEERS:

Volunteers are needed for the Ronald McDonald House (RMH) Charities’ Red Shoe Day on Thursday, June 20. Ronald McDonald House supports housing for families when their child is being treated for a medical emergency and unable to leave the hospital.
RMH is asking AGC members to volunteer to help with this event.

JOIN AGC’s TEAM - MIRA MESA
LOCATION
Intersection Carroll Canyon Road and Pacific Heights

CLICK HERE for a direct link to the AGC Team page.

Volunteers who sign up through this page will automatically be registered for the intersection in Mira Mesa.

We have 3 shifts available:

- 6:30 a.m. - 8:00 a.m.
- 8:00 a.m. - 9:30 a.m.
- full shift - 6:30 a.m. to 9:30 a.m.

Once you register, AGC staff will send you an email asking for your preferred shift. If Mira Mesa is not convenient, there are various intersections reserved around San Diego for individuals to volunteer nearer to their home or office.

To register for one of these intersections, CLICK HERE and select the "Sign Up For An Intersection" button. There are a list of possible intersections to select the one that works best.

RMH has supply pick up days scheduled for:
Friday, June 14th and Saturday, June 15th between 11:00 a.m. - 12:00 p.m.

AGC Team Captain Marcy Knopman will be picking up T-shirts and red collection shoes for those who sign up for the AGC TEAM in Mira Mesa!

Please note: RMH doesn't expect its volunteers to donate on their own or fundraise. It's totally up to you. They are just so appreciative of anyone volunteering their time on Red Shoe Day!
2019 AGC Build San Diego Awards - Call for Entries

It's time to start getting your entries together for the prestigious AGC Build San Diego Awards Program. The awards honor AGC members who build San Diego's most impressive construction projects ranging across building, highway & transportation, underground & utility infrastructure, and heavy divisions categories.

The event is scheduled for **Tuesday, November 5, 2019** at the Hilton San Diego Bayfront. We are very proud to have back as our **Title Sponsors:**

- **Hawthorne Cat** and **Torrey Pines Bank**

Hawthorne Cat has staunchly supported this event since 2009, and we welcomed the addition of Torrey Pines Bank as co-sponsors in 2017. These two long standing AGC member companies make a great team and AGC San Diego partners.

Entries in the Build San Diego Awards program are open to all General Contractor, Contractor and Specialty Contractor members who worked as the "prime" on the job for which they are submitting, and who are in good standing with AGC.

By entering the awards program, you are providing your project team with a fantastic opportunity to showcase their achievements to our panel of exceptional and influential judges, and to the industry.

Recipients of a coveted Build San Diego Award in the following categories will have demonstrated the very best when it comes to building a better San Diego:
Building Construction - Public Work
Building Construction - Private Work
Heavy / Highway
Underground / Utilities
Unique Small Project - Public Work, not to exceed $6 million
Unique Small Project - Private Work, not to exceed $6 million
Unique Special Project
Sustainable Project

To be eligible, projects must have been completed between September 1, 2017 and August 31, 2019.

ENTRY DEADLINE:
August 30, 2019 @ 12:00 PM
Entries may be submitted any time before August 30.

Questions? Please contact Rae Krushensky, (858) 731-8157.

RECOGNIZING EXCELLENCE IN CONSTRUCTION

CLASSES

June Classes

June 4  Foreman & Superintendent Boot Camp
June 4  Stormwater Monthly Breakfast Forum
June 5  Effective Project Engineer
June 6  Confined Space Entry Training
June 6  Law: Insurance & Indemnity
June 6  Forklift 4-Hour Operator Certification
June 6  Beginning Microsoft Excel 2016 (Offsite)
June 6  Trenching & Excavating
June 7  Beginning Microsoft PowerPoint 2016 (Offsite)
June 10-13  BIM-Building Information Modeling
June 10-12  Fall Protection 24 Hour Competent Person Training
June 11  Intermediate Microsoft Excel 2016 (Offsite)
June 12-13  CQM
June 12  Effective Project Engineer
June 14  BIM EXAM
June 17  Advanced Microsoft Excel 2016 (Offsite)
June 17  Advanced Microsoft PowerPoint (Offsite)
June 19-20  Blueprint Reading for Construction
June 25  Microsoft Project Workshop
June 25  Fall Protection 8-Hour CPT
June 26  Construction Correspondence & Business Writing
June 26  CPR, First Aid & AED Training
June 26  Silica Standard for Construction Competent Person Training
June 27  Hazwoper 8-Hour Annual Refresher

For more information on classes, contact: Becca Schaffer at (858) 731-8155.

COMMITTEE MEETINGS

Meetings are held at the AGC office (6212 Ferris Square, San Diego, CA 92121) unless otherwise noted in red.

June Meetings

June 4  11:30 a.m.  Specialty Contractors' Council
June 5  7:00 a.m.  Safety Meeting
June 5  11:15 a.m.  Airport @ Airport Facility
June 13  11:30 a.m.  HR Committee
June 20  7:00 a.m.  General Building Contractors' Council
June 21  12:00 p.m.  Technology Committee
June 25  4:00 p.m.  Construction Leadership Council (CLC)
June 28  7:30 a.m.  Caltrans @ Caltrans Office

About Monday Morning Quarterback

AGC San Diego Chapter's Monday Morning Quarterback is a "hot off the press" and to the point Monday morning briefing on the important issues facing San Diego's construction industry. It is prepared by AGC Chief Executive Officer, Eddie Sprecco, and Executive Vice President, Brad Barnum.

Please contact Eddie Sprecco or Brad Barnum with your comments, or with information that should be conveyed to the industry through this service. Well over 3,000 individuals employed by AGC member firms are part of this system.

ARCHIVE

The Associated General Contractors of America - San Diego Chapter, Inc.
6212 Ferris Square, San Diego, CA 92121  Phone (858) 558-7444  Fax (858) 558-8444
www.agcsd.org

The VOICE of Construction