INDUSTRY NEWS

All Signals Indicate a PLA is Likely at Vista Unified - Board Vote on September 12

Brad Barnum, Executive Vice President

For nearly four months, AGC has been participating in discussions and meetings with Vista Unified School District officials, parents, teachers, and community leaders about the potential of a Project Labor Agreement (PLA) on its $247 million Measure LL bond program. It all started during a May 9 Board meeting, when newly elected member Martha Alvarado requested a future discussion on PLAs.

Since that time, there have been two meetings of the Superintendent's Advisory Committee on PLAs, and a Board workshop. The next step is a Board vote on September 12, and from all indications, a PLA is likely on the way. As a matter of fact, it was probably on the way on November 6, 2018, when Board Member Alvarado was elected!

Let's go over some of the events/activities that set all this in motion, as well as some extenuating circumstances that likely will lead to a PLA on September 12:

- Martha Alvarado elected on November 6, 2018, with the help of the San Diego Building Trades, and the International Brotherhood of Electrical Workers.
- Measure LL passes at the same time, with 64.2% of the vote. Current Board Members Alderson, Smithfield, and Vargas sign ballot Resolution: “As stewards of public funds...the board desires to develop and implement a fiscally responsible, accountable and transparent bond-funded construction program, and commits to conducting such a program with the following
AGC’s Motto: "It’s Good Business to do Business with an AGC Member."

principles and actions: (e) The District will promote fair and open competition for all capital projects funded with bond proceeds...

- With this consideration of a PLA, Board members Alderson, Smithfield, and Vargas are breaking their promise to voters for fair and open competition.

- Board Member Vargas is a political organizer for SEIU (Service Employees International Union), and has his sights on a higher office.

- AGC offered a tour of its Apprenticeship Program on August 14 to each of the Governing Board Members. Board Member Alvarado said she was interested, but instead toured one of the union Apprenticeship Programs. AGC has offered another tour, this time on September 5, one week before the PLA vote. No Board Members have accepted the invitation.

- At the August 15 PLA workshop, Board Member Alderson states that there is no need to tour any apprenticeship program, basically saying the issue is not their responsibility. He doesn't get it...Apprenticeship is the life blood for the construction industry, and union and non-union apprentices play a significant role in the construction of his school district projects. A PLA is discriminatory, and will shut out ALL non-union apprentices.

- District staff has informed the Governing Board that the increased costs from a PLA will eliminate the Phase 5 projects ($48.2 million) promised to voters. One of those projects is a pool, and the Board Members are scrambling to make sure the pool is moved up the list.

- AGC staff has requested a meeting with Superintendent Kimble, and at least one of the Board Members to discuss approaches to the PLA that could increase contractor interest and lower costs. No meeting has been set...crickets...

It’s clear where this is going. However, AGC will continue to oppose such an action, and will fight for fair and open competition. Expect to see an "Action Alert" early next month asking you to write to the Governing Board Members. Tell them not to break their promise to voters, and tell them they shouldn't play politics over education.

Students deserve better, and they deserve quality education facilities, which are clearly at risk with a PLA. This message needs to be sent loud and clear via email, and at the September 12 Board meeting. If you would like to attend the Board meeting, please contact Brad Barnum, or call him at 858-731-8158.

Good News....The Caltrans Smoothness Saga is Over
Mike McManus, Director of Engineering Construction & Industry Relations
It all started very quietly five years ago. Caltrans started promoting a new standard for pavement smoothness in California that was widely used around the country called the "International Roughness Index" (IRI). Since its introduction in 1986, IRI has become the road roughness index most commonly used worldwide for evaluating and managing road systems.

The measurement of IRI is required for data provided by the states to the United States Federal Highway Administration (FHWA), thus Caltrans had to adopt the standard for state highways. IRI is also widely used to evaluate new pavement construction, to determine penalties, or bonus payments based on smoothness. The FHWA adopted the IRI, not only because it is accepted worldwide, but also because it results in more consistent data for trend analyses and cross jurisdiction comparisons.

It is important to note, that the specific IRI values associated with "good" ride quality and "acceptable" ride quality were adopted by the FHWA as pavement condition indicators for state highways. These values are shown in the FHWA table below:

<table>
<thead>
<tr>
<th>Ride Quality Terms</th>
<th>All Functional Classifications</th>
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<tbody>
<tr>
<td>Good</td>
<td>IRI Rating</td>
</tr>
<tr>
<td>Acceptable</td>
<td>IRI Rating ≤ 170</td>
</tr>
</tbody>
</table>

For reasons still largely unknown, Caltrans adopted a "one-size fits all" specification for asphalt concrete or concrete paving projects, which included all widening projects or new alignment work. The specification called for the contractor to pave to maximum IRI of 60 or less. The remedy, if the specification was not met, was to blanket grind until the IRI of 60 was met. Thin blanket maintenance projects were the exception; the threshold for these one inch blankets was set at IRI of 75 or less. The reason for establishing the threshold for acceptability at an IRI of 60 was never explained, nor was it ever reconciled with the FHWA table above which established "good" pavement at an IRI of less than 95.

This new specification, once contractors figured it out, became controversial because it was only achievable in certain paving scenarios. For example, for a new alignment asphalt concrete project with a relatively thick pavement section, it was largely achievable; for every other scenario it was not. Stories of blanket grinding miles of new pavement around the state became common, and alarmed the industry and the folks at Caltrans charged with maintaining those same pavements.

What happened next was something that should be instructive for the industry, not only in working with Caltrans, but all public agencies. AGC San Diego, with the help of some member contractors, prepared a short study demonstrating what was being achieved, smoothness wise, on recently paved Caltrans projects around the state.

What the study demonstrated was that different smoothness results were achievable for different paving scenarios and types of surfacing, and that there was generally a "bell shaped curve" of results that could be used to establish new specifications. The challenge was to establish trust with
Caltrans that this study would help them achieve best value for their taxpayer funded projects.

Caltrans, to their credit, took heed of the new information. The specifications were modified during a long process involving industry in 2018. The new specifications establish various full pay thresholds for different paving scenarios for concrete and for asphalt surfacing, and have incentive and disincentive pay ranges. This recognized that manufacturing pavement is not an exact science, but rather a science with industry standards for what can be achieved, which when specified, is what will get Caltrans the best value for their tax payer, SB1 funded, dollars.

At the end of 2018, Caltrans began including the new specifications in their projects at the point of advertising for bids. In April of 2019, Caltrans issued a directive to their districts on how to modify existing contracts with asphalt paving that have the old IRI specification. A few weeks ago, they issued similar guidance for issuing contract change orders for existing projects that have concrete paving and the old specification; which was the last step in finally resolving this five-year saga with Caltrans.

Lessons learned in this long saga? Focus on education first. Then answer the question; how can industry help the agency achieve the best value for their taxpayer dollars on construction projects?

Registrations are now being accepted for the final AGC golf tournament of the year. The Fall Golf Classic is scheduled for October 7 at the Country Club of Rancho Bernardo.

Special thanks to our Title Sponsors:

And our Major Sponsor:

Your registration fee includes the following:

- Golf
2019 EVENTS

AUGUST
Aug. 30 | DEADLINE - BUILD SAN DIEGO ENTRIES
Aug. 31 | SDSU Aztec Tailgate/ Sky Show

OCTOBER
Oct. 7 | Fall Golf Classic

Taco bar for lunch
Cold beverages
Exhibitors
Prime rib dinner

This event is limited to the first 140 players. To avoid being placed on a waiting list, please don't hesitate to get your registration forms in. The names of the people in your group are not needed right away, just let us know how many spots you want. You can always fill the names in later.

REGISTER

Additional sponsorships are still available, including a limited number of exhibitor spots!

SPONSORSHIP OPPORTUNITIES
Contact Rae Krushensky at raek@agcsd.org with any questions.

Advertising in GOOD FAITH REPORT

State Approved Trade & Focus Publication


Interested in advertising in AGC's "Good Faith Report"?
Contact:
Lisa Lovelace
Director of Plan Room Services

AGC COMMUNICATIONS

AGC CONSTRUCTOR

SAVE THE DATE - TECH TALK Luncheon October 15

Learn about “Emerging Construction Site Technology” this October 15, 2019 at AGC San Diego TECH TALK Luncheon hosted by the Construction Technology committee. More details to follow.

Using a technology on a current job site you would like to share with AGC San Diego members? Contact Kellie Korhonen at kellie@agcsd.org for speaking availability at TECH TALK this October.
Apply Now for the 2020 AGC Project Management Certificate Course Scholarship

The AGC San Diego Chapter will be offering five (5) full scholarships for the 2020-2021 AGC San Diego Construction Project Management Certificate Program. The course is a 26-week program that helps attendees develop the essential skills for managing all elements of a construction project. Course components include Pre-construction Planning/Partnering, Construction Contracts, Conflict Resolution, Time Management, Technology and more.

Scholarships will be awarded for the following:

- Three Scholarships designated to an individual employed by an AGC San Diego member company (in good standing)
- One Scholarship to be designated to Military Personnel (active, discharged, retired)
- One Scholarship to be designated to San Diego State University J.R. Filanc Construction Engineering and Management Program graduate

Who is eligible to apply?

- Any individual candidate looking to continue their education and/or advance their career by demonstrating the desire to provide current employer added value. Requirement: Be employed by an AGC San Diego member company in good standing.

DOWNLOAD APPLICATION

APPLICATION DEADLINE - September 13, 2019

CLASSES

August Classes

Aug 28  CPR, First Aid & AED Training
Aug 29  Scaffold 8-Hour CPT

DIRECTIONS

6212 Ferris Square
September Classes

- Sept. 5  Beginning Microsoft Excel 2016 (Offsite)
- Sept. 5  Fall Protection 8 Hour Competent Person Training
- Sept. 5  Foreman & Superintendent Boot Camp
- Sept. 10 Intermediate Microsoft Excel 2016 (Offsite)
- Sept. 10  Stormwater Breakfast Forum
- Sept. 10  Traffic Control Technician (TCT)
- Sept. 11  CQM
- Sept. 12  Prevailing Wage Specialist
- Sept. 13  Conducting an Effective Accident Investigation
- Sept. 16-19  OSHA 30-Hour for Construction Outreach
- Sept. 16-17  QSD Training
- Sept. 16-18  QSP Training
- Sept. 16  Rigging & Signal Person Training
- Sept. 18  Blueprint Reading for Construction
- Sept. 19  Advanced Microsoft Excel 2016 (Offsite)
- Sept. 19  Construction Correspondence and Business Writing
- Sept. 19  Trenching & Excavating CPT
- Sept. 23  Fall Protection 8 Hour CPT Refresher Training
- Sept. 24  Construction Law
- Sept. 24  Beginning Microsoft Project
- Sept. 25  Advanced Microsoft Project
- Sept. 25  Blueprint Reading for Construction
- Sept. 25  CPR, First Aid & AED Training
- Sept. 26  Preventing Sexual & Other Unlawful Harassment

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.

September Meetings

- Sept. 4  7:00 a.m.  Safety
- Sept. 4  7:00 a.m.  Public Building
- Sept. 11  7:30 a.m.  Build & Service Charitable Alliance
- Sept. 11  11:15 a.m.  Airport @ Airport Facility
- Sept. 18  10:00 a.m.  Government Relations
- Sept. 27  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.