

Union vs. Non-Union

The pros and cons of signing up with the unions

Presented by: Jeff Wells, Estimating Manager of Flatiron and

Al Aragon, Industrial Relations Manager of the Associated General Contractors (AGC) of Northern California



- Public Works Project vs. Commercial or Vertical Construction
 - Most public works projects are paid prevailing wages which mirrors union labor rates
 - Commercial projects may or may not have dual gates
 - Public works projects usually do not have dual gates
 - Some public works projects may have a Project Labor Agreement (PLA).



Caltrans Projects

- All Caltrans projects are prevailing wage projects
- > These rates mirror union labor rates
- > This means when bidding Caltrans work you will be using these rates
- Most of Flatiron's competitors are Union
- ➤ Caltrans does not require you to be a union contractor only to pay prevailing wages, as stated in the contract.



- Flatiron is a union contractor and signatory to:
 - Laborers
 - Operators
 - Carpenters
 - Cement Masons
 - Ironworkers
 - Pile Drivers



> Flatiron's union agreements

- > These agreements require us to use union subcontractors
- ➤ If you are a non-union contractor we would request that you sign a one time union agreement for the project.
- ➤ If you are unwilling to sign a one time project agreement, we will not be able use you as a subcontractor on the project.
- ➤ Flatiron is not saying you need to be a union contractor, but if you are interested in Caltrans work, it makes sense to look into becoming a union contractor.
- Flatiron works through AGC



Al Aragon – AGC Industrial Relations Manager

- Specific Language in Flatiron's Master Labor Agreements
- The terms and conditions of this Agreement insofar as it affects Employer and the Individual Employer shall apply equally to any subcontractor of any tier under the control of, or working under oral or written contract with such Individual Employer on any work covered by this Agreement to be performed at the job site or job yard, and said subcontractor with respect to such work shall be considered the same as an Individual Employer covered hereby. Subject to the provisions of this Section and any other Section of this Agreement applicable to subcontractors, if an Individual Employer shall subcontract work herein defined, such subcontract shall state that such subcontractor agrees to be bound by and comply with the terms and provisions of this Agreement
- ➤ The Individual Employer has the primary obligation for performance of all conditions of this Agreement. This obligation cannot be relieved, evaded or diminished by subcontracting.
- What it takes to sign up