

PA12-070

SB0033

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
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DEPUTY SPEAKER ALTOBELLO:

The bill passes in concurrence with the Senate.

What the Clerk please call Calendar 487, four eight seven, please.

THE CLERK:

On page 28, Calendar 487, Substitute for Senate Bill Number 33, AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY, favorable report on the Committee of Labor and Public Employees.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrera of the 29th, you have the floor, sir.

REP. GUERRERA (29th):

Good morning, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Good morning, sir.

REP. GUERRERA (29th):

Mr. Speaker, I move acceptance of the joint committee's favorable report and passage of the bill.

DEPUTY SPEAKER ALTOBELLO:

The question before the Chamber is acceptance of the joint committee's favorable report and passage of the bill.

Please proceed, sir.

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REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Mr. Speaker, the Clerk has an amendment, LCO 4658. Will the Clerk please call the amendment and I be allowed to summarize.

DEPUTY SPEAKER ALTOBELLO:

Will the Clerk please call LCO 4658, which shall be designated -- previously designated Senate "A."

THE CLERK:

LCO 4658, Senate "A," offered by Senator Williams, Senator Looney, et al.

DEPUTY SPEAKER ALTOBELLO:

Further on Senate "A?" Further on Senate "A?"
Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Mr. Speaker, this is a strike-all amendment that amends the underlying bill by adding provisions from the Department of Transportation in regards to a project design build.

The design builder is based upon a quality base selection to create a short list for the best value selection when considering certain projects. In regards to the successful bidder of such project, there are

numerous savings in projects that are called "design build." One being early contractor involvement, the other would be elimination of separate construction bid phases, and also, there's an enormous amount of cost savings when a design build project is introduced. There are fewer change orders, and obviously, the extra work orders are handled in the process that are much more expedited, rather than a regular process of a low-bid contract.

Mr. Speaker, also in this bill is a provision with project labor agreements. And what it is, it allows certain municipalities to use project labor agreements. And let me emphasize that, Mr. Speaker. When I say that, it gives an option for municipalities to use the project labor agreements.

So with that, Mr. Speaker, I move for adoption of this bill.

DEPUTY SPEAKER ALTOBELLO:

The question before the chamber is adoption of Senate "A," which is a strike-all. Adoption of Senate "A?"
Further on Senate "A?"

Representative Sayers of the 60th, you have the floor, madam.

REP. SAYERS (60th):

Thank you, Mr. Speaker.

I rise in strong support of this amendment. Studies have found that project labor agreements offer benefits to project owners and local communities and do not disadvantage nonunion contractors and employees. A study by the Fred B. Cotler JD Associates Director of the Cornell University School of Industrial and labor relations found that there is no evidence that PLAs discriminate against employers and workers or limit the pool of bidders or recent construction costs.

In 2009 a report by Dell Belman of Michigan State University, Matthew M. Bodadah of the University of Rhode Island and Peter Phillips of the University of Utah, the author stated that rather than increase costs, the agreements provide benefits to the communities. According to their report, project cost is directly related to the complexity of a project, not the existence of agreement. They found that project labor agreements are not suited to all projects, but some projects are good candidates for their use such as highly complex construction projects. Studies have also considered how PLAs may benefit communities through hiring locals. And a paper focused on whether PLAs for project developed by the Los Angeles Community College District,

the Los Angeles Unified School District and the City of Los Angeles met hiring goals, the author found that the goal of 30 percent hires was set by the PLAs, was met. Reports and studies addressing the cost impact of PLAs on construction projects have found that they may not lead to greater costs such as a 2002 paper by the Harvard University Joint Center for Housing Studies, which states that "the increased costs cited by the opponents of PLAs are based on bids rather than on end costs." According to the paper, a project's end cost would usually be higher than the bid cost due to expenses that arise during construction.

A 2004 report by the directorate General services for Custer County California reports that bids for five of eight projects subject to PLAs were lower than the architect engineer cost estimates. A 2004 report written on the use of PLAs in Iowa states that PLAs use increases efficiency and cost-effectiveness of construction projects. Public-sector PLAs on complex projects or projects where timely project completion is important have been shown to provide the performance desired by the contractors and project managers who repeatedly use them.

A 2009 paper concluded that there was difficulty in identifying the effects of PLAs on cost and construction

of schools due to the differences between schools built with PLAs and those build without. The report stated that there was not any statistically significant evidence for an increase in cost for school constructions.

Reports on the legal considerations affecting PLAs makes the case that PLAs are an effective tool for labor relations. In a report in 1999 on the legality of PLAs, the author stated that PLAs serve as a productive and stabilizing force in the construction industry. This is supported by a UCLA study that challenged the findings of the Beacon Hill Institute on PLAs, which found in the private sector the usage of PLAs creates continuity and stability of workforce on the job.

This amendment will ensure that Connecticut jobs are given to Connecticut residents. I urge support.

DEPUTY SPEAKER ALTOBELLO:

Thank you, madam. Further on Senate "A?" Further on Senate "A?"

Representative Scribner of the 107th, you have the floor, sir.

REP. SCRIBNER (107th):

Thank you, Mr. Speaker. Good morning.

DEPUTY SPEAKER ALTOBELLO:

Good morning, sir.

REP. SCRIBNER (107th):

The amendment that's before us, which replaces the underlying bill, that came out of the Transportation Committee does indeed seek to produce legislative authority for the commissioner of the Department of Transportation to revert or utilize a design-build contract methodology for design and construction of transportation-related projects. It is not an entirely new concept here in the State of Connecticut, and it certainly does also have experience in other states that fortunately we have surveyed and evaluated. It includes the states of Colorado, Maryland, Massachusetts, Minnesota, New Jersey and Pennsylvania.

From the information that I have, each of those states and their related transportation agencies have reported that this methodology, which would switch from a design bid build process that we currently largely use, produces time savings and a reduction in the change orders which would suggest that it would create some efficiency in the projects that we undertake here in the State of Connecticut.

Through you, Mr. Speaker, to the chairman of the Transportation Committee, would you concur with that assessment, Representative Guerrero.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

Absolutely I would concur with my good friend

Representative Scribner.

DEPUTY SPEAKER ALTOBELLO:

Representative Scribner.

REP. SCRIBNER (107th):

Thank you.

I know that some of the concerns as we've had discussions on this proposal within the Legislature had to do with design build having impact on small contractors here in the state. And information that we have gathered suggests that it would not. It also does identify that there were -- any of the states that we included in this evaluation that have this process in place reported that they did not have any issues with their local labor unions.

Through you, Mr. Speaker, to the chairman of the Transportation Committee, would he also concur with that statement?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker yes. I would occur with those remarks.

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Scribner.

REP. SCRIBNER (107th):

Thank you, Mr. Speaker, and thank you to the chairman of the Transportation Committee.

DEPUTY SPEAKER ALTOBELLO:

Further on the bill as amended? Further? If not -- oh, excuse me. Representative Rigby of the 63rd, you have the floor, sir.

REP. RIGBY (63rd):

Thank you. Good morning, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Good morning, sir.

REP. RIGBY (63rd):

Note that I checked the clock before offering my greeting.

Mr. Speaker, if I may some questions for the proponent of the bill as amended.

DEPUTY SPEAKER ALTOBELLO:

Please proceed, sir.

REP. RIGBY (63rd):

Thank you.

Mr. Speaker, looking at the bill as amended specifically it's Section Number 5. Is there any language in that section that would require a municipality or a city to conduct a public hearing or have a public comment component before they adopt a PLA, which stands for project labor agreement?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

There is no requirement for a public hearing. That does not preclude that the municipality may have a public hearing. It's up to them to decide whether they would like one another. Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate that answer. The language doesn't mention a public hearing, but I know that, in many cases, a public hearing is part of that process.

And Mr. Speaker, through you, would there be any

fiscal impact on a municipality should they adopt this project labor agreement?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

I do not see a fiscal note in regards to having a public hearing, if that was the question that was asked.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And my question was not as concise as I would have liked it to be, but what I'm trying to get at, Mr. Speaker, through you, is would a municipality see any kind of fiscal impact should they adopt a project labor agreement as detailed in Section Number 5 of the bill as amended?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you. Thank you, Mr. Speaker.

And thank you for -- the Representative for his question. I do not see a fiscal impact. Again, I think there are some criteria that would have to be met when they

decide to use a PLA. And from this legislation that's in front of us and through other legislation or information that we have read, municipalities tend to save more money by using PLAs by having that extreme workforce that is handy and also having a no-strike clause in there, which advances the construction of the project to move more quickly.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you. I appreciate that answer. And that directly goes to what I was trying to ascertain from the bill as amended.

And, Mr. Speaker, I have a community workforce agreement between the Greater Hartford/New Britain Building and Trades Council, and it appears that the City of Meriden prepared a draft proposal in 2011. Mr. Speaker, through you, would a community workforce agreement be the same thing as a project labor agreement?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Yes, it's basically the same thing, just a different name.

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And I see where the amended -- the bill as amended offers language that would tie the two together and allow for an agreement that meets the very specific requirements of Section 5.

Mr. Speaker, if a project labor agreement was required by a municipality on a project would there be any cost to the contractor or his employee? Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

There would be no cost to the contractor.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you, Mr. Speaker.

I appreciate that answer, because we've heard sometimes there could be, you know, charges, fee or different types of agency dues that might be required to be paid by the contractor or his employee. Does the contractor under a project labor agreement have to get his field labor from a union hall?

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

It is my understanding that the contractor, depending if he's a union contractor or not that wins the bid, would be able to use his own workforce. And if he does not have the manpower for his workforce that he would get his employees or other employees through the union hall.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

That's good to hear that they wouldn't be required to actually get them from a union hall. Would the contractor be allowed to use 100 percent of his own

workforce, given what the Representative detailed on my previous question?

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Under this legislation they would be able to use their entire workforce.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Mr. Speaker, does the workforce have to join the union for the particular project? Do they actually have to become a union member?

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

No, to the Representative, he does not have to join a union.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

If he doesn't -- if he opts not to join a union, are there any agency fees that might be required? Or are there any types of costs that could be passed on to that worker?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

The -- again the contractor is not obligated to pay any agency fees. It would be something that, whether it be maybe the employee, depending if they were a union or a nonunion shop also.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Are there any restrictions, Mr. Speaker, that would apply to the union on where they would spend the money generated from a particular project? Say, a school is renovated in the city of Hartford and fees were collected, dues were paid. Is there any limit on how that -- those monies could be spent?

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Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

I am not aware that there are any limitations, no.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Mr. Speaker, we learned through a debate, I believe, it was last week on another bill that concerned organized labor that sometimes political action committees might benefit and might receive money from a labor union directly. We learned that one union contributed over \$25 million to the campaign of President Obama. Could these monies be used towards a political action committee?

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

No, they don't have to pay it to any political party if they don't like to.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate that answer. What I'm trying to understand is does the -- can the labor union themselves forward money to a political action committee, money that was collected from a municipal job?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the Representative, again, I would believe that the labor union would have to maybe take a vote in regards to where this money would go for any types of transfers of funds, whether they decide to give it to point A to point B. So, again there's always a possibility, but I think it would have to be based upon the union representation where that money goes to.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate that, that explanation. That does help me understand the bill as amended. What I -- just so I'm clear and that the other members of this legislative body understand, if any money collected from a workforce on a municipal project, any money that's spent by the union for other activities, other types of initiatives, I just want to be sure that that money would be -- would not be distributed without a vote by those people that paid in the fees.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the Representative's question, again, I do believe that the monies that they would be collecting would be up to the union members, where they would decide to transfer that money, whether it's again any type of organization or political affiliation, but I would think it would have to be a vote within the union members before they can make a decision like that.

Through you to the Representative, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

That helps me. That brings me one step closer to being able to support this, this bill as amended with Senate Amendment "A."

If I may, I just want to -- I'm looking at some different costs, some different things that have to be paid on a municipal project. Does the contractor or his employee have to pay into the union health fund?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Again, I think if it's a union contract, yes they do, but if it's not, I don't believe they have to pay into it.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

If that's the case, would the contractor or his employee have to pay into the union pension or the union

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annuity?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

If it's a union contractor, I believe they would have to. If it's a nonunion, then I don't believe they have to do that.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

That's important that they're not required to pay, an employee or a contractor wouldn't have to pay into those specific areas.

Mr. Speaker, through you, would the contractor or his employee have to pay into apprentice training, the fund for that, or for labor management?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the Representative's questions, I don't believe that the contractor has to pay into the apprentice program. I believe many of those organizations, such as union organizations, have an apprentice program in place in regards to help facilitate construction projects on their own.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And the other -- there's two final items I wanted the Representative to hopefully comment on. I'm wondering if the contractor or his or her employee has to pay into job target funds or market recovery funds.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

To the Representative, I do not believe they have to.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

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REP. RIGBY (63rd):

Thank you.

I appreciate the chair of the Transportation Committee being so knowledgeable on this, this section of the bill as amended which really is a labor matter. And his answers are very important I think for everyone to understand how this could impact the cost of a project.

Is there any -- there's right now some litigation that it's either pending or it could be pending that concerns a specific school system. Would this bill, as amended, specifically Section 5, have any impact on this -- this litigation that's ongoing?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

I apologize, Mr. Speaker.

Could the gentleman please repeat the question?

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

I'd be happy to.

Mr. Speaker, there's litigation pending, specifically the City of Hartford in a project, you know,

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brought by a nonunion contractor who was awarded a pretty considerable award contract. Would this legislation, as amended, have any impact on that lawsuit or any other legal action in our state?

Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

No. That lawsuit would have no impact on this legislation, but what it does do, through you, Mr. Speaker, is that it allows a municipality again to use the PLA and to protect them from lawsuits that may occur so that way the project is able to keep moving forward rather than being a lawsuit. So that is why this language is in this particular bill.

Through you, Mr. Speaker, to the Representative.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate the clarifying point. That's helpful in understanding what the legislative intent of this section of the bill as amended does.

If a public entity wants to use a project labor agreement, this amendment requires that entity to determine on a project-by-project basis if the use of a project labor agreement is in the public's best interest. And Mr. Speaker, through you, how would a public entity do that?

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

There are six criteria that the municipality would have to go through in regards to find what they feel is the best way to handle a PLA agreement. And they would have to make sure that those six criteria are met. Now, again, is in the legislation in front of us, but the municipality can also choose to expand on that if they do so -- if they decide to do so.

Through you, to the Representative.

DEPUTY SPEAKER ALTOBELLO:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I just -- couldn't -- without a public hearing be required it's hard for me to imagine how the public entity

could determine if the project labor agreement is indeed in the best interest of the public.

My concern with the bill as amended -- and I may ask to be recognized again for the purpose of amendment -- but my concern with it is that there is no -- there is nothing compelling a municipality or public entity to hold a public hearing. And given that there could be an increase in costs, there could be fees charged to an employee and the contractor that they work for, I think it's important that the public gets to participate in the process. And thanks to Representative Guerrero's answers, we know that the section of the bill as amended is indeed permissive. There's nothing requiring a municipality to use a project labor agreement, but I wish there was language in the bill as amended that would require the public to have a chance to comment.

And we know from testimony given to the Labor Committee on a similar measure, we know that an employee working for a contractor under a community workforce agreement or a project labor agreement may be required to pay as much as \$600 upfront to, you know, become, you know, part of the project they want to work on. So even though they don't have to join the labor union, their fees would still go into that union's coffers.

So it does make me -- it gives me some measure of content that there's a vote required before the monies are directed to certain uses. So, you know, your union or agency fees won't go towards a political action committee if you don't want them to and that -- that, to me, is important. I plan to listen to the rest of the debate and I hope other members do as well. And this is a measure that, you know, while the transportation component may be fairly straightforward, I think we have to give a lot of attention to Section 5 of this bill as amended.

Thank you, Mr. Speaker, and I thank the Representative for his answers.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Rigby.

Representative Aman of the 14th, you have the floor, sir.

REP. AMAN (14th):

Good morning, Mr. Speaker.

As someone sitting on the Labor Committee over the years, we've had a variety of discussions of this particular type of an agreement and/or others that have a similar purpose. And the fight, no matter how you break it down and say whether it exists this way or that way or what the technical language comes down to, the real battle

has always been between the union contractors and the nonunion contractors. And the feeling is by the nonunion contractors that this particular type of agreement as a practical result keeps them from bidding the project. And one of the things that I believe drives up the cost is that believe, because while even though they may not be barred from borrowing on the -- bidding on a project, they look at it and back away and say, I don't want to get involved in this. It's going to cause me too many problems, too many expenses, too much bureaucracy. And as bidders step away from projects for whatever reason, it results in higher cost to the towns and cities and municipalities.

And, unfortunately, it's my feeling that many times that the bureaucracies of the state and local government look and say, well, we've got a competitive bid. It was the best price we can do. Aren't we doing a wonderful job? We did take the lowest price bidder. But if you removed the lower price bidders from the bidding pool, that I don't think is to our best public interest.

I do have some questions through you, Mr. Speaker, to the proponent of the bill.

DEPUTY SPEAKER ALTOBELLO:

Please proceed, sir.

REP. AMAN (14th):

Trying to take the first part of the bill and put it together with the second part of the bill, they talk about various ways of putting out contracts. And one of them they talk about a construction manager at-risk contract which established a guaranteed maximum price that can be used by the state. It's one of the ways of contracting. If a company signs a maximum price, do they know if there's a PLA agreement prior to signing the contract and are they required to include within their bidding?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the Representative, yes, they are required.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Are all of the terms of the PLA agreement drawn out exactly prior to the bidding of the contract?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP.. GUERRERA (29th):

Through you, Mr. Speaker.

I would believe, yes, they would all be in place before the bid of the contract, absolutely. Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. Several contracts that are signed by the state, the big projects, I'm looking at the busway. They are talking years of building it out. Some of the bridge projects, some of the highway projects work over several years or longer. The PLA agreements over the years have changed their emphasis. They've changed some of their programs. If there's a change in the overall PLA agreements that are currently being signed or put on during a period of time, since there's a guaranteed price, with the State be responsible or the municipality for any changes in PLA terms that affect the costs?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Mr. Speaker.

Again, I think there are a set of rules that will be put in place and for the term of the project knowing that

it was out for an extended amount of time, whether it's three years, four years or seven years, I think that would all be in place. So therefore, contractor and the State of Connecticut would know what their obligations are. And again, let me just point out, through you, Mr. Speaker, this would be something that necessarily the Department of Transportation may put a PLA in there and again, may not put in there through some projects.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. So it's my understanding from an answer that is the PLA agreements were modified there would be an established -- again an additional cost of the towns in the municipalities which takes away from the purposes of a guaranteed maximum contract.

There's also a design build contract system and basically the same questions I would have asked on that is a PLA agreement spelled-out is part of the design build or is this something that is negotiated during the course of the design build?

Through you, Mr. Speaker.

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REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the Representative for his question that again, I believe that it would be spelled-out in the beginning. It would be basically just like the answer would be the same as we stated last time. It would all be put forward in regards to any contract is and what the specifications are if there is a PLA agreement put in place.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. Going onto the agreements themselves, I thought I had heard that there is no public hearing required for a municipality that signs that or agrees to do it or is considering it. Through you, Mr. Speaker, how is the town council members or the town officials that make this decision, how are they to get their information if there is no access to a public hearing?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the question, again, I think it's up to the municipality how they would address this, whether they want a public hearing, whether they're going to go to their local boards, whether it be a public safety issue with planning and zoning. So I think it's up to the municipality how they would determine how the best use of this PLA would be and whether they want a public hearing or if they don't want a public hearing.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. I find that troubling having been a public official and this sort of thing before to be when I was on the town council. The arguments being presented were very, very one-sided and it was actually -- it took a great deal of time and effort to actually find someone come forward and give the other side of the problems with the labor agreements as they were done. And so, again, without a formal public hearing, I think it could be a problem.

The -- when considering the agreements they talked

about direct and indirect economic benefits which is very vague. Through you, Mr. Speaker what is direct -- or especially the indirect economic benefits and how is a municipality supposed to judge an indirect benefit?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the question, I believe there's been studies in regards to the project labor agreements in other states around the country here and they have shown that the cost savings, the manpower, the no-strike clause tends to save the municipality enormous amount of monies when putting a project of this magnitude out there. So, you know, this is some of the criteria I think with this legislation was brought forward and was reviewed and voted to this type of legislation.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes, a comment was just made saying that these agreements save money. Through you, Mr. Speaker, have

there also been studies that have shown that they actually cost the municipalities money signing a PLA agreement?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And through you, I would imagine obviously there probably would be some that would be out there that have shown that some of the costs are over run on certain projects, but I think when you take the majority of these types of projects I think from the information that has been submitted to us in regards to the other states that it tends to be a better fit in regards to the cost savings rather than the overruns.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. I know that what while didn't have a formal public hearing on this we did have an informational forum and it was made very clear to us by nonunion contractors that they felt that this would increase their cost substantially and that in bidding they would be increasing

their bid to the municipalities.

They weren't overly concerned about that because the playing field being equal the municipality would have to write a check equally to either side. So it wouldn't affect their bottom line, how much profit they make on the agreement, but it would definitely impact the municipality. And that was definitely the feeling I got from listening to it, and that's why I'm so concerned about these direct and indirect economic benefits to the public and getting it out.

It talks about the availability of a skilled workforce. And I understand that under these agreements that apprenticeship programs and things will be put forward. But when they talk about the availability of a skilled workforce for these agreements, is this something that you're talking about today, whether we have the skilled workforce? Or by signing this agreement will we have the skilled workforce ten years from now? What is the intent of that particular section?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And to the question, again, I know the workforce today as we speak presented was about of workers out there that are looking for work. Ten years from now, I wish I could predict what's going to happen for ten years from now. If I could do that I surely would not be here, through you, Mr. Speaker.

But, again, I can imagine that through technical schools right now and so forth, there is many, many students that are going into the electrical field, the plumbing field, the construction field so I think that -- I don't see the diminish of our workforce as the years approach us.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes, I agree that we do have -- currently a surplus of skilled workers and that's why it says, the availability of skilled workforces to complete the public works project. And therefore, I interpret that as while it may be for society's benefit to look forward ten years down the road, under this agreement or the way this language is drafted, I believe they are only supposed to be able to look at what is the current situation, not in the future.

Then you talk -- the next section is the prevention of construction delays and this is where I think it's -- where I have one of the biggest problems with this type of agreement. Because to me, I look at it is I'm saying, if you don't sign this agreement, you don't do it this way we will guarantee you that things will be delayed. You can always find ways to delay projects with a skilled workforce delivering everything else. Anybody that's ever been involved in construction knows how easy it is to cause a delay in a construction project and how expensive a delay is.

And it really bothers me that this is put in, in that form, that to prevent -- and I'm going to say unnecessary uncalled for delays, you're going to be signed into that. I can imagine at a town council discussing it saying, boy we better sign this agreement or we're going to have to worry about wildcat strikes, jurisdictional strikes, et cetera, and I think that's what they're really talking about in preventing this type of -- when they're saying "prevention of construction delays." It's always referred to and talked to in nice (inaudible) terms, but I think anybody in the construction industry knows exactly what's being talked about and what's being -- happened. You either sign this agreement or we're going to make your

life really miserable until this project is over with.

The advancement of minority and women-owned businesses, I don't think there's any of us that disagree that we have to get those -- that the minority and women-owned businesses, et cetera, should somehow be encouraged to join in. I think right now it's more of a problem that they have for bonding. I think it's problem that the minority businesses have with their financial capability handling these projects much more than this thing. And then employment opportunities to the community: This, again, I have a problem with only because here we go again. We signed the busway and the first contract goes out to Massachusetts and so many -- the money, indirect employment is heading up that way. So, again, I have problems with that sort of thing that we have within the situation. Agreement regarding agency fees: I understand that the lack of dues, but if I'm writing a check I really don't care if it's agency fees or dues, I just have to have money coming out of my pocket going to someone else.

Under the agreements that have been signed in the state and currently working in the state, could the proponent of the bill give me an idea of what a nonunion carpenter, plumber, electrician, anyone of the trades is

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paying either on an hourly or an annual basis for these agencies?

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

And through you, I don't have with those hourly rates are.

Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Aman.

REP. AMAN (14th):

Yes. I really wish that I did have those numbers because I think that it's very important for this chamber to have an idea of what the real costs are to the employees that are doing it. I understand -- and if I was a private contractor, I may well be willing to do this. I think there are some advantages, especially the no-strike provision for a municipality to sign this sort of agreement. But the thing that really bothers me is the fact that the fees are actually going to go to the union, the requirements and how it's going to be worked in the division of labor and the fact that there's no public

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hearing to discuss these things really lead me to have a real problem with this agreement.

So I thank you, Mr. Speaker. I thank the proponent of the bill.

DEPUTY SPEAKER ALTOBELLO:

Thank you.

Further on Senate "A?" Further on Senate "A?" If not, I'll try your minds. All those in favor please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER ALTOBELLO:

Those opposed?

REPRESENTATIVES:

Nay.

DEPUTY SPEAKER ALTOBELLO:

The Chair is in doubt. A roll call will be ordered.

THE CLERK:

The House of Representatives is voting by roll call.

Members to the Chamber. The House is taking a roll call vote. Members to the Chamber, please.

DEPUTY SPEAKER ALTOBELLO:

Have all members voted? Have all members voted?

Please check the board to make sure your vote is properly

cast. If all members have voted the machine will be locked. Will the Clerk please take a tally. And would the Clerk please announce the tally.

THE CLERK:

Senate Bill 33, Senate amendment "A."

Total number voting	144
Necessary for adoption	73
Those voting Yea	102
Those voting Nay	42
Those absent and not voting	7

DEPUTY SPEAKER ALTOBELLO:

The amendment passes.

Further on the bill as amended? Further on the bill as amended?

Representative Betts of the 78th District, you have the floor, sir.

REP. BETTS (78th):

Thank you very much, Mr. Speaker.

I would like to -- the Clerk has in its possession LCO Number 5194. I ask that it be read and I be allowed to summarize.

DEPUTY SPEAKER ALTOBELLO:

Representative Betts, I believe you requested that the amendment be read.

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REP. BETTS (78th):

I beg your pardon. The Clerk just -- I'll waive the reading to summarize it. Thank you.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative.

Would the Clerk please call LCO 5194, which shall be designated House Amendment Schedule "A."

THE CLERK:

LCO 5194, House "A," offered by Representative Betts.

DEPUTY SPEAKER ALTOBELLO:

Thank you very much.

Representative Betts, before we proceed, we may have some other business prior, just prior to that.

REP. BETTS (78th):

Sure.

DEPUTY SPEAKER ALTOBELLO:

Representative Nafis, for what purpose do you rise, madam?

REP. NAFIS (27th):

Thank you, Mr. Speaker.

I rise to recuse myself due to a potential perception of a work conflict.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Madam.

Representative Betts, you have the floor, sir.

REP. BETTS (78th):

Thank you very much, Mr. Speaker.

Very simply, this amendment redirects unexpended state funds set aside for the new proposed Hartford -- New Britain to Hartford Busway and apply these funds to repair critically deficient bridges and roads in Connecticut.

And I move adoption and ask for a roll call vote.

DEPUTY SPEAKER ALTOBELLO:

The question before the Chamber is adoption of House "A." An additional request has been made that when this vote is taken it be taken by roll. I'll try your minds on the second part of that.

All those in favor of having a roll call vote on House "A" please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER ALTOBELLO:

Close enough.

When the vote is taken, it shall be taken by roll.
Representative Betts, you may proceed, sir.

REP. BETTS (78th):

I'm surprised you can still hear after that. Thank you very much.

DEPUTY SPEAKER ALTOBELLO:

What?

REP. BETTS (78th):

I'm surprised --

Mr. Speaker, this amendment is designed to address the wishes and needs of taxpayers throughout this entire state who have constantly asked, why are we moving forward with this project? And for those who are not familiar with it, this Hartford to -- or this New Britain to Hartford busway is a \$9.4 million dedicated busway that will be costing approximately \$600 million, or \$60 million a mile, or a thousand dollars an inch.

It is designed to -- it will require to have the taxpayers subsidize the operating losses for a busway over the next 15 years that will amount to close to two -- over \$200 million. And this busway has -- got a goal of operating from 4:30 a.m. in the morning to 1:30 a.m. in the morning, which is 21 consecutive hours of operation.

We've held -- Mr. Speaker, we have held several informational meetings throughout central Connecticut to get people's input and we've invited DOT to attend those meetings. As many of you know, over the last year and a half, there's been an awful lot of discussion about this. People are asking, okay, why are we doing this when the

federal government is broke? Because we all know they have a deficit well over \$117 trillion and they clearly are not in a position to do anything. We, as a State, are going to be taking up, sometime this week, a deficit mitigation plan, and we are clearly not in very good shape fiscally. So they've all been asking us, please, please spend our money, not the federal government, not the State government -- our money wisely. And the question they're saying is, do you want to put it on public safety, or do you want to put it to build a brand-new busway?

Now, talking about the issue of the public safety, I know Commissioner Redeker has said that this is his biggest challenge when he became commissioner, that really we are approaching the pre-Mianus Bridge stages now in terms of the number of bridges that need repair and we have almost 10 percent of our bridges in this state are deficient.

And I want to give you an idea of what the magnitude of this problem is. Just looking at the counties -- because we all know that this is a State that's very dependent on cars -- in Fairfield County they're 827 bridges. There's 107 that are structurally deficient and there's over 26 million cars that go over it every single year in Fairfield County. In Litchfield County, there's

440 bridges, 49 of which are structurally deficient, and has 1.7 million cars that go over it each year.

In New London County, there's 406 bridges, 39 are structurally deficient and it has close to 5 million cars that go over it region every single day. Windham County, 267 bridges, 24 bridges are structurally deficient; 1.5 million cars driving every single day. In Middlesex County, 290 bridges, 26 are structurally deficient and there's almost 4 million cars that drive over it each year. Tolland County, 196 bridges, 15 deficient, 1.7 million cars annually and in Hartford County, 889 bridges, 67 are structurally deficient, nearly 20 million cars are driven each year over these areas.

Ladies and gentlemen, this is a matter of simple common sense. We have to start making the right choices for people with limited money that we have. And if we vote no to this amendment, we are voting against public safety, or we're making -- putting this busway system a higher priority over public safety despite the major concerns expressed by Commissioner Redeker. And this is his biggest challenge, his biggest nightmare. So we have been forewarned. There is nobody in this body that has not been forewarned about this.

We also have a big problem in terms of our financial

state. We wack people here for 1.8 billion dollars in new taxes, and yet we're going to spend at least 600 million dollars on a brand-new busway system that's going to have an operating loss of 12 to 15 million dollars each year, according to DOT, amounting to 250 million dollars. Imagine what that could do for our bridges and roads upon which everybody is so dependent, \$250 million.

Think about what's going on in terms of the -- excuse me for just a moment here.

Think about what the taxpayers are saying to us in terms of knowing our priorities. We've had to cut back on tons of programs in the state with very limited state funds, but yet, we're going to move forward and build this busway.

I think the time is wrong to do this. It makes no sense. They're talking about ridership. Right now, they have 11,000 passenger trips. For this \$600 million they're talking about a potential additional 5,000 passenger trips -- not passengers, passenger trips. That's a pretty expensive deal. Even in the best of times, I would be hard pressed to make a case of building this kind of bridge -- building this kind of system.

Additionally, it's about jobs. I don't know if many of you are aware of it, but on this busway system 130

million of that went out of this state and went to a Massachusetts firm. If we move forward in fixing the roads and bridges, it is my firm conviction that a lot more Connecticut workers will have a greater opportunity to be put to work and off the unemployment line, working on the roads and bridges that will benefit each and every single person in this state.

It is absolutely, to me, imperative that we show leadership here. The federal government and the state government cannot afford to do projects like this given the financial conditions that we have right now.

But let me just close by simply saying one simple thing: This is not our money. And the people who are funding this project have overwhelmingly -- overwhelmingly rejected the idea of our putting money into a busway system over the fixing of roads and bridges that are very deficient, that need urgent repair and which the commissioner has said, we are now approaching the pre-Mianus Bridge period in which the bridge collapsed. Now think about that folks. Think about that very, very carefully because if we vote against this amendment we've made a very clear choice and that is something we're going to have to defend and explain that I ask, Mr. Speaker, for the support and the thoughtful

consideration of everybody in this chamber to please, please do the right thing here.

This is common sense. It makes fiscal sense. Operationally, this busway is not going to do it. One last thing I want to mention to you about the federal funds, by the way, anything over \$567 million for this project is all on us, every single penny. And we are not getting a check, by the way, for \$567 million upfront. We have to finance that upfront and the federal government will pay us when they deem that they have the money at their convenience.

Is this the kind of public policy that we want to be remembered for? I don't want to and that's why I'm offering this Legislature, the House Chambers -- the House of Representatives here the opportunity to make a difference. We've never had a chance to vote on this. We do today and I strongly urge your support for this amendment.

Thank you, Mr. Speaker.

DEPUTY SPEAKER ALTABELLO:

Thank you, Representative Betts.

Representative Rigby of the 63rd District, you have the floor, sir.

REP. RIGBY (63rd):

Thank you, Mr. Speaker.

Mr. Speaker, I rise in strong support of this amendment. This project is a huge in scope. It's a massive undertaking. What's most troubling to me is that the lions share of the work went to a Massachusetts company. \$130 million is going to be awarded to a company that's not within the State of Connecticut that does not employ Connecticut workers, but rather is from our neighboring state and I think it's appropriate and fair that we allow other states to bid on our work just as they allow our companies to bid for jobs outside of Connecticut. But this is a chance to be on the record to vote no on a project that does not have public support, will not create the jobs that it purports to create. And this is an opportunity to do what your constituents sent you here to do, which is to vote in their best interests.

So I urge everybody to seriously consider a yes vote on this amendment, and I thank, Representative Betts, for bringing it out.

DEPUTY SPEAKER ALTOBELLO:

Thank you, sir.

Representative Simanski of the 62nd, you have the floor, sir.

REP. SIMANSKI (62nd):

Thank you, Mr. Speaker, and good afternoon.

REP. ALTOBELLO (82nd):

Good afternoon, sir.

REP. SIMANSKI (62nd):

I rise in favor of this amendment, House Amendment "A." I'd like to start off by talking about this 6th century BC famous slave, greek slave and storyteller by the name of Aesop. You see he's famous because all of his stories ended with a moral. For example, we all may be familiar with the story of the tortoise and the hare, and the moral of the story there is that slow and steady perseverance pays off. Well, I can't help but think that if Aesop was alive today, he could have great content to write a story about the busway and the people of Connecticut.

As I see the story unfolding, I see the antagonist in the story being an ogre-like creature, very tall and threatening, and then we have the minions. They are all wearing hard hats and they are yelling to the people of Connecticut who are intimidated and cowering, give me your money. Give me your money. The people are saying well, we have limited resources. We can't afford to do this, but the busway and his minions yell louder, give us your money. Give us your money.

Now, I envision another character in this story. That would be the commissioner for the Department of Transportation. The people of Connecticut say to him, you look haggard and worn and tired. What's the matter? He says, I can't sleep at night. I have nightmares. I'm just thinking about our infrastructure, all our roads. All our bridges, they are crumbling. They are falling down, and it gives me nightmares.

The other night I had a particularly horrible nightmare. I dreamt about the 1983 Mianus Bridge collapse, and then in that same nightmare, I thought of our own bridges, the state of disrepair they are in. They are over 47 years old on average. I'm so worried about them. I don't have enough money to take care of what we already have and they want to give me another 9.4 miles of road to take care of. I can't sleep at night.

Well, then I envision another character in the story. That would be the official government official. In the story, I envision him being an engineer-type person, the white, you know, plastic pocket protector, a couple of pens stuffed into it and maybe a slide rule because it's an old story. And he reads his decree, hear ye, hear ye, people of the State of Connecticut, the king has decreed that we will build a \$569 million busway. And as he starts

talking, talking to people of Connecticut are talking to each other and they are saying, that's like \$60 million a mile or a thousand dollars an inch. Gosh, that's a lot of money. What about our current roads and bridges that are falling apart? What are we going to do?

And then another resident says didn't I hear that first big contract went to an out-of-state company. If we want jobs here in Connecticut, wouldn't it be just as good to have jobs rebuilding what we already have rather than building new stuff, but the evil busway and his minions are saying, don't listen to those facts. Don't listen to those facts. Give me your money.

Well, ladies and gentlemen the beauty about this fable that I just unraveled for you is it hasn't been written, the moral yet. Each one of us here in this chamber has the ability to be a hero and heroine. The moral of the story could be that people in the State of Connecticut won. They took the money from the busway project and used it where it really have to be used, to rebuild our crumbling transportation infrastructure.

And even through that's a fictional tale, the reality of the situation is each one of us has the ability to go to our own districts, to look our constituents in the eye and say, I listened to what you said. I heard you loud

and clear. I voted to ensure your safety by taking those limited funds that we have available and use it to reconstruct our bridges that are falling down and our roadway that is crumbling.

So, Mr. Speaker, I would urge everyone here to be a hero and heroine and to vote yes on House Amendment "A."

Thank you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative.

Representative Guerrero, of the 29th, nice to see you this afternoon.

Representative Nicastro, of the 79th, you have the floor, sir

REP. NICASTRO (79th):

Thank you, Mr. Speaker. I thought I had a little time before you called on me.

Mr. Speaker, you know, I've searched this issue with my heart and soul a thousand different times over and everybody knows that I've spoken out against this, and I'd like to explain why it spoken out against it. It hasn't been easy for me because I'm -- you know, I've tried to look at this every way.

This proposed 9-mile New Britain Hartford busway isn't obsolete project with too high a cost for little

return. After 15 years of planning, the project has soared from the original cost of 80 million to 570 million. At the same time, the number of stations, riders, amenities and other plans for services has decreased.

Here are the facts in plain language: The busway cost exceeds \$60 million a mile. At best, the plan calls for 2,000 new riders by 2030. A cost of 294,000 per riders. Total boardings are projected to be 16,000 by the year 2030, yet there are only 350 parking places in the entire busway system. Commute patterns have changed significantly in the last 15 years with congestion in the Waterbury area increasing and job shifts by residents in central Connecticut increasing in the Naugatuck Valley, Fairfield County and the metropolitan New York area.

Despite the claim of proper studies, the DOT by its own admission only did alternative analysis for this project to the New Britain Plainville line. Yet the plan now claims there will be a solution for Bristol, Southington, Cheshire and Waterbury. The busway will require the use of 120 million of the state's FHWA, flexible highway funds, funds that could be used for bridge and road work across the state. According to our

commissioner, the State of Connecticut Transportation bridge maintenance is his biggest nightmare. The state statistics on bridge maintenance are starting to look like they did before the Mianus River Bridge collapse in January of 2000. That was a statement by -- in 2012 by the New Haven Register.

Overall bonding by the state is between 120 million and 140 million. Even if the Federal Transit Administration New Start Funds comes through for the busway it will cover less than half its costs. Connecticut taxpayers carry the interim financing. And so far only 90 million of the 573 million has been appropriated. Initial amount operating deficits for the busway operation -- (inaudible).

Thank you, Mr. Speaker. I don't know what happened. Maybe I got the machine scared. I don't know. Okay. Okay.

And so far, like I said, 90 million of the 575 -- 73 million has been appropriated. Initial annual operating deficits for the busway operations, if they begin operating in 2014, will be 12.5 million, increasing to 22 million by 2030 and an aggregate expense to taxpayers of 275 million. Just another cost that will be diverted from road and bridge repair. The busway will eliminate

the former New Britain secondary line once part of the highland line that ran from Waterbury to Hartford and may become a physical impediment to existing freight lines creating the risk of loss of some very large local employers.

Mr. Speaker, bus rapid transit such as the proposed busway has yet to show any positive impact on land values or economic development. Two well-established and recognized research organizations the Robert Charles Lesser Company and the Brookings Institute has documented this with recent data. In fact, the RCLCO report shows that BRI -- BRT has a negative impact on land values which in turn has a negative impact on tax assessments. The Brookings Institute said -- it's best -- we have never seen economic development near a bus stop. Not one single truck will be removed from our highways providing so -- no commercial vehicle congestion relief.

If the I-84 viaduct project becomes a reality, Mr. Speaker, a portion approximately a mile of the busway will have to be torn up and taken down and relocated at an additional cost. Mr. Speaker, I said a lot in a short period of time. I urge my colleagues to support this amendment. Thank you.

DEPUTY SPEAKER ALTABELLO:

Thank you, sir.

Representative Guerrera from the 29th, you have the floor, sir.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Mr. Speaker, I understand the concerns from Representative Betts in regards to this -- this busway. But I think all of us have to remember here that this has been an ongoing process over the last probably 14 to 16 years. Many municipalities did want to this busway to happen, and in so, we started asking our federal delegation to get our funds for us. And we did that, and now we have it, but it seems to be at the last hour we decide that we don't want to spend the money.

You know, Mr. Speaker, Representative Betts touched upon the millions of cars out there and I couldn't agree with him more in regards to our roads and bridges. I've been a huge advocate in regards to fixing our roads and bridges and that we need to be heroes. We can be all heroes here. There's a system out there, as I've been over the last few years, talking about electronic tolling, about the number of cars that would go through our state to fix our roads and bridges and to reduce one of the highest gas taxes in the United States. But you know, Mr. Speaker,

what we have here is a busway, though. It's federal money. It has created jobs, although Middlesex Construction from Massachusetts corporation has come in as one of the low bidders, but let me tell you, they have given out multi- multimillion dollar contracts to companies in the state of Connecticut here.

We have put out a huge amount of contracts on this busway and I can't imagine now for us to say, that's it, pull the plug. I can't imagine what other states and people in the state would say that we just threw away all this money and forget -- let's even talk about the lawsuits that would be put in place here.

We need to move forward here. I understand some of the concerns. I do. But I think we have to say to ourselves, what if this is a great project? What if it spur development around those towns and we start talking about transit-oriented development, homes that are going up, apartments, all of that, something that we've been talking about the last 15 years in this General Assembly.

This is a good thing. I understand it's hard to swallow right now because we are in financial difficulties, but we have secured the money and it's there for us to use it. Now is the time to use it. So I urge

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my colleagues to not vote for this amendment, Mr. Speaker.

Thank you.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Guerrero.

Representative Sharkey, of the 88th, you have the floor, sir.

REP. SHARKEY (88th):

Thank you, Mr. Speaker.

Mr. Speaker, briefly, I want to echo the sentiments of esteemed Chairman of the Transportation Committee, Representative Guerrero. I think he touched on a number of the major points as to why we should be voting no on this amendment.

I just wanted to add one other point which is that while it may be -- and to paraphrase what the proponent of this amendment has described as a heroic effort to vote no on this -- or voted in favor on this amendment and no on the busway, I think, frankly, it would be anything but, because what we would be doing in voting in favor of this amendment is telling our taxpayers here in the state of Connecticut that we after-the-fact are committing ourselves to hundreds of millions of dollars that they will have to return out of their pockets.

. If we were to somehow pull the plug on this project

after it's already started, to point a phrase, the train has left the station on this project. It's too late unfortunately for those who feel as strongly as they do -- I know Representative Betts who is I think -- I respect his position on this and I know that he feels very passionately about this. This -- a lot of these plans and a lot of this initiative all occurred before he ever took his oath to come to the Legislature and that, I believe, is unfortunate for his sake because I know how strongly he feels about this issue.

But I think, at this point, if we are to vote to kill this project we are committing our taxpayers to pay back hundreds of millions of dollars and invoke all of the lawsuits that the Transportation chairman predicted will be coming by pulling the plug on a project after it's already been started.

Unfortunately, I feel that this amendment, though well-intentioned, is irresponsible at this point. If we're trying to protect the taxpayers of the state of Connecticut, we cannot vote in favor of this amendment. I think we need to protect -- regardless of how you feel, it might feel good to vote in favor of it because you stood your ground on a project that you don't like, but the reality is the project has already started and to try to

take an initiative to kill the project now will cost the taxpayers more than they would ever save by trying to kill it.

So for that reason, Mr. Speaker, I would urge my colleagues to vote no on this amendment.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Majority Leader Sharkey.

Further on House "A?"

Representative Lawrence Miller of the 122nd, you're on the board. If you so desire, you may speak on House "A."

REP. L. MILLER (122nd):

Thank you, Mr. Speaker.

Just briefly, the port of New Haven, they are going to extend the rail line down there and that's a project -- that's been a wish list kind of a project that's been going on for ten years. And if we want to improve the port of New Haven, our busiest port, that makes money, we ought to be voting yes for this amendment.

And also on a commuter lines, the new cars that the DOT put on, some of the commuters tell me they are falling off them when they make a bend or a turn someplace. So I don't know was going on with those new cars, but something hasn't been done right. So I would hope that they would

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look into that as well as get some new cars because Connecticut is going to have the busiest commuter line in the nation if the ridership stays the way it is.

So I would urge the assembly to vote yes on this amendment. Thank you.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Miller.

Further on House "A?" Further on House "A?" If not, staff and guests please retire to the well of the House. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call.

Members to the Chamber. The House is voting House Amendment Schedule "A" by roll call. Members to the Chamber, please.

DEPUTY SPEAKER ALTOBELLO:

Have all members voted? Have all members voted? Will the members please check the board to make sure your vote is properly cast. If all members have voted the machine will be locked. Would the Clerk please take a tally. And with the Clerk please announce the tally.

THE CLERK:

Senate Bill 33, House Amendment "A."

Total number voting

146

Necessary for adoption	74
Those voting Yea	64
Those voting Nay	82
Those absent and not voting	5

DEPUTY SPEAKER ALTOBELLO:

House Amendment "A" is defeated.

Further on the bill as amended by Senate "A?"

Further on the bill as amended by Senate "A?"

Representative Sawyer of the 55th District, you have the floor, madam.

REP. SAWYER (55th):

Thank you, Mr. Speaker.

I'm sorry that that last amendment got defeated because the frustration is it's not just the project, but it is also the ongoing costs that that project will be a burden on to the state when they looked at the 21 hours a day that the bus line will be expected to run. So I'm sorry that it failed. I also I'm sorry because the bridge is in my area are in such bad need of repair. You drive down 384 and it is appalling to see the amount of rust because they have not got painted over the last ten years.

But I'll go back to the original Senate amendment that got passed by this -- by this body. And what my frustration is in looking at lines 157 to 160, first of

all, it's hard to read that particular section. It's not easy to untangle it. But what happens is when there is a project labor agreement it is the agreement, it is the contract that says within the contract what will be expected. It does not say in that one section of Section D that opened shops would not have to pay a lot of the fees. It does not say that. It says, they may not have to, but it doesn't say, they will not have to pay twice. And that's the biggest hurt here.

It is the chilling factor, Madam Speaker, is the chilling factor for any open shop to even bid, because you may have in every single contract that language. That language would make an open shop have to pay twice, not only what they pay their own people, but they would have to pay into the union and be a pseudo-union, not for real just pseudo and support the union with all of fees, fees that their employees will never get back.

So be open shop has to plan to pay more and not get anything for it. Madam Speaker, you read language long enough and you speak to enough lawyers and sometimes you'll hear two different things, but in this case, when you speak to multiple lawyers, they will tell you that it's what is in a contract that binds two groups together. So in a mandated project labor agreement, and if it's in the RFP,

it will be there. Mr. Speaker, because of that, I'm frustrated because I like the whole rest of the bill. I've watched contracts come and go. I've watched the dilemmas when we've hired certain bidders and they have not been able to perform because they did not have the appropriate amount of workers or equipment or they were stressed because of the other contracts that they had to deal with at the same time and they were not able to perform on time. The design bid build is, I think, very positive for the state of Connecticut; however, this other part that shuts out 80 percent of our companies in the state of Connecticut because they are not unionized, the chill that it puts on 80 percent, no. Because of that I'll have to be voting no and I'm very sad about that, Madam Speaker, because I like the whole underlying bill.

Thank' you, madam.

(Deputy Speaker Kirkley-Bey in the Chair.)

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative D'Amelio, you have the floor, sir.

REP. D'AMELIO (71st):

Thank you, Madam Speaker.

And good afternoon to you.

DEPUTY SPEAKER KIRKLEY-BEY:

Good afternoon.

REP. D'AMELIO (71st):

Madam Speaker, I rise in opposition to the bill that's before us as amended.

You know, Waterbury has used project labor agreements and we are currently using them on a couple of these schools that are being built today. But let me just share a story about what happened in Waterbury just a few years ago when one of our magnet schools was being built using a project labor agreement. The budget for that school was over 10 percent of what was estimated. Today, the roof is leaky. The climate control system is faulty. The courtyard isn't leveled and there's some brown stuff oozing, according to the newspaper article from -- it's oozing from the tiles on the floor in certain places.

You know, when we built that school we excluded a lot of private companies from bidding because we need -- we went into the PLA direction. Just a couple of years ago, we renovated our City Hall in the City of Waterbury. We did not use a project labor agreement when doing so. That project came in a month earlier and it came in under budget.

You see, I believe competition is good in the building trades. You know, Waterbury passed a good job ordinance in the city where we have targeted goals for any project that's undertaken on a local level. You know, we try to hire and recruit people that live within the city no matter what company is hired. We want a certain percentage of our city residents to be trained and that's what the PLA in Waterbury was supposed to do.

Now, the past three schools that were built in Waterbury in the last five to six years, none of the targeting hiring goals were met, none using PLAs. Every single one of those projects was using a PLA. The residents of the city of Waterbury were given this whole ball of wax that we were going to hire X amount of city residents, we were going to hire a certain percentage of minorities, we were going to train them, we were going to give them a future. That's how they sold the PLAs in the city of Waterbury. We were going to give a residence a future. We were going to give him a trade. We were going to train them. They failed. They failed miserably, so miserable, in fact, that the projects that were currently undertaken, our new mayor has really stepped of the goals and has held the feet to the fire of these contractors to meet those goals. So we are hopeful that they will be met,

but either way we do have a good jobs ordinance in the city of Waterbury that if you I or even a nonunion shop there are certain goals that have to be met.

By using PLAs, all we're doing is excluding a large number of our neighbors, our constituents from even bidding on these jobs. Because if you're not a union shop you can't get the job. You can't even bid. I think that's unfair not only to our neighbors and our residents that are electricians, plumbers, anyone dealing with any of the trades. That's so unfair to them because they are paying the high burden of the cost of doing business in the state, just like a union shop is, but we are excluding them and we are excluding them to the point where the residents that we represent are not going to get a fair shake.

And let's not forget, ladies and gentlemen, we have prevailing wage laws on the books here in the state of Connecticut. So no matter who gets the job, either union shop or nonunion, the wages are the same, the benefit packages are the same.

So all we're doing here is excluding a large number of our constituents and our businesses. We're preventing them from earning a living in such a way that are going to have to fold up shop and go out of business. And we're not training the people that we're promising we're going

to give you jobs. We're going to train you. Because you know, let's face it, even if PLAs do hire a certain percentage of your residents, if the job doesn't take long enough for the requirement to be licensed and they are not brought over to another job because most cases they're not, then they're really not going to have any kind of benefit from working with a PLA or a union shop.

So I urge my colleagues to consider that and to reject this bill.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Rigby, you have the floor, sir.

REP. RIGBY (63rd):

Thank you. Good afternoon, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Good afternoon, sir.

REP. RIGBY (63rd):

Madam Speaker, if I may, a question or two to the proponent of the bill as amended.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero, prepare yourself.

Representative Rigby, please proceed.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, we discussed during the amendment, Senate Amendment "A," that there might be a failure within the bill as amended to allow for a public hearing, to allow public input on a very important matter when it comes to building a new school or a new library.

And, Madam Speaker, through you, can the proponent of the bill as amended tell us if this bill has ever had an up or down vote by a committee? Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Mr. Speaker.

Through you, I do believe it did pass through one committee.

Through you, Mr. Speaker -- Madam Speaker.

I apologize.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And Madam Speaker, could the Representative tell us which committee -- this bill as amended concerns Transportation, it concerns Labor and it also affects

cities and municipalities throughout our great state.

Which committee is it that considered this concept?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I do believe that right now because it's a fairly new legislation, there has not been any cities or towns that have implemented this program.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Would it be true that the bill as amended, the concepts contained within it have never had a public hearing?

Through you, Mr. Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I do believe the Representative is correct. I do

believe that they did have a public hearing this last year and I think it was GAE, if I'm correct. Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And I appreciate the candor of the Representative, the chair of the Transportation Committee. My concern is that we're rushing to action here on a matter that is significant. And it's significant not only to our towns and our cities, but also to our workforce as a whole. You know, organized or non-organized this is a very important measure. And I ask, you know, why we have to push this legislation through without the chance for the Labor Committee to consider the matter and have a public hearing? Why do we feel compelled to do this now?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I just want to clarify to the good Representative that it was a public informational hearing, so in regards to

the question he asked last time. But in regards to the question he asked today, I think it all stems from the court case that we had in regards to the City of Hartford in regards to the PLA agreement and the construction document that forced the lawsuit; and therefore, the towns were concerned that if this agreement was not put in place that it could stall any type of huge project that they would like to proceed forward in regard to schools or public buildings.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate the -- it's good to know that there was a public forum held and that there was a chance for a public participation and debate. Madam Speaker, through you, is there any town or city project that might be affected by the bill as amended, specifically Section 5?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrera.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I am not aware of any right now.

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I think it's important to understand that there is a reason we need to do this very quickly and move it through, even though it hasn't had, you know, due consideration by the Labor and Public Employees Committee.

And, again, I'm concerned that the bill as amended doesn't contain important language that calls for a public hearing to be held should a city or town consider a project labor agreement or community workforce agreement.

And, Madam Speaker, the Clerk has an amendment. The LCO number is 5193. Would you please ask the Clerk to call it and I be allowed to summarize?

DEPUTY SPEAKER KIRKLEY-BEY:

Will the Clerk please call LCO 5193, which will be designated House Schedule "B."

THE CLERK:

LCO 5193, House "B," offered by Representative Rigby.

DEPUTY SPEAKER KIRKLEY-BEY:

The Representative has asked leave to summarize. Is

there any objection? Is there any objection? Seeing none, please proceed, sir.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, what this amendment would do is strike subsection a of Section 5 of the bill as amended and it would effectively add a sentence that would call for a public entity to hold a public hearing prior to the execution of a project labor agreement on a municipal or city project.

And, Madam Speaker, I urge adoption and when the vote be taken, it be taken by roll.

DEPUTY SPEAKER KIRKLEY-BEY:

The motion before us is a roll call vote. Will all those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER KIRKLEY-BEY:

In the assumption of the Chair, the 20 percent has been met. When it is taken, it will be taken by roll.

Would you like to comment further, sir?

REP. RIGBY (63rd):

Thank you, Madam Speaker.

I want to support this bill as amended. I want to

be able to vote in favor of it. My concern is that there is no chance for the public to learn about project labor agreements, to have their voices heard when it's their tax money being spent on municipal projects. So I asked a member of the House to consider this amendment and to vote in favor of it.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

And I'd just like to share my with colleagues that right now as the Representative stated, it is not in the bill in regards to having a public hearing. Again, it's option, though, and I just want to share that with our colleagues, is that any municipality that deems that they feel as though they would like to have a public hearing can do so. The bill does not preclude them from doing that. So, therefore, I would ask that we would this amendment down.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Will you comment on the amendment that is before us?

Representative Sawyer.

REP. SAWYER (55th):

Thank you, Madam Speaker.

You know, we have talked many times in this Chamber about what open government means. We have talked often about what it means to have local participation, to encourage people to have a voice. It shows up in all kinds of subject matter and I think there's probably no subject matter that's more important to our local constituents than how their money is spent.

This particular amendment, for those of you that are watching at home, says that if we pass this it is guaranteed that if your town is going to enter into one of these huge agreements -- and it's usually not for \$5,000, Madam Speaker, it's usually for tens of thousands to hundreds of thousands of dollars. And it would require that you would get an opportunity to be able to address whether or not you want a project labor agreement, whether or not you like the idea of open shop, being able to have their opinion out there and they would not be forced to have a project labor agreement.

This is about open government, Madam Speaker. This is about local people getting an opportunity to stand up and speak, not pulling back, not having these contracts

written in the back room, not having it done quietly so the public doesn't know. Madam Speaker, this is one of those issues I think that you need to side a little bit in favor of everybody that's back home. It's about jobs. It's about who gets elected for a contract. It's about how the contract is written and it should be out in the open.

Madam Speaker, I heartily encourage our entire Chamber to support this. Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Will you remark on the amendment that is before us?
Representative Miner.

REP. MINER (66th):

Thank you, Madam Speaker.

Madam Speaker, I rise in support of the amendment and I do so for a couple of reasons. First of all, during the debate that we've been having here on project labor agreements the question of, to what degree the public has been allowed to engage in a conversation, has been made very unclear I think.

Certainly for someone who's participated in these conversations, my recollection of what has and hasn't occurred is not what I've heard here today. I doubt very

much the average individual knows what a project labor agreement is and one of the benefits that I see of having a public conversation prior to an entity at home making a decision is that they will get an opportunity to talk about what the ramifications of a project labor agreement are.

There is no doubt that a project labor agreement is going to require and entitle certain people to do certain things. It's going to separate certain forms of work. It's going to minimize the potential that those that cannot commit to certain education requirements, certain work levels and so on and so on, become ineligible. That's what this is all about.

When we had the informational hearing, not a public hearing, an informational hearing not one member of the public was there and allowed to speak. Not one. So there was no opportunity for anyone at home to come here. There was no first woman on the panel. There was no business manager from a school board.

Just so we're clear here, ladies and gentlemen, this is the opportunity to ask the questions of a project labor agreement. And why we would oppose this amendment is beyond me. If these agreements are all that those who tout say they are, then what is the problem with an

open process?

What we're going to do is we're going to come out a mistruth and the mistruth, Madam Speaker is that at the informational hearing what questions were asked about where this was headed, no one knew anything about it. No one knew there was a bill or there would be a bill. No one knew there was going to be something offered this year and here it is.

So I think by allowing, in fact by making it clear that we believe the public has an opportunity to go and talk about these, whether it's at a school board meeting or a first selectman's meeting or any other meeting that a municipality would need to call by their charter or by state statute, the that question gets answered before someone signs a contract, because once it's signed it's all, but done. That's what this is all about.

Someone filed a lawsuit, came in as low bidder and then said I could do it without a project labor agreement. Ultimate to do everything in here. I just won't commit to a project labor agreement.

So I think this is the right thing to do, especially in light of the fact that we didn't offer the public an offer committee to come here and talk about this language or anything like this.

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Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Williams, will you remark to the amendment that is before us?

REP. WILLIAMS (68th):

I will, Madam Speaker. Thank you. Madam Speaker, ladies and gentlemen, just briefly in favor of the amendment. You know, over the years we have here in this Chamber debated and talked about so many issues with regard to good government whether what was campaign-finance reform or whether it was our ethics laws, whether it's freedom of information and open government.

And here we are today, as Representative Miner said, poised to pass a bill that had no benefit of a public hearing this year, that was the opposite of good government and open government which was restrictive in nature. Members of the public were not allowed to, if they wanted to, to come and testify on the effects, the possible effects of the bill.

And in addition, now what we're saying if the community wants to do a project labor agreement they don't have to offer the public an opportunity to testify. And I think about this issue, not just in the context of the

community where one might live, but many of the projects that would be covered under this bill, if it were to become law, are projects that possibly contain state or federal money, projects that taxpayers from across the state of Connecticut are financing, not just those projects that are financed by people in the community that is affected.

So it strikes me that to have a bill like this before us saying that a community can railroad through a private -- a project labor agreement without knowing the impact of the agreement and without knowing what the public feels about this potential agreement is not in the interest of good government and flies in the face of all that we have published over the years in terms of campaign-finance reform and ethics reform and many of the other things that we've done.

And I don't think it hurts the cause of the bill or I don't think it hurts the goals of the bill to give the public the opportunity to comment on where their tax dollars are going to go. You know, we've heard at best varied as to what the impact of project labor agreements are. Heard Representative Sayers mention that there have been studies that have been done that show that project labor agreements can increase efficiencies and save money, et cetera.

We've Representative D'Amelio said, talk about a real-life example in the city of Waterbury where a project labor agreement perhaps caused significant problems. I'm not sure whether Representative Sayers is right or Representative D'Amelio is right, but what I do know is will never have the opportunity to have the public here, the details of agreements in a public setting and comment on those agreements before they get voted on and I think that's a real shame if we don't adopt this amendment.

So I would urge everybody who has talked about good government over the years ad nauseam to look at this is a good government amendment, adopt it and we can send it back up to the Senate. Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Coutu, did you want to remark on this amendment or the bill as amended?

REP. COUTU (47th):

The bill as amended.

DEPUTY SPEAKER KIRKLEY-BEY:

Okay.

Representative Aman.

REP. AMAN (14th):

Thank you, Madam Speaker.

Real quickly, I will be supporting this amendment.

The PLA agreement, they've got good parts. They've got bad parts from your point of view. There's winners and losers. I think that's clear from even the advocates, that there are some people that gain and some people that lose under these bills.

And unless most -- or most of the agreements start with straight boilerplate language, whether they are here in Connecticut or any other area around the country, there's certain parts of it that are just, that's the way it's going to be. But there's also parts that deal with just the local communities and how they're going to impact, be impacted and what they need in the agreement and I think that's where the public hearing debate should be.

The overall purposes of the project labor agreements, that can be spelled out in a number of different ways, but when it gets to, how does it affect the local technical high school? How does it affect small local contractor? How does it affect so many other little things that are so important for a community? It's very difficult to do that without having a public hearing and having somebody come forward and say, unless this is put in there I'm one of the losers and you don't want me to be one of the losers because I'm a big part of your community.

And therefore, the agreement would have to be

modified to take care of local needs. Without the type of public input from the local people on a project I think that there's going to be even more criticisms and more difficulties for these agreements as they go forward. So I urge my colleagues to be able to support this amendment.

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Shaban, you have the floor, sir, on the amendment that is before us.

REP. SHABAN (135th):

Thank you, Madam Speaker.

I initially pushed the button to speak on the bill as amended, but it was really on this, this exact point. I mean, I think Representative Williams hit it right on the head. A lot of this money that's going to get tagged or impacted by what could or could not happen with the PLA might not be local money. It could be STEEP grant. It could be any other source of funding from the state or federal government.

So to pass a bill that kind of went through without a public hearing to allow PLA agreements that once again, possibly go through without a public hearing is frankly unconscionable. I don't think that's what wanted to hear

as a body. PLA may be a great idea, but let's be able to have our citizens talk about it.

So I urge adoption of the amendment.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Zalaski, you have the floor, sir.

REP. ZALASKI (81st):

Through you, Madam Speaker, a few questions for the proponent of the amendment.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby, prepare yourself.

Representative Zalaski, please proceed.

REP. ZALASKI (81st):

Yes, Madam Speaker.

Through you, could the proponent tell me is this a mandated requirement that they have to have a public hearing on any PLA? Or is it voluntary?

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

I appreciate the Representative's question. And this would be a requirement that the municipality only hold the hearing if they are considering the use of a project

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labor agreement and there would be no fiscal impact, unless you consider a couple pots of coffee a significant cost. But it would be a requirement only if they consider the use of a project labor agreement.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Zalaski.

REP. ZALASKI (81st):

Through you, Madam Speaker.

Again, so is this a mandate to the municipality?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

It wouldn't be mandate in the sense that a public hearing wouldn't be required on all construction projects. It would only be required if and when the entity, the public entity, referred to in Section 5 of the bill as amended is "considering the use of a public labor agreement."

So just like a public labor agreement is not required by this bill as amended, I'm saying that they should do a public hearing only if they are considering one of these agreements to allow for public comment and public input. I mean, after all, it is the public's money that they are spending. Thank you.

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DEPUTY SPEAKER KIRKLEY-BEY:

Representative Zalaski.

REP. ZALASKI (81st):

Through you, Madam Speaker.

Again, if it's -- if they are deciding -- as we've said I've heard some discussion on the bill and they say the PLAs are not mandated. They could do them or do not have to do them. It seems to me that this would be more of a mandate to have a public hearing if they decide to have a PLA. Is that correct?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And the Representative just -- yeah, he actually said -- he said it correctly. If the public entity is considering the use of a community workforce agreement or a public labor agreement, they do have to inform the public and have a public hearing. They don't have to take a vote. They just have to hold a hearing.

And we don't believe there's any fiscal impact, and if there is, it would be insignificant. But yeah, if you're going to use this and takes taxpayer dollars and

divert them to other uses, you do have to let the public know.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Zalaski.

REP. ZALASKI (81st):

Through you, Madam Speaker.

I know from a personal aspect, every time I go to town hall and talk to people or board of eds they constantly say to us, do not give us any more mandates. I personally consider this a mandate. Maybe some people may not want to use that word, but to me this seems a mandate, and therefore, I implore everybody to vote no on this.

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Smith, did you care to vote -- talk to this amendment or the bill as amended?

REP. SMITH (108th):

The amendment, Madam Speaker. Thank you.

It was interesting to hear the comments of Representative Zalaski about mandates, when throughout the session that's pretty much what we've been seeing.

I ask the Chamber in all seriousness, what's more fundamental than one we're asking here right now? Our whole government is based on the open, having an open

dialogue, having a discourse where people can exchange freely without fear. The ideas of what -- how they feel. And what we're asking to do with this amendment is just give the public an opportunity to be heard. There's nothing more fair, there's nothing more fundamental in our government than the opportunity to be heard.

Every aspect, every branch of our government involves the opportunity to be heard and what this does is provides this. If we allow this bill to go through without this amendment, basically you're telling the public, thank you for giving us your money. We'll decide what's best for you.

Even though the language of the bill, as it stands right now, requires that it be in the public interest in order for this project to even be considered, without the amendment, the public interest will not be decided by the public. The public interest gets decided by someone else.

Ladies and gentlemen, that's not what government is about. It's not what it should be about. If you care about the perception, if you care about our fundamental principles, if you care about our Constitution, I suspect you'll support the amendment. Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Greene, you have the floor, sir.

REP. GREENE (105th):

Thank you, Madam Speaker.

I appreciate the opportunity rise in support of this amendment.

Madam Speaker, I've been reading through this bill as amended over the last hour, hour and a half or so, and one section actually stood out to me, lines 139 to 140, which would require a public entity's decision to utilize PLAs, would not be able to be used as evidence of fraud, corruption or favoritism, and I could not really figure out why that was in there.

And I've asked a few of our staff attorneys, I'd asked a few other legislators talking about this trying to figure out what the point of the section is. And it dawned on me that, obviously, somebody must have had concerns about the appearance of fraud, corruption, favoritism in this process and what better way to address these concerns then through a transparent process, a public hearing process?

If there is a concern that there's going to be favoritism, then lets have a hearing on it and let's hear everybody's opinion. We have public hearings all the time in our towns and up here, obviously, on a lot of different issues. This is not very much different than any other,

a town budget, a major capital improvement project. Whatever. This is a big deal. Having the public -- giving the public an opportunity to speak on this is a very, very important part of the process and will reduce the appearance of potential for fraud, favoritism or corruption.

So Madam Speaker, I stand in strong support of the amendment and I really believe this is a no-brainer for us.

Thank you very much.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Will you remark further on the amendment is before us, House schedule "B?" Will you remark further? If not, staff and guests please come to the will. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call.

Members to the Chamber. The House is voting House Amendment Schedule "B" by roll call. Members to the Chamber, please.

DEPUTY SPEAKER KIRKLEY-BEY:

Have all members voted? Have all members voted?
Please check the board to see that your vote has been

properly cast. The machine will be locked and the Clerk will -- oh, okay.

Please check the board to see that your vote has been properly cast. The machine will be locked and the Clerk will prepare the tally. Will the Clerk please announce the tally.

THE CLERK:

Senate Bill 33, House Amendment "B."

Total number voting	147
Necessary for adoption	74
Those voting Yea	53
Those voting Nay	94
Those absent and not voting	4

DEPUTY SPEAKER KIRKLEY-BEY:

The bill passes in concurrence with the Senate -- the amendment fails.

Representative Rigby.

REP. RIGBY (63rd):

Thank you, Madam Speaker.

Madam Speaker, I rise for the purpose of an amendment.

DEPUTY SPEAKER KIRKLEY-BEY:

Please proceed, sir.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, the Clerk has an amendment. The amendment is LCO Number 5195. Would you please ask the Clerk to call it and I be allowed leave of the Chamber to summarize.

DEPUTY SPEAKER KIRKLEY-BEY:

Will the Clerk please call LCO 5195, designated House Schedule "C."

THE CLERK:

LCO 5195, House "C," offered by Representative Rigby.

DEPUTY SPEAKER KIRKLEY-BEY:

The Representative has asked leave to summarize. Is there any objection? Is there any objection to summarization?

Hearing none, please proceed, sir.

REP. LeGEYT (17th):

Thank you, Madam Speaker.

This amendment strikes Subsection C of Section 5 of the bill as amended and adds language that doesn't -- again, it does not require compulsory labor organization membership of the employees or the contractor, and it does not require that those individuals or those groups pay agency fees to any labor organization.

Madam Speaker, I urge adoption of the amendment, and I ask that when the vote be taken, it be taken by roll.

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DEPUTY SPEAKER KIRKLEY-BEY:

The question before us is on a roll call vote. Will all those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER KIRKLEY-BEY:

The 20 percent has been met. It will be taken by roll.

Will you remark? Will you remark on the amendment before us?

Representative Guerrero.

REP. RIGBY (63rd):

Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you, Madam Speaker.

During the debate on the Senate Amendment "A," we heard from the distinguished chair of the Transportation Committee that there is no requirement in the bill as amended that mandates -- there's no mandate that the worker or the contractor pay agency fees, should they opt not to join the union; however, collective bargaining agreements, community workforce agreements and project

labor agreements all have very specific language as to how much the fees are for both the contractor and for the worker. We have the agreement between the City of Meriden and the Greater Hartford New Britain Building and Trades Council and within this agreement, there's fees for the worker. Before they start on a job, they have to pay in \$600. We see that the employer, the contractor themselves have to contribute \$15.75 for every hour worked for the New England Labor Health and Safety Fund.

So the costs are enormous to both, not only the contractor that wins the bid to build the school, but also everybody that works on the project asked to pay significant fees. So all I'm trying to do is to codify and to make sure that what Representative Guerrera said is absolutely accurate, that they do not have to pay the agency fees if they don't want to. So I urge everybody to seriously look and consider voting for this amendment. All we're looking to do is to make sure that those workers don't end up having to, you know, give a big chunk of their pay to an organization that they don't belong to.

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, sir. And I apologize.

Will you remark further?

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Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

I would ask my colleagues to reject this amendment. I understand the concerns of Representative Rigby, but I just -- let me just clarify that I know that in the legislation that it is not intended to require any contractor or subcontractor to pay an agency fees in regards to this. So, therefore, I would ask that we reject this amendment.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, sir.

Will you remark? Will you remark further on the amendment that's before us?

Representative Sawyer, you have the floor, ma'am.

REP. SAWYER (55th):

Thank you, Madam Speaker.

In looking at the underlying Senate amendment that became the bill, it is, I guess, a good word is "squishy." It's kind of squishy as to whether or not they have to pay the fees. It depends and that sort of the way it's written in a particular section. It depends if it's in there or not. So, Madam Speaker, this particular amendment is very

clear and it says that an open shop would not have to pay those fees.

So Madam Speaker, I would encourage the Chamber to support this amendment because it's very clear and I believe that it would encourage open shops to then apply.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Zalaski, you have the floor, sir.

REP. ZALASKI (81st):

Thank you, Madam Speaker.

A question to the proponent of the amendment, please.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby, prepare yourself.

Representative Zalaski, please proceed.

REP. ZALASKI (81st):

Through you, Madam Speaker.

I'm not sure if I heard exactly how much these fees and dues were. I was wondering if the proponent of the bill could tell me how much all these fees and dues are.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, may I have a moment just to refer to my agreement that I used as an example?

DEPUTY SPEAKER KIRKLEY-BEY:

Please.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, the document that I have in front of me is a draft agreement. It's by no means a formalized agreement, but Section 5 -- this is between the City of Meriden and a trades union -- all employees covered by this agreement shall be subject to the union security provisions contained in the applicable Schedule A, which means that all employees on the job of the qualified bidder have to pay the fees.

And Schedule A, draft copy, has a range of fees that were being considered and the maximum on the New England Laborers' Health and Safety Fund was fifteen seventy-five per hour worked. And again, this would fluctuate based on the number of workers and the total size of the contract.

And then it also goes on to show that Connecticut Laborers' Health Fund and the Connecticut Laborers' Pension Fund, it ranged between 4.60 and 8.14 per hour.

Through you, Madam Speaker, to the person posing the

question.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Zalaski.

REP. ZALASKI (81st):

And through you, Madam Speaker.

Does -- do all unions require the same amount of money? And I know on some big projects there's electricians, there's steelworkers. Are they all -- is everybody paying the same dues and agency fees?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, I would yield the floor to the proponent of the bill as amended, Representative Guerrera.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby, I've been told you did not have the floor, that Representative Zalaski did. But you can ask Representative Guerrera if he cares to answer -- to redirect his question to Representative Guerrera.

REP. RIGBY (63rd):

Thank you.

Madam Speaker, through you I ask good Representative,

the chairman of -- the House chair of the Labor and Public Employees Committee to redirect the question to Representative Guerrero. I don't have that information. I'm only looking at one specific agreement so I wouldn't know those ranges. I think he might be better suited to answer that.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

Madam Speaker, to the good Representative, I do believe that most of the wages would be under a prevailing wage rate, and therefore, the calculations would be different on each subcontractor, each qualification of a contractor, whether it's plumbing, electrical site work or whatever in regards to the dues it would raise.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby -- Representative Zalaski.

REP. ZALASKI (81st):

Yes. Through you, Madam Speaker.

I must say that the amendment is stating, since the Representative Rigby is the -- is putting out this amendment, I would have thought that maybe he would have

what the agency fees are for these organizations if he's asking us not to -- that the membership does not have to pay those. So again, I ask does he have those figures at all?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Rigby.

REP. RIGBY (63rd):

Thank you.

And I appreciate the question because it allows me to clarify my amendment. What I'm requesting, Madam Speaker, through you to Representative Zalaski, is that like to those individuals that choose not to join a labor union, you know, the language is clear in the bill as amended, Section 5. You can't be compelled to join a union, but what I'm asking is those people that don't want to participate in the union don't have to pay the agency fees, whatever those fees may be. They could range, you know, it could be \$4 an hour. It could be \$20 an hour.

What I'm asking is that if you don't want to belong to the union, you don't have to and you don't have to pay any fees.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Zalaski.

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REP. ZALASKI (81st):

Through you, Madam Speaker.

And I thank the good, good man for his answers.

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Will you remark? Will you remark further on the amendment that is before us? Will you remark further on the amendment that is before us? If not, staff and guests please come to the well. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call.

Members to the Chamber. The House is voting House Amendment Schedule "C" by roll call. Members to the Chamber, please.

DEPUTY SPEAKER KIRKLEY-BEY:

Have all members voted? Have all members voted? Please check the board to see that your vote has been properly cast. The machine will be locked and the Clerk will prepare the tally. The Clerk will announce the tally.

THE CLERK:

Senate Bill 33, House Amendment "C."

Total number voting 146

Necessary for adoption	74
Those voting Yea	53
Those voting Nay	93
Those absent and not voting	5

DEPUTY SPEAKER KIRKLEY-BEY:

House Amendment "C" fails.

Will you remark further? Representative Mikutel.

REP. MIKUTEL (45th):

Yes, thank you, Madam Speaker.

Madam Speaker, for purposes of legislative intent, I'd like to ask a question to the distinguished chairman of the Transportation Committee.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrera, prepare yourself.

Representative Mikutel, please proceed.

REP. MIKUTEL (45th):

Yes, and through you, Madam Speaker.

If the Governor has not issued the letter certifying that the use of consultants is no longer necessary, design build or construction management contracts entered to before January 1, 2019, they continue to use consultants but it would preclude the Department of Transportation from entering into new contracts that allow consultants to perform development and inspection work after that

date.

Is that correct?

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker, to my good vice chair, who is sitting right next to me -- probably could have just asked me right next -- but the answer is yes.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Mikutel.

REP. MIKUTEL (45th):

Yes. Thank you. Thank you, Madam Chair.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Kupchick, you have the floor, ma'am.

REP. KUPCHICK (132nd):

Thank you, Madam Speaker.

I read through the bill and I do have some issues with it. While I want to be able to allow my community to be able to streamline the process, I do have a real issue with mandating small companies that aren't unionized to have to pay a 600 or more dollar agency fee and also have to pay union dues. As I've mentioned before in this Chamber, I am a small-business owner owning a heating and air-conditioning company and all of our friends are

contractors, electricians, plumbers. They run small companies and they really cannot afford to do this, to have to pay into a union wage just to be able to bid on a job.

Things are really difficult. I just mentioned last week on the floor of the House how extremely difficult it is for these small contractors. Many of our friends are actually losing their homes or their businesses because of the lack of work and because of the increased costs. Everybody is undercutting them. They can barely make a decent wage. And 80 percent of small construction companies are not unionized. And to me, this puts them at a very unfair advantage. These are our neighbors. These are your friends who run these small companies. You must take a look at this. This hurts small business. It hurts small business. So I will be voting against this.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, ma'am.

Representative Coutu, you have the floor, sir.

REP. COUTU (47th):

Thank you, Madam Speaker.

Madam Speaker, I rise today as the proud lone tech school graduate.

Because of that I have literally hundreds of friends

who work in the trades. Some are union, some are nonunion. At the end of the day, we all hang out together and get along. My concern about this piece of legislation is the process in how we got here. I've called some of my friends and asked them, what do you think of this piece of legislation? I've heard some pros. I've heard some cons. But at the end of the day, my friends, business owners across southeastern Connecticut are not going to have the opportunity to come here and say why they support or why they don't support this piece of legislation.

And as far as I can tell, there's a bad perception out there right now with many constituents about how government works. And here's a scenario where we have a very important business to tens of thousands of employees, trade members, union members and they should have an opportunity to speak. And it's really disrespectful that we're not giving the good citizens of this state that opportunity. And for that reason, I can't support this legislation.

I hope this is not a trend, but obviously, this is a very important piece of legislation and the damage has been done. And once, again, we're giving our citizens another reason to question integrity and have a perception problem with this entity.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Shaban, you have the floor, sir.

REP. SHABAN (135th):

Thank you, Madam Speaker.

Through you, a few quick questions to the proponent of the bill, if I may?

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero, prepare yourself.

Representative Shaban, please proceed.

REP. SHABAN (135th):

Thank you, Madam Speaker, and through you.

Under the bill, the amendment which is now the bill as proposed, my question is: If the municipality question determines that it's in the public interest, can they adopt a PLA that distinguishes between certain trades, i.e., if we're going to build a school, we're going to have roofers that will be subject to certain terms of this PLA but framers who are not.

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

And to the Representative, this would cover all workers.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Through you, Madam Speaker.

Well, what if the municipality or the town in question determines covering all workers is not in the public interest, but covering some of the workers is in the public interest. Are we giving the municipality the "discretion" -- because that's the word that was thrown around two hours ago, it's a choice, they have the discretion -- are we giving the municipality the discretion to shape the PLA?

So let's say, they want to do it in phases. We're going to do the first phase of this project and so the foundation pour, we're going to do -- a foundation and steel frame, we're going to do that with a PLA, and after that, we're going to go back now to a different contract. Do they have the discretion to do that?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

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REP. GUERRERA (29th):

Through you, Madam Speaker, and to the Representative.

Yes, I do believe they can do that now.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Madam Speaker.

But under this bill, will they have the ability to do a PLA under my hypothetical just on the foundation and the steel framing, but decide we're not going to do a PLA. We're putting the steel on a building or an industrial roof. Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker and to the Representative.

Again, I do believe that if they meet the criteria as we discussed before and they decide to expand on the criteria as a municipality, they could do that.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Thank you. Thank you, Madam Speaker.

Well, I think that's important to know especially for legislative intent, that with, if I understand the gentleman's response, is that, in fact, we can, if this bill passes, that they can parcel out or part or segregate different portions of their project; some PLA, some not.

But if I understand the gentleman's responses, that once a segregationist has happened you're either in the -- the workers are either all PLA or they adopt the PLA or they don't. So the segregation has to come via a project, but not via worker.

And through you, Madam Speaker, was my summary more or less accurate?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

I'm sorry, Madam Speaker. If the good Representative could just repeat that for me?

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban, could you --

REP. SHABAN (135th):

Thank you, Madam Speaker.

And I will. I apologize. It may have been a

rambling, some summation.

If I understand the sum and substance of what we just discussed, please tell me if I'm accurate, that a municipality can segregate a certain project via -- have some of the jobs PLA, some of the jobs not, i.e., if you are building a school, portions of it, subject to a PLA; portions that are not. But once you're in the PLA, then all the workers in that portion of the project are subject to the PLA; whereas, in the parts that are not subject to the PLA, those workers are not.

Through you, Mr. Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

And I appreciate the Representative repeating himself. I do believe that once the municipality decides that the project is a PLA, then I would think that the entire project would be a PLA. So it would not distinguish one part of the project compared to another part of the project.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

All right. Thank you, Madam Speaker.

While -- and it could just be poor conversation or poor questions on my part, but I had understood the gentleman's previous response to say, well, in fact, they have that ability now and they could do that, i.e., segregate the project. Instead of having one project, I'm going to make what could be one project into three projects. Phase one, PLA. Phase two, not a PLA. Phase three, PLA.

So through you, Madam Speaker, can they part out a project, in the colloquial sense of the term, into three phases and make Phase One a PLA and Phase Two and Three not a PLA?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you. Thank you, Madam Speaker.

Understanding the question is a good Representative just stated, yes, I do believe -- again, that it is my understanding and that seeing a lot of these projects before in regards to project labor agreements, I have never seen it done in a manner that you just described. But,

again, as long as they meet the six criteria in regards to the PLA and they decide to do further in regards to have a certain part of the project not be that, I do believe they can do that. Yes.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Madam Speaker.

And I thank the gentleman for walking -- allowing me and the Chamber to kind of walk through that process. I appreciate that.

The six criteria we just mentioned, I note in line 131 of the bill there's permissive language that say, in making such a determination the public entity may consider the effects of a PLA they have on -- and then it goes through one through six. Wherein the previous discussion -- and it may have just been because we weren't focused on this -- we say, well, they have to consider the six criteria. Through you, Madam Speaker, are the six -- can a municipality consider fewer than the six or more than the six? What's the -- what are they locked into?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker to the Representative.

They are required with these six, but again, a municipality may decide to put -- go over and beyond the six elements that are proposed in this legislation.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Madam Speaker.

Well, then I guess for, again, legislative history purposes, that may -- it might be more accurate to read as, "shall consider the following six criteria among others." And that's not a question so much as it is a statement based on the last response.

Additional question, further down the same page. My colleague, Representative Greene mentioned this before, Section B of Section 5, line 139 through 140. Through you, Madam Speaker what is the purpose of Section 5(b)?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

Again, I believe that in reading lines 139 through 140, that -- to make sure that no municipality committed any type of fraud or favoritism in regards to steering types of contracts to certain companies.

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

SPEAKER DONOVAN:

Well, thank you, Madam Speaker.

So reading it, A, by the plain language, and B, what I just heard. Is this giving the municipality a form of immunity by virtue of working for a PLA?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrera.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I don't believe so.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Well, through you, Madam Speaker.

At any point in this process -- and I know we've heard

that at least this year the PLA portion did not go to public hearing, but there was an informational session. In years previous when this topic has come up, did the language in Section 5(b) or the concept in Section 5(b), did that ever go before the Judiciary Committee or General Law?

Through you.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Through you, Madam Speaker.

I do not believe it did.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Shaban.

REP. SHABAN (135th):

Thank you, Madam Speaker.

Well, that's a bit of a concern because what we're saying here and it would appear to be -- we appear to be saying the language 5(b) that we are, in fact, either granting immunity to a municipality that adopts a PLA with at least respect to evidence of fraud, corruption, or favoritism, even if there was fraud, corruption or favoritism. And we've done that without a public hearing.

Well, how did we do that? How do we tell our constituents, our citizens that if your town, your city

wants to adopt our or go forward with a project pursuant to a PLA, considers the six items, doesn't get any input from the public. There was no input at the state, no input at the local of all, but if we just follow these six rules -- says 'may,' but it's really kind of a 'shall,' that there's immunity for the municipality or its agents from evidence of fraud, corruption or favoritism, even if there was fraud, corruption or favoritism.

How do we do that? How do we do that as a legislative body, to say we're just going to give you immunity, or at least at a minimum it could say there's an evidentiary presumption in favor against. We don't do that in this bill. We say, you're off the hook. You're off the hook. You don't have to talk to anybody. We didn't talk to anybody as a Legislature. The town doesn't have to talk to anybody, but you're off the hook. What kind of public policy is that? I mean, read the section. It's two lines. It's insane. I mean, it baffles me.

There are portions of this bill, the discretionary part, public interest part that makes some sense. I think, you know, I'm talking with folks on this half of the room. A lot of this bill makes some sense. If the municipality wants to do something like this, they should have the discretion to do it, but they don't have to talk

about it. We didn't have to talk about it. There's no public input to talk about it, and if they do it, no worries. You get a free pass by the state of Connecticut. That's bad public policy, Madam Speaker.

Thank you.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Mushinsky, you have the floor.

REP. MUSHINSKY (85th):

Thank you, Madam Speaker.

Getting back to the underlying bill, which hopefully, there is bipartisan agreement on the core of the bill at least. When Program Review and Investigations in December 2010 looked at the Department of Transportation, we found that the majority of DOT projects carried out by the Bureau of Engineering and Construction did not meet their original schedules or stay within their original budgets. For example, project design was taking 61 percent of the delivery process and only 37 percent of the projects were completed on schedule. We looked at the 15 other states and they had at least half or a little more than half of their projects delivered on schedule and within budget.

In addition, the project management information

systems at DOT were inadequate and they needed a major upgrade. We found a number of reasons for this for the cost overruns and the time problem, including the Department's inability to use alternative contracting methods which this bill addresses. We want projects delivered on time and within budget. Some of the worst project records were for the highest cost projects, projects that were over 20 million in original costs, had an average delay of 852 days. Obviously, this has great impact to the taxpayer.

This bill is similar to the legislation that our committee raised that would allow DOT to use design build and other creative contracting alternatives on a pilot basis and require DOT to evaluate it's project delivery success.

So the process needs improving. The underlying bill does that. I hope you will be able to support it. Thank you, Mr. -- Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you.

Representative Aman, you have the floor.

REP. AMAN (14th):

Thank you, Madam Speaker.

I think for many of us sitting over on the side of

the aisle, we're looking at these project labor agreements and thinking that there are some good ideas in them, some bad ideas in them, recognizing there's winners and losers. I would be much happier if our public hearing amendment had gone through.

In a little while, I'll be reluctantly voting for this bill, even though I feel that we could have made it a lot better for the workers, and also, for the communities. But the reason I will be supporting it, as for the last six years as a member of the Planning and Development Committee, I have always argued for municipal choice and I think the alternative of this bill, because of the labor case, is that they would not be able to sign these agreements. And I think that would be, again, unfair to our municipalities to say, you're not allowed to do something.

And so, therefore, I will be supporting it; however, I will say that if I were sitting on a city council, I may well take a very different attitude when they're coming forward. I would demand a public hearing. I would demand that it be localized. I would demand a lot of other things that we don't put in this legislation, but I do believe that the local municipalities should have the right to make those decisions and go forward. So while I would not

necessarily recommend a PLA agreement to any town, I would not say to them, no, you absolutely could not have one.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you, sir.

Representative Sawyer, you have the floor, ma'am.

REP. SAWYER (55th):

Thank you, Madam Speaker.

One last question through you to the distinguished chair of the Transportation Committee.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrera, prepare yourself.

Representative Sawyer, please proceed.

REP. SAWYER (55th):

Thank you, ma'am.

Mr. Chairman, if -- currently, without this bill, does the Department of Transportation have the ability to use a design bid build contract?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrera.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

And to the Representative, I do believe they have the

opportunity to use a type of design build for emergency situations.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Sawyer.

REP. SAWYER (55th):

Thank you.

And through you, so presently without this, under current law, only emergency contracts are allowed to be done through design bid build.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

I'm sorry, Madam Speaker.

I did not hear that.

REP. SAWYER (55th):

Absolutely.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Sawyer.

REP. SAWYER (55th):

If I understood your answer correctly, currently, only of emergencies during -- for emergency contracts, are they allowed to use design bid build currently? Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Well, thank you, Mr. Speaker.

Design bid is what they do right now where it goes out to the lowest responsible bidder. This bill is a design build in regards to streamlining the process, as I stated before.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Sawyer.

REP. SAWYER (55th):

Thank you, Madam Speaker.

So without this bill, the department is unable to do design build. Is that correct?

Through you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Guerrero.

REP. GUERRERA (29th):

Thank you, Madam Speaker.

And to the good Representative, that is correct.

DEPUTY SPEAKER KIRKLEY-BEY:

Representative Sawyer.

REP. SAWYER (55th):

I thank the gentleman for his answer.

You know, I'm sorry about that because I so deeply

wanted to support that particular initiative, but it is because of the underlying issues of the project labor agreements, the lack of public hearings, that I will not be able to support that.

Thank you, Madam Speaker.

DEPUTY SPEAKER KIRKLEY-BEY:

Thank you. Will you remark? Will you remark further on the bill as amended? Will you remark further on the bill as amended? If not, staff and guests please come to the will. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call.
Members to the Chamber. The House is taking a roll call vote. Members to the Chamber, please.

(Speaker Donovan in the Chair.)

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? If all the members have voted the machine will be locked and the Clerk will please take a tally. Mr. Clerk, please announce the tally.

THE CLERK:

Senate Bill 33 as amended by Senate "A" in concurrence
with the Senate.

Total number voting	146
Necessary for adoption	74
Those voting Yea	109
Those voting Nay	37
Those absent and not voting	5

SPEAKER DONOVAN:

The bill as amended is passed. Are there any
announcements or introductions? Any announcements or
introductions?

Representative Brendan Sharkey, House Majority
Leader, how are you doing, sir?

REP. SHARKEY (88th):

I am very well, Mr. Speaker, Speaker Christopher
Donovan. How are you?

SPEAKER DONOVAN:

Thank you. Thank you, Majority Leader Brendan
Sharkey.

REP. SHARKEY (88th):

Mr. Speaker, I just wanted to announce to our
colleagues on the side of the aisle that we, at the break,
intend to caucus immediately in Room 207A.

SPEAKER DONOVAN:

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SENATOR MEYER:

Colleagues, there will be an important meeting of the Environment committee tomorrow morning at 10:45 in the hall outside the House Chamber. 10:45 tomorrow, Hall outside the House Chamber. Thank you.

THE CHAIR:

Thank you.

Are there any other announcements or personal privileges?

Seeing none. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the Clerk would call as the next item, MA -- under matters returned from committee, Calendar Page 24, Calendar 170, Senate Bill Number 33, AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On Page 24, Calendar 170, substitute for Senate Bill Number 33, AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY, favorable report of the committees on Transportation and Labor and Public Employees.

THE CHAIR:

Senator Maynard. I can almost say good morning, but it's still -- good evening, sir.

SENATOR MAYNARD:

oh. Thankfully not morning yet.

Thank you, Madam President.

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Yes.

I move the joint committee's favorable report and passage of the bill.

THE CHAIR:

The motion's on passage of the bill.

Will you remark, sir?

SENATOR MAYNARD:

Yes, Madam President.

The Clerk is in possession of Senate Amendment LCO Number 4658. I ask that that be called and I have leave to comment.

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO Number 4658, Senate "A," offered by Senator Williams, et al.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

Yes. Thank you, Madam President.

The -- the amendment will be a strike-all and become the bill.

It is AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY.

Under this bill -

THE CHAIR:

Sir, would you like to move for adoption, please?

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SENATOR MAYNARD:

Oh, I'm sorry. Yes, I'd like to move for adoption, thank you, on the amendment.

THE CHAIR:

The motion is on adoption. Please remark, sir.

SENATOR MAYNARD:

Thank you, Madam President.

The bill before us would allow the Commissioner of Transportation an additional tool in his tool box to allow for designation of certain projects to be design-build.

We're one of only four states that do not have that authorization granted to the Commissioner. And we would be able to take advantage of a variety of efficiencies under a design-build scheme and also allow us to be more flexible in responding to a great many of the federal funding streams. Both things such as the ARA and other special grants, the TIGER grants and so forth.

This flexibility for the Commissioner would be limited however, and would sunset after seven years. And there's a great many details I'm happy to get into and respond to questions.

But I would say that this is the result of many months of negotiations.

This is a piece of legislation that I think has broad support and was, in fact, the result of a case study undertaken in June of 2010 that highly recommended that this design-build contracting methodology for transportation related projects in particular would be very effective at -- in terms of efficiencies and allowing us some flexibility.

THE CHAIR:

Thank you, Senator Maynard.

Will you remark? Will you remark?

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If not -- oh, I'm sorry. Senator Boucher. I apologize.

SENATOR BOUCHER:

Thank you, Madam President.

Madam President, as the good chairman of the Transportation mentioned, this issue of design-build was brought before us this year in our Transportation committee. It's something that the Department was looking to enact. As it was mentioned, we're one of only states that do not have a design-build.

Unfortunately, there's another section of this that is a little bit more controversial that we will have some questions on. I'm sure others will have questions on it this after -- this evening as well.

But before we get to the -- the second section of this bill that for some of us tends to muddy the water on the -- the more positive aspects to this, the good chairman mentioned that although this is a step in the right direction, it is limited in many ways.

And I was wondering, through you, Madam President, if we could ask the chairman to enumerate the various ways that it is limited as compared to those that are commonly used in other states?

Through you.

THE CHAIR:

Thank you.

Senator Maynard.

SENATOR MAYNARD:

Thank you, Madam President.

And I'm delighted to respond to questions from my distinguished ranking member of the Transportation committee.

If she will bear with me for a moment, I have a number of notations.

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THE CHAIR:

Senator, would you like to stand at ease for a moment?

SENATOR MAYNARD:

Yes. If we could, for just a moment. Thank you, Madam President.

THE CHAIR:

The Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

Senator Maynard, would you like to come back to order now?

SENATOR MAYNARD:

I would. Thank you, Madam President. I apologize.

THE CHAIR:

Please proceed, sir.

SENATOR MAYNARD:

At the late hour and the volume of detail I want to be sure that I'm accurate in these. But I thank you for the -

THE CHAIR:

We appreciate that, sir.

SENATOR MAYNARD:

-- thank you for the indulgence.

Yes, Section 2 goes through some of the limitations. This provides that the Commissioner performs project development services, which include the project specifications and preliminary design. The Commissioner would perform project oversight services, including inspection and quality insurance. Those kinds of things

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are normally in a design/build at -- under the risk and authorization of a -- a third party. In this instance we're keeping that in the Commissioner's office as a -- a means of oversight within the department.

After the first two projects undertaken -- and I would reiterate that this is not a broad authorization, but a project by project discretionary use of design-build, just for those who may be concerned about that.

But after the first two projects the Commissioner would utilize department employees to perform development and inspection work, again, in an effort to utilize in house services. And the DOT would work with the Department of Administrative Services on creating permanent employees to reduce the need for outside consultants.

All contracts would be -- will provide for training of the employees in DOT regarding bidding and managing design-build contracts. And the Commissioner can use consultants, if necessary, to execute design-build projects during this transitional period, which would run until 2019, when the bill would sunset and need to be reauthorized.

So there's a variety of variations from the traditional design-build approach.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

And I appreciate the distinguished Chairman's explanation of the various limitations that our particular bill has compared to the other states that seem to have a more opened (sic) and welcoming and more flexible attitude when it comes to various duties of the states.

I think in Connecticut we seem to be hamstrung on a number of issues. Sometimes that even permeates to some other departments of the state.

Not just the Department of Transportation, one of the areas

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that usually has some very high costs associated with the projects they do, not just from the various expertise that we need to get from outside of our -- of our agency headquarters because of the complexity of the kind of projects they have, but also, the costs of the infrastructure. So we do often need the expertise of others from the outside.

I understand the desire to bring more work in house. But we also have to consider the fact -- and this is the disappointing aspect of this -- that we are in a very difficult economic environment. Our -- not only has our state not recovered the jobs that it has lost through this historic downturn, but we are also facing huge budgetary constraints that are -- all departments are being asked to cut back. And they may be asked to cut back even more.

So I am concerned that we are hamstrung (sic) this. But that being said, at least we're putting our toes in the water, so to speak, and starting that process. It could be much better. And it is still unfortunate.

But I would want to concentrate some questions on Section number 4 and 5 and 6 of the bill that is new -- and 7 as well -- that are new to this proposal and involve a much more controversial area, that of project labor agreements or PLAs, as have often been stated.

For those, I guess, that are not as familiar with this, project labor agreements mean that prehire agreement covering the terms and conditions for all persons who perform work on a specific public work project. And that could mean any of our agencies, any of our schools and construction projects. It is used on occasion now. But this particular addition to this, I think, make (sic) the bill a little bit more difficult for some to possibly support.

Particularly, in the area where -- although I -- I could see that there might have been some compromises being made, because when entertaining this issue previously, there were many that wanted a mandate placed on almost every public construction project.

Here I see that the public entity may require a project to entertain a labor agreement for any public works project when it is considered in the public's interest to require

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such an agreement.

And if you could, through you, Madam President, describe what would be considered the public's interest and if there is multiple interpretations of this.

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

Yes, Madam President.

I'd be happy to go into the specifics of that. I think it may be helpful to members of the Circle if I were able to yield the floor to Senator Prague, who has done considerable work on the PLA portion of this bill. And I would be delighted if, in the interest of accuracy and brevity, we could allow Senator Prague to -

THE CHAIR:

Senator Prague, will you accept the yield, ma'am?

SENATOR PRAGUE:

Yes, Madam President. Thank you.

As you said, Senator Boucher, a project labor agreement is a prehire agreement which covers the terms and conditions that all the people working on the project will follow.

Through you, Madam President, specifically Senator Boucher, what was your question?

SENATOR BOUCHER:

Through you, Madam President.

In this paragraph, in lines 125 to 138, it speaks to the fact that they would be acting within discretion that is in the public's interest to require such an agreement. And that could be open to much interpretation. What would

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you consider would be the definition of what the public's interest would be in entering a project labor agreement?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Senator Boucher, the public's interest would be at the discretion of the -- if it's a municipality that's looking at the project labor agreement or the state or any of its agencies, they would determine if there is minority businesses included, women owned businesses included, and if there are community people who have -- who will be working on the project.

THE CHAIR:

Thank you, Madam President.

That's very helpful. It -- it does get us part of the way there.

I think one line in this particular bill in line 133, "The efficiency costs and direct and indirect economic benefits to the public entity," my question would be indirect economic benefits, would the good chairman of Labor committee, that has such a depth of knowledge in these issues, be able to give us a sense of what indirect economic benefits might be? What might be considered?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

The indirect economic benefits to the community would be at the discretion of the entity that has the project.

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And they would be looking at, for instance, how many community people would be employed, how well the project would be handled. The issue of getting the project done on time so there'll be no cost overruns, using skilled workforce so there'll be no problems with the final product that's developed. Those are all benefits to the community.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President. And I thank the chairman of the Labor committee for that description.

I think in here we have a lot of multiple factors that are outlined, including efficiency and cost, yet also employing individuals that are more local, whether or not that would be at a higher pay scale than possibly individuals from other areas kind of seemed -- seemingly in contract -- in contrast and opposition to each another on multiple occasions.

The question would remain if these -- and this requirement, if it were to be considered and part of the discussion, might tend to create a process that would make it a little bit less desirable for someone to come into a contract having to assess these various hoops.

Particularly what gives me pause -- and why I wondered why immediately why Section B was added, in line 139 to 140, a public entity's decision to require a pub -- a project labor agreement shall not be evidence of fraud, corruption or favoritism.

Was there, through you, Madam President, a reason for that line to be added to this particular piece of legislation? I haven't encountered that often in almost any of -- even including the labor bills that I've seen over these years.

Through you, Madam President.

THE CHAIR:

Senator Prague.

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SENATOR PRAGUE:

Madam President, through you to Senator Boucher.

I think that language was added because there is currently a court case on a similar issue.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

May I ask through you, is this a court case having to do with a -- a project labor agreement?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Senator Boucher, yes.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

I appreciate that.

As I was not as familiar as maybe with others in this Chamber about that particular case being set forth.

Additionally, the bill goes on to say that any project labor agreement required by a public entity pursuant to this section shall set forth mutually binding procedures

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for re -- resolving disputes that can be implemented without delay. And I -- I thought that that was an interesting addition to this.

And Section 2 includes guarantees against a strike, a lock out or other concerted actions aimed at slowing or stopping the progress of a public works project.

I -- this made me pause as well to wonder, if, in fact, this was a -- a problem with some of these particular project labor agreements and in the effort to slow down a project if there is a dispute thereby causing a great deal of harm in the way of costs to a municipality or public entity.

And again, I think as one of the reasons that oftentimes these project labor agreement statutes are somewhat controversial.

SENATOR PRAGUE:

Madam President, through you, to Senator Boucher.

Senator Boucher, if you go back to line 142, it says, "Shall set forth mutually binding procedures for resolving disputes." I think that's critically important in any project. When you have a lot of people working, you know, it's very possible that you could get a dispute over something.

But this clearly decides, you know, what is mutually binding procedures for resolving disputes that can be implemented as you -- as you read, you know, without having a delay in the project.

THE CHAIR:

Senator Boucher -

SENATOR PRAGUE:

Delays in projects frequently cost more money.

THE CHAIR:

-- Senator Boucher.

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SENATOR BOUCHER:

Thank you, Madam President.

I -- I appreciate the additional comments. It's very helpful to -- for clarification, then -- these would be agreements set out prior to an actual project commencing and before any work was started?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

That's so, Senator Boucher.

That's one of the big advantages of a project labor agreement.

SENATOR BOUCHER:

Terrific.

Thank you, Madam President, and I -- I appreciate the chairman's response.

I also noted that in lines 149 through 156, there were some additional caveats in that it invites all contractors to bid on a project without regard to whether the employees of any such contract are members of a labor organization, and also, permits the selection of the lowest responsible bidder without regard to labor organization affiliation and does not require the compulsory labor organization membership of employees working on the project.

That is very clear and an interesting addition to this particular piece of legislation. In addition, that it further states any bidder for a public works project that does not agree to abide by the conditions of the project labor agreement or requirement to negotiate a project labor agreement shall not be regarded as a responsible qualified bidder for such a project.

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I did have a question on that specific language. This Section D does this require that all bidders be a Public Labor Agreement or act like a Public Labor Agreement in the event they are not, through you, or is this just in relationships should they a municipality go to the path of a Public Labor Agreement?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Madam President, through you, to Senator Boucher.

I'm not sure, Senator Boucher, what your question is.
If -- if you -

SENATOR BOUCHER:

I -- I thought it might be a little confusing. Let me try again if I can.

THE CHAIR:

Please do, Madam.

SENATOR BOUCHER:

Yes, thank you. Through you, Madam President.

Section D states "any bidder for a public project that does not agree to abide by the conditions of a project labor agreement or a requirement to negotiate a project labor agreement shall not be regarded as a responsible qualified bidder for such project." I'm a little confused in that section. Is that section relates to any bidder of a public project regardless if the town decides to go in that direction or not or only if they decide to use a public labor agreement?

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

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Through you, Madam President.

Senator Boucher, if a bidder will not agree to guarantee against a strike or a lock out or other concerted action which would aim at slowing or stopping the progress of a public works project, I mean, part of the deal is you agree to these things. And if you want to be a responsible bidder and considered for the project, you have to agree to what is being asked of you as a contractor.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Okay. Let me try again.

If the public entity decides to build a project that is under ten million dollars then they have -- from what I understand from this bill -- the freedom to choose to go the route of a public labor agreement or choose not to go. And if they choose not to go they do not need to abide by this language. Is that correct?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

If they choose not to have a -- a PLA, then they don't have to abide by the conditions that a PLA requires.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you. That's very clear. Good.

Now, on the other hand, in line 164, if the project is greater than ten million dollars, it states "such public

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entity shall determine if the use of a public labor agreement would be in the public's interest."

Having that language in there, am I to assume then if the project is over ten million dollars, then there is language in this bill that would require or just encourage a public labor agreement?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

It's at the discretion of the entity. It would not require.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Okay. Then to just be clear for intent then, whether your project is above or below ten million dollars, you're not required to use a public labor agreement with this bill?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Yes.

SENATOR BOUCHER:

However, through you, Madam President, if it -- if your project is greater than ten million, then the public entity

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is required to assess, to make an assessment or determine, however, to use a public labor agreement, according to lines 165 to 167.

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Only if it's in the community's best interest.

SENATOR BOUCHER:

Thank you, Madam President.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

At the end of the day who will be the arbiter of deciding whether this is in the public's best interest?

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Senator Boucher, I would assume that is the entity that has the project.

THE CHAIR:

Senator Boucher.

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SENATOR BOUCHER:

Thank you, Madam President.

I really appreciate the good chairman for her response. She performs extremely well even at this late hour of the evening. And thank you for describing the bill in a much clearer way. And it gives us a better understanding of the language.

Thank you very much.

THE CHAIR:

Thank you.

Will you remark?

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

Through you, a question to the proponent of the bill.

THE CHAIR:

The proponent of the bill.

Senator Maynard, prepare yourself.

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

Through you to Senator Maynard, I don't see a fiscal note for the matter we are undertaking. And I believe all our matters require a fiscal note.

Through you.

THE CHAIR:

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Senator Maynard.

SENATOR MAYNARD:

Thank you, Madam President.

I'm happy to provide that. I'm told it's being printed as we speak. It's online but I don't have a copy in my hand. We'll have that for Senator Kane before (inaudible).

THE CHAIR:

Senator Kane, it will be delivered to in a few sec -- a few minutes, sir.

Senator Kane.

SENATOR KANE:

May I suggest that we pass on this bill temporarily, Madam President?

THE CHAIR:

You can suggest it, sir, but if you want to keep going?

SENATOR KANE:

Well, Madam President, according to our rules, all matters must require a fiscal note and this does not have one.

SENATOR MAYNARD:

I -- I believe a fiscal note exists, Madam President, I simply don't have it in my possession.

THE CHAIR:

Can we -- well, the -- the Senate will stand at ease -

SENATOR MAYNARD:

Can we stand at ease?

THE CHAIR:

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-- for a moment, please.

(Chamber at ease.)

SENATOR MAYNARD:

Thank you.

THE CHAIR:

Senator Maynard, would you like to call the session back in?

Senate will be back in session.

Senator Maynard.

SENATOR MAYNARD:

As one might expect, given the fact that the amendment is permissive and it permits a public entity to require a project labor agreement, it's difficult to provide total cost. It would depend on the project. It would depend on net fiscal impact, cost of hire, fringe benefits and the rest.

But I can say that it's not expected to have a fisc -- a fiscal impact on the cost of the project because a public entity would only require a PLA if the wage rates were the same as the prevailing wage rates the public entity would pay under current law. So it is indeterminate, but only because of the -- the nature of it being for undesignated projects at this point.

It would be used -- and I want to reiterate this. This would be used as a -- on a discretionary basis, not on all projects.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark?

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Senator Kane, would you like me to hold the Senate at ease for you?

The Senate will stand at ease.

(Chamber at ease.)

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I thank the chairman of the transportation committee for answering my question.

THE CHAIR:

Will you remark?

Senator Suzio.

SENATOR SUZIO:

Thank you, Madam President.

One of the cities that I represent in my district is the city of Meriden, which is about to commence what we expect will be one of the biggest public works projects in the history of the city. And we'll be doing significant work on two high schools at a total expected cost of 220 to 230 million dollars. And the topic of a PLA has become one of the hot topics in town. There's been much discussion about it. And our city council has yet to act on it.

One of the things that I like about the proposed legislation is that it doesn't impose a requirement to do a PLA, it merely gives a municipality like Meriden the option of engaging in one if they so choose. There's nothing coercive about the legislation. It's permissive.

I like the idea of local home rule and let -- letting local people make decisions on projects like this that effect them intimately in their communities. And the proposed legislation would provide that freedom to do so and reduce the risk of some litigation. Although I still think

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there's probably a potential for litigation under antitrust laws. But at least it would relieve some potential threat of litigation.

And because I'm a big proponent of local home rule and because this is not coercive, it does just merely give the local -- local community the freedom to make a choice on the matter, I -- I do support the underlying bill and I do intend to vote for it. I think it's consistent with my overlying philosophy and I do encourage my colleagues here in the Senate to support the bill.

And I thank you for your time, Madam President.

THE CHAIR:

Thank you, sir.

Will you remark?

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

I stand for purpose of questions to the proponent of the bill.

THE CHAIR:

Please proceed, sir.

Senator Maynard.

This is on the amendment, sir. Correct? Senate "A."

SENATOR MCLACHLAN:

Thank you.

THE CHAIR:

Thank you.

SENATOR MCLACHLAN:

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Thank you, Madam President.

Senator Maynard, the amendment before us seems to be, as you mentioned in the fiscal note, permissive as it relates to project labor agreements.

I wonder if you could clarify for us when the fiscal note says as you were quoting, I believe I'm quoting what your comment was, let me return to that. "It is not expected to have a fiscal impact on the costs of the project because it is anticipated that the public entity would only require a PLA if the wage rates were the same as the prevailing wage rates that public entity would pay under current law."

Is that your understanding of the fiscal note?

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

Yes, Madam President. I was, in fact, reading, -- regrettably reading from the fiscal note provided.

THE CHAIR:

Thank you.

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

And would that statement -- is it your understanding then that a project labor agreement carries no additional cost to a local municipality should they choose to select a project labor agreement?

Through you, Madam President.

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Senator Maynard.

SENATOR MAYNARD:

Yes, it -- well, it is. It's assumed that if a -- you know, entity would move forward on projects as is noted in the fiscal note based on alternative contracts, they wouldn't do that unless it was a cost savings compared to current contract -- contract procedures.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

And through you, Madam President, to Senator Maynard, it's been common perception in this building and certainly by way of radio advertising in recent weeks, that project labor agreements cost a lot more than regular types of contracts. I've heard that additional costs can range from four percent to 18 percent. That's sort of a wide range.

But I'm wondering does that comport with what you're reading in the fiscal note this evening?

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

No, it does not.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

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And Senator Maynard, could you comment on that perception and whether or not you feel that is incorrect or not?

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

I'm sorry. I was getting some other -

THE CHAIR:

I apologize.

Senator McLachlan, could you repeat that question?

SENATOR MCLACHLAN:

Thank you, Madam President.

Senator Maynard, could you comment on that perception of the additional cost of a project labor agreement versus what the office of Fiscal Analysis perceives to be the cost of a project labor agreement.

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

Thank you, Madam President.

You know I have not heard those particular assertions. So I -- I -- I guess I'm unprepared to make a -- a detailed commentary on it.

But it would strike me that project labor agreements offer a great deal more flexibility and efficiency. So regardless of some of the costs that might have been asserted that are associated with PLAs, the time frame, the flexibility and the ability to keep the project moving

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forward at a faster pace and access all sorts of revenue streams that would not necessarily be available to us under traditional bidding procedures because of the time extension, as I mentioned in earlier remarks, that those -- I would -- I would -- I would regard it as conjecture rather than something that we could, you know, nail down.

THE CHAIR:

Senator McLachlan.

SENATOR MAYNARD:

And I'm -- oh, I'm happy I -- I -- with the Senator's indulgence, I -- I see my distinguished colleague, Senator Prague, has arisen to comment. So I would yield the floor to Senator Prague and -

THE CHAIR:

Senator Prague, will you accept the yield?

SENATOR MAYNARD:

-- and let her respond.

SENATOR PRAGUE:

Yes, I will, Madam President. Thank you.

THE CHAIR:

Please proceed.

SENATOR PRAGUE:

Through you to Senator McLachlan.

If you read the fiscal note, Senator McLachlan, it says this is not expected to have a fiscal impact on the cost of the project because it is anticipated that the public entity would only require a PLA if the wage rates were the same as the prevailing wage rates that public entity would pay under current law.

It is a mandate if you use any kind of federal money or

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state money in a project, you must pay prevailing wage whether you're a unionized contractor or not a unionized contractor, you must pay the workers the prevailing wage. And the prevailing wage is set by the Department of Labor.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

And thank you, Senator, for chiming in on areas of your expertise.

And for clarification, the project labor agreement, at least some previous proposals for that here in this building and elsewhere across the country, sometimes include requirements of the contractor to pay fees to a labor organization as part of the agreement over and above the standard wages that are required. Is that required under this amendment before us?

Through you, Madam President.

THE CHAIR:

Is that to Senator Prague?

SENATOR MCLACHLAN:

I'm sorry.

To Senator Prague.

Thank you.

THE CHAIR:

Senator Prague, will you please reply?

SENATOR PRAGUE:

Through you, Madam President.

I don't see any reference in the project labor agreement

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that they have to pay additional -- you said additional dues to a labor organization?

I don't see any reference to that. Who would pay the additional dues? The workers?

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

Well, thank you, Senator.

No, I -- I -- I think the -- my question to you was is the underlying amendment requiring as part of a project labor agreement in Connecticut, under this proposal, requiring the contractor to pay an additional fees over and above the normal wages that are required under federal law as part of this agreement?

And I think your response to me was, no, it's fees from the contractor to a labor organization is sometimes how it's done.

Through you, Madam President.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Through you, Madam President.

Senator McLachlan, I'm not aware of the -- those fees at all.

SENATOR MCLACHLAN:

Okay.

THE CHAIR:

Senator McLachlan.

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SENATOR MCLACHLAN:

Thank you. Thank you, Madam President.

Thank you both Senators.

I have one other question and I'm not sure who's most comfortable addressing this. And that is this amendment before us as it relates to project labor agreements, how will this proposed legislation affect or be affected by a pending court case on project labor agreements here in the state of Connecticut?

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

I'm not prepared to answer that particular question, Madam President. It's a -- it's a matter for the court and for -- I -- I guess -- a determination, it would be conjecture on my part.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

And is there -- has there been any discussion as you've negotiated this legislation, what the impact of the pending court case might be?

Through you, Madam President.

THE CHAIR:

Senator Maynard.

SENATOR MAYNARD:

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No. I've had no such discussions.

THE CHAIR:

Senator McLachlan.

SENATOR MCLACHLAN:

Thank you, Madam President.

I stand in support of the legislation before us, especially because of the idea of design-build. Design-build is a best practice of corporate America and has been for years.

Frankly, this is the best way in most cases, not all cases, but the best way in most cases to get to the finish line and cut a ribbon on a project must faster than the process that has been in place in state and local government for years.

Design-build is a -- is a good way to go. I am very supportive of that.

The project labor agreement has been a -- a difficult choice for me. I have served as chief of staff to the mayor of the City of Danbury and had a lot of interaction with the trades representatives in the -- in the western Connecticut area who have worked hard to show the benefits of a project labor agreement to be used by municipalities. I have seen where they can be fruitful, beneficial and efficient.

There is still this concern that I have and I'm going to keep in reserve that a project labor agreement is perceived to be more expensive. Our Office of Fiscal Analysis is telling us that that's not the case. And I have high regard for the information they provide us and I will accept that.

The proponent of the bill has -- proponents, in this case -- have every understanding that this is to be an efficient way to -- to build and to do so without additional cost to the tax payers.

So with that in mind, I am supportive. I am supportive because this is only permissive and not mandated. Because by being permissive, that tells me that if that information

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that we're assuming tonight is incorrect, then the PLA gets kicked aside in favor of other alternatives.

But as long as that is, a, permissive, b, equal or less costly, and, c, more efficient as I understand it can be, then I can be supportive of this arrangement.

But I will remain, as I said, in reserve to be attentive to what is the impact of this upcoming court case in the State of Connecticut that I understand went to appeal and has now been sent back to the Superior court for further adjudication. And I am anxious to see this be successful for the taxpayers of Connecticut, that we have the potential here with these two programs, design-build and perhaps PLA, to be what's in the best interests of the taxpayers of Connecticut both on a state and a local level.

But once again, I caution you. This must remain permissive and not mandated. And as long as it is permissive, I will remain supportive.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark? Will you remark?

Senator Roraback.

SENATOR RORABACK:

Thank you, Madam President.

I've been listening closely to the debate on the bill and in particular was hanging on the exchange between Senator McLachlan and Senator Prague about the question of whether the bill would require payment of any agency fees to a labor organization by a participating contractor whose workers might not happen to be members of a particular union.

And I was heartened to hear Senator Prague's response that to her understanding nothing in the bill would require such payments.

And through Madam President to Senator Prague, I was

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wondering whether she would agree with me that if one of these project labor agreements were to require such payments that it would have the effect of potentially driving up the costs of the project?

Through you, Madam President to Senator Prague.

If a bidder had to bid against the knowledge that there was a risk of requirement that they would have to pay agency fees, that they would have to bid a higher amount in order to anticipate that eventuality.

THE CHAIR:

Senator Prague.

SENATOR PRAGUE:

Thank you, Madam President.

Through you to Senator Roraback.

Senator Roraback, the issue of the fees is rather puzzling to me. It's clear in here that it says -- I'd like to call your attention to the exact line -- that the entity that's doing this project can permit the selection of the lowest responsible qualified bidder without regard to the labor organization affiliation, not require compulsory labor organization membership of employees working on the project.

So your issue of fees that both you and Senator McLachlan have mentioned is not familiar to me.

SENATOR RORABACK:

Thank -

SENATOR PRAGUE:

I'm particularly pleased also, Senator Roraback, that this project labor agreement emphasizes that a percentage of the work is to be performed by minorities, women and veterans. And it invites all contractors to bid on the project.

SENATOR RORABACK:

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Thank -- thank you, Madam President.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

And thanks, Senator Prague.

And Senator Prague is focusing exactly on the same language that I am on lines 155 where it does say that these -- these agreements would not require a compulsory labor organization membership for employees working on the project.

And Madam President, right now in the State of Connecticut there's about a 30 percent unemployment rate for people in the construction industry. Times are tough. And it doesn't matter whether a union member or not a union member, you're a -- you're a working man or a working woman that wants to do an honest day's work for an honest day's pay.'

And my interest, Madam President, is making sure that everyone who wishes to work can find an opportunity to work. And because of that, the Clerk has an amendment which is LCO Number 4676.

If the Clerk would please call the amendment and if I might be permitted to summarize.

THE CHAIR:

Senator, we're still on Amendment "A," -

SENATOR RORABACK:

Oh. I am sor -

THE CHAIR:

Senate "A."

SENATOR RORABACK:

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You know, I apologize, Madam President.

THE CHAIR:

(Inaudible.)

SENATOR RORABACK:

I will - It is premature for me to offer an amendment until we've acted on the amendment before us. So I will sit down and await action on the amendment.

THE CHAIR:

Thank you.

SENATOR RORABACK:

I thank Senator -- Senator Prague for her answers. Thank you.

THE CHAIR:

Thank you, Senator.

Will you remark further on Senate "A"? Will you remark further?

If not, all in favor of Senate "A," please say "aye."

SENATORS

Aye.

THE CHAIR:

Opposed.

Senate "A" passes.

Senator Roraback, what do you stand for, sir?

SENATOR RORABACK:

For purposes of -- of an amendment, Madam President.

THE CHAIR:

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Please proceed, sir.

SENATOR RORABACK:

I'm glad that I didn't knock you -- I could have knocked you over with a feather.

Madam President, the Clerk has an amendment which is LCO Number 4676.

Would the Clerk please the amendment? And might I be permitted to summarize?

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO Number 4676, Senate "B," offered by Senators Roraback, Frantz and Senator Kane.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

I move adoption.

THE CHAIR:

The motion is on adoption.

Will you remark, sir?

SENATOR RORABACK:

Thank you, Madam President.

I'm -- I'm -- this -- this amendment is intended as a friendly amendment consistent with the conversation that Senator Prague has been engaging in with Senator McLachlan and myself.

It simply says that no project labor agreement would

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require a contractor or a subcontractor to pay agency fees to any labor organization.

Madam President, as I said, my interest is insuring -- in insuring that anyone who wishes to work has a fair crack at -- at an employment opportunity. And I understand he value that the project labor agreements can bring in particular circumstances.

But I also think it's important that we not put any party at a disadvantage by requiring them to pay fees that they wouldn't otherwise pay.

So I urge support of the amendment.

Thank you -- thank you, Madam President.

THE CHAIR:

Will you remark further?

Senator Prague.

SENATOR PRAGUE:

Through you to Senator Roraback.

Senator Roraback the entity that's doing the project, you know, is -- has the discretion. And I think that your amendment would be taking away from that public entity that discretion.

I think that, you know, if we're going to give to a municipality the right to make these choices, that we should not be imposing all kinds of restrictions on them.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Madam President.

The discretion that we would be taking away from municipalities would be the discretion to increase the costs of a project.

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Madam President, if a municipality were to decide to require someone -- to require someone to pay agency fees, it could only add to the costs of the project.

And I think, Madam President, if our goal is both to permit municipalities to use project labor agreements when they're appropriate, but also to make sure that such agreements don't unnecessarily increase the cost to the taxpayers for these project, this amendment is the right thing to do.

And I would ask, Madam President, that when the vote is taken on this amendment that it be taken by roll.

THE CHAIR:

A roll call vote will be called for, sir.

Will you remark further? Will you remark further?

Senator Prague.

SENATOR PRAGUE:

Madam President, thank you.

I urge rejection because I think this is taking away the discretion from the public entity, the state or that agency or the municipality.

I think we have to let them make the decision for themselves.

THE CHAIR:

Thank you, Senator.

Will you remark? Will you remark?

If not, Mr. Clerk, will you call for a roll call vote on Senate "B." And I will open the machines.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Senators, please return to the Chamber. Immediate roll

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call has been ordered in the Senate.

THE CHAIR:

If all members have voted, if all members have voted, the machine will be locked.

Mr. Clerk, will you please call the roll call.

THE CLERK:

Senate Amendment Schedule "B" for Senate Bill -- Bill 33.

Total Number voting	33
Necessary for adoption	17
Those voting yea	11
Those voting nay	22
Those absent and not voting	3

THE CHAIR:

The amendment fails.

Will you remark? Will you remark further?

Senator Roraback.

SENATOR RORABACK:

Thank you, Madam President.

If at first you don't succeed -

THE CHAIR:

Don't try again.

SENATOR RORABACK:

-- the Clerk has another amendment. And this one, quite frankly, is much simpler, much less controversial and deserving of, I hope, the Chamber's support.

Madam President, the Clerk is in possession of LCO Number 4646.

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If the Clerk could please call the amendment and if I might be permitted to summarize?

THE CHAIR:

Mr. Clerk.

THE CLERK:

LCO Number 4646, Senate "C," offered by Senators Roraback, Kane, Kelly and Frantz.

THE CHAIR:

Senator Roraback.

SENATOR RORABACK:

Thank you, Madam President.

I'm glad that most of the Senators -

THE CHAIR:

Would you like to make -

SENATOR RORABACK:

I would like to move adoption, if I may.

THE CHAIR:

Motion is on adoption.

Please proceed, sir.

SENATOR RORABACK:

And I -- and I'm glad that most of the Senators in the Chamber are sitting down, Madam President, because -- because this amendment offers a revolutionary idea, something never before considered by legislators or elected officials anywhere. And that revolutionary idea is that perhaps the elected officials ought to hold a public hearing before making a decisions on whether or not to enter into a project labor agreement.

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Madam President, what could be more forward thinking than to entertain the notion that taxpaying citizens ought to be heard on a question which can be complicated at its core?

I am eager to learn and anxious to rebut anyone who would suggest that a public hearing would be against the public interest. Because if there's anything I've learned in the years that I've been serving, Madam President, is that never is it the case that giving the public an opportunity to be heard erodes confidence in the integrity of our government.

I urge adoption of this amendment and hope that my colleagues will see fit to join me in affording the public an opportunity to offer their opinions, whatever those opinions might be.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark? Will you remark?

Senator Maynard.

SENATOR MAYNARD:

I am pleased to remark and to simply say that there is absolutely nothing within the bill that would prevent an entity from holding a public hearing. It is entirely within their jurisdiction and right to do so and I would expect, as Senator Roraback has indicated, avail themselves of that opportunity if they so wish. But there is nothing at all that should require that action because it is entirely permissible now. And any entity that wished to engage in a public hearing could do so.

THE CHAIR:

Thank you.

Will you remark?

Senator Roraback.

SENATOR RORABACK:

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Thank you, Madam President.

But I think Senator Maynard, with all due respect, through you, Madam President, misses the point of the amendment.

I recognize that if the elected officials choose, they can give their constituents the opportunity to be heard.

Madam President, I don't think that decision should rest with the elected officials. It's the public that ought to have the right to trigger a public hearing.

Senator Maynard's acquittal that no, no, everything is fine, we don't need this because if the selectmen want to have a public hearing, they can have a public hearing. I'm not worried about that.

What I'm worried is that citizens who care on either side of the question -- I don't care whether people think this is a good idea or a bad idea. But to not give them a chance to speak when their municipality maybe spending 10, 20, 30, 40, 50 million dollars on a sewer plant or a school or a -- another important public works project flies in the face of what our democratic institutions of government are supposed to insure.

Madam President, I -- I have a predecessor who served as a state Representative back in the 50s. Her name was Harriet Clark and she died at the age of 102 a few years ago. I brought her up here for 75th anniversary of women gaining the right to suffrage. She was actually part of that. And that shows how long I've been serving, that I was here when we celebrated the 75th anniversary of women gaining the right to suffrage.

Her signature accomplishment as a state Representative was passing a bill that required a public hearing when a teacher was terminated. She didn't think it was right that any teacher should be terminated without the public being given an opportunity to express their opinion.

Madam President, for us to pass this bill and not to give the public their due smacks of insensitivity to what our central role should be.

I urge support of the amendment.

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Thank you.

THE CHAIR:

Thank you.

Will you remark?

Senator Frantz.

SENATOR FRANTZ:

Thank you, Madam President.

I -- I want to thank Senator Roraback for bringing this amendment up because I think it does make infinite sense.

And Senator Maynard, you're absolutely right. There's nothing in this law that says you cannot have a public hearing. But I think due to the complexity of many of these different types of projects, the contracting that goes into it, some of the concepts like PLA that many citizens may not know about, maybe even the public officials don't know very much about them, it would make infinite horse sense to me to require a public hearing of some sort.

It doesn't have to be a major three, four, five day long public hearing. But just to educate citizens, taxpayers and local officials on what the concept is with respect to the construction project itself and what a PLA is and what some of the benefits of a PLL -- PLA might be. Because indeed, in certain circumstances, it is a desirable condition to have as part of a contract and part of a construction project.

But without a whole lot of background in the construction business and looking at the record and looking at what can go wrong and what can go right, I think it's important for everybody to have their day in the public hearing to make their opinions known.

And people will show up to these because we are, in many cases, talking about large projects. Certainly ten million dollars minimum here. And some of the people coming to that public hearing might want to point out some

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of the different projects that might raise a red flag.

I mean, probably one of the most memorable of them all is not too far from here, just about 110 miles away from here to our east in the City of Boston, the Big Dig. The government mandated a PLA arrangement up there when they started that project in the early 80s. It was originally supposed to cost 2.8 billion dollars, ended up costing something like 16 billion dollars. It was way over schedule. It was way over cost without -- without exaggeration at all.

And on top of that, there were lots of project defects. There was a fatality due to sloppy insertion of some of the ceiling panels that came down, unfortunately, on top of a motorist and -- and killed that person. There was a contractor involved in that project which apparently made -- in revenues anyway -- about 3.8 billion dollars off of that project that was charged and made criminally liable for shoddy workmanship.

So, you know, people will have a different perspective on this. And some may show up and say, "Listen, I've done a PLA in my district or my town and it worked out great because you had high quality workmanship. You have a great deal of attention paid to the workforce that was chosen to be on that job and it worked." But you've got to get those opinions out there in the in the court of public opinion, i.e. a public hearing.

The Wall Street Journal came out fairly recently and said that the PLAs that are now required at the federal level for projects over 25 million dollars -- that they are, in fact, required for projects over 25 million dollars. And if you take into account that 15 percent of the people in the building industry are unionized, 85 percent are not, I mean, it's -- you know, I don't have to go there and talk about how there are winners and there are losers. And in this case, it's a -- it's a very small minority that -- that are the winners.

And in fact, as a result of executive order 13502 at the federal level, they estimate that the nonunion members take home less than 20 percent -- or take home 20 percent less pay than those who are the beneficiaries of these particular projects. And that the projects are substantially increased in costs as a result of them, to

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the tune of 25 percent. That's a pretty stunning -- stunning number. Maybe it's a little bit less than that but maybe it's somewhere in between 10 and 25 percent, but that's a -- that's a huge amount of money, especially when you're talking about these large projects, and frankly, not being in a great position fiscally at the federal level and also the -- the state level.

And they estimate that just in the last year and a half or so, that many of these federal projects have cost taxpayers in excess of or pretty darned close to one and a half billion dollars annually, one and half billion with a "B" annually.

So there's a lot more to this than may meet the eye. You can -- you can make representations that you're going to get a better high quality product at the end of the day by using a PLA, but not necessarily always. And a public hearing is the only way to ferret out some of this information to let tax payers and, ultimately, the decision makers at the municipal and town level make their decision as to what they're going to do.

So I stand in favor of this amendment and the fact that a public hearing is the innocuous, most productive thing that you could do for any sort of a complex issue that we face as a tax payer in the state of Connecticut.

Thank you, Madam President.

THE CHAIR:

Thank you, Senator Frantz.

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

Briefly, I would like to speak in favor of the amendment. So many times we use tag words up here in the General Assembly and -- and one of those tag words is transparency. And you hear that a lot and especially bantered about the Circle and, of course, down in the House of Representatives and throughout government, I guess, that word of transparency.

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Well, this speaks to that. And transparency the form that the towns, the municipalities, the selectmen, as was -- as was bantered about between Senator Maynard and Senator Roraback would hold a public hearing for these type of projects. So everyone in town has the ability to attend, to weigh in, to understand the project at full force.

In my home town, we cannot -- or the town council cannot spend more than \$25,000 unless a town meeting is held. So it -- it's part of that old Connecticut Yankee government that a lot of us are used to in the Northeast and in our small communities.

We also put our school budget and town municipal budget out for referendum. And if both of them or even one of them fail, then both of them fail and we have to go back to the drawing board. But it gives each and every tax payer the opportunity to weigh in on the budget. And in this case, the ability to weigh in on a project that are very important, because a lot of times we're talking about school projects and municipal buildings.

So I thank Senator Roraback for bringing this amendment out. And -- and if we want to talk transparency in the real sense of the word because we all use it very often, this is the best way to do it.

Thank you, Madam President.

THE CHAIR:

Thank you.

Will you remark? Will you remark?

Senator Cassano.

SENATOR CASSANO:

Yes, Thank you, Madam President.

I want to speak against the amendment. I believe in transparency. And I believe in public hearings and public involvement. And that's why I'm against the amendment here. Because our forefathers, long before we got to this Circle, passed charters in 169 cities and towns. And

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every one of those charters have spending provisions.

Senator Kane points out his town. I wish ours was as flexible. I think our limit is \$5,000. So when you look at our agenda -- every Tuesday night there's a meeting -- there's several public hearings because \$5,000 isn't much in today's society.

More so, if you spend up enough -- up to a certain limit, you have to go to a referendum. What better public hearing is there than a referendum, a town-wide referendum?

This starting point is ten million dollars. Is there anybody in this Circle that could tell me that their town doesn't require some vote of the public for a ten million dollar outlay of expenses? That's why we have charters. And that's why we don't need the amendment.

Thank you.

THE CHAIR:

Thank you.

Will you remark?

Senator Kane.

SENATOR KANE:

Thank you, Madam President.

I wasn't going to speak again but in -- in -- in rebuttal to Senator Cassano, the referendum is the vote. But it's only one line. It's only one sentence, "Shall the town do this?" That's it. Public hearing provides the information and the education to the tax payer ahead of time, prior to walking into that voting booth so they have the information.

So the real definition of transparency is the public hearing, not the actual vote.

Thank you.

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Thank you.

Will you remark? Will you remark?

If not -- Senator Roraback.

SENATOR RORABACK:

Just wanted to make sure, Madam President, that when the vote was taken, it was taken by roll.

THE CHAIR:

It will be now, sir.

Will you remark? Remark?

If not, Mr. Clerk, can you call a roll call on Senate Amendment "C," and the machine will be opened.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Senators, please return to the Chamber. Immediate roll call has been ordered in the Senate.

THE CHAIR:

Have all members -- have all members voted? If all members have voted, the machine will be locked and the Clerk will call the roll -- the -- the -- the tally. call vote.

THE CLERK:

Senate Amendment "C" for Senate Bill 33.

Total Number voting	34
Necessary for adoption	17
Those voting yea	9
Those voting nay	25
Those absent and not voting	2

THE CHAIR:

The amendment fails.

Will you remark? Will you remark further?

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Seeing none, Mr. Clerk, will you call for a roll call vote on the bill?

THE CLERK:

Immediate roll call has been ordered -

THE CHAIR:

-- (inaudible) is open.

THE CLERK:

-- in the Senate. Members, please return to the Chamber. Immediate roll call has been ordered in the Senate.

THE CHAIR:

If all members have voted, if all members have voted, the machine will be locked.

And Clerk will call a tally.

THE CLERK:

Senate Bill Number 33 as amended by Senate "A."

Total Number voting	35
Necessary for passage	18
Those voting yea	32
Those voting nay	3
Those absent and not voting	1

THE CHAIR:

The bill passes.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, would ask for suspension for the purposes of -- of taking up an item that appears on Senate Agenda Number 2. It is substitute Senate Bill Number 31, AN ACT

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REP. CRAWFORD: Okay. So you're just saying there shouldn't be any time limit at all --

JOHN BARRETT: Right.

REP. CRAWFORD: -- prescribed by the state?

JOHN BARRETT: Right.

REP. CRAWFORD: Okay.

JOHN BARRETT: I mean it's in the building code.

REP. CRAWFORD: Got you. Thanks.

REP. GUERRERA: Thank you, Representative. Any other comments? Thank you, John.

JOHN BARRETT: Thank you.

REP. GUERRERA: Is Senator Bye here?

Al Herring, is he here? Al, followed by Martin Mador. Is he here?

ALLEN HERRING: Can I change good morning to good afternoon? Good afternoon Senator Maynard, Representative Guerrero, Senator Boucher, Senator -- Representative Scribner, and distinguished members of the Transportation Committee. Commissioner DeFronzo apologizes for not being able to be here today. For the record, I am Al Herring, Chief Engineer for the Department of Construction Services, formerly Public Works. I'm here today to provide comments on Governor Malloy's Governor's Bill 33, AN ACT CONCERNING PROJECT DELIVERY AT THE DEPARTMENT OF TRANSPORTATION.

Governor's Bill 33 provides that as an alternative to using design-bid-build contract model, the Department of Transportation may designate specific projects to be completed using a construction manager at risk contract with a guaranteed maximum price, or a design-build contract. To assist the committee with its review of this proposal, the Department of Construction Services hereby provides the committee with our experience with the construction manager at risk project delivery method.

Concerning the construction manager at risk delivery option, a design professional consultant is selected through a qualifications-based selection process. That consultant prepares the design and the construction documents. The construction manager at risk is chosen through a qualifications-based and best-values selection process.

The CMR provides preconstruction services during design and oversees project management issues and the coordination of activities during construction. The CMR publicly builds - - bids and holds all of the trade contracts. The CMR takes on the performance risk by providing a guaranteed maximum price for the construction of the project.

Under the design-build option to project delivery, the design-build team composed of a general contractor and an architect engineer compete in a qualifications-based screening process followed by a competitive sealed bid. I'll do another paragraph and then close.

A design-build team is chosen based upon the

proposal providing the best value to the state. The Department of Construction Services and the design-build team then enter into a contract wherein the team agrees to design and build the facility for a total cost set forth in its proposal.

In the interest of time, you've got the written testimony. From the Department of Construction Services point of view, we are very, very pleased with our construction manager at risk process. We've been doing this since 2009 actively. We have five projects under construction using this delivery method, and feel it gives us a significantly improved control on the major projects. I'm available to answer questions if you so choose.

REP. GUERRERA: Thank you, Al. Where was Commissioner DeFronzo, by the way?

A VOICE: Occupied.

ALLEN HERRING: Other than occupied, I'm not --

REP. GUERRERA: I'm going to have to remember that when I see him.

ALLEN HERRING: I will say in his defense somehow or other when you pick up DoIT, Administrative Services, and Public Works, there might be more than one meeting that you're trying to get to.

REP. GUERRERA: You know, Al, thank you for your comments here. I've always felt as though the design-build has always been a great asset in regards to getting things done. And I'm hoping that we can iron out some of the differences in regards to some of the issues that have come across our desk here. But again I'm glad to

see that someone is starting to bring this back out. Any other comments for Al? Thank you very much.

ALLEN HERRING: Okay. Thank you.

REP. GUERRERA: Martin Mador, is he here?

RYAN LYNCH: He switched with me.

REP. GUERRERA: What's that?

RYAN LYNCH: He switched with me.

REP. GUERRERA: He switched with you? Okay. And you are?

RYAN LYNCH: Ryan Lynch.

REP. GUERRERA: Followed by Commissioner Redeker.

RYAN LYNCH: Good afternoon. As I said, my name is Ryan Lynch, I'm the Policy Director for the Tri-State Transportation Campaign. We are a non-profit organization working for a more balanced transportation network in Connecticut, downstate New York, and New Jersey. Chairman Guerrero and Senator Maynard and Representative Scribner, thank you for the opportunity to testify today, as well as other distinguished members of the Transportation Committee.

I'm here today in support of Raised Senate Bill 111, AN ACT CREATING PENALTIES FOR CAUSING HARM TO A VULNERABLE USER OF A PUBLIC WAY. This bill has been endorsed by Connecticut's Bicycle and Pedestrian Advisory Board as well as over 20 other advocacy groups representing thousands of Connecticut residents throughout the state.

support it, but I think that more language needs to be ironed out. Thank you, Mr. Chairman.

REP. GUERRERA: Thank you, Senator Leone. Any other comments? Again it might be helpful, Ryan, do we have any testimony from the chief of police?

RYAN LYNCH: I don't know -- I don't know about today.

REP. GUERRERA: Okay. Maybe what their comments are on this and how --

RYAN LYNCH: Sure.

REP. GUERRERA: -- you know, how they could go about, you know, pursuing this type of law if it was passed. That might be helpful for the members here too.

RYAN LYNCH: Great. Thank you.

REP. GUERRERA: Thank you very much.

RYAN LYNCH: Thank you.

REP. GUERRERA: Commissioner Redeker from the Department of Transportation.

COMMISSIONER JAMES REDEKER: Good afternoon.

REP. GUERRERA: Good afternoon.

COMMISSIONER JAMES REDEKER: I appreciate the opportunity to be here and appreciate the committee's -- committee's willingness to hear bills on behalf of the Department of Transportation. I'm going to comment briefly on a few and spend a little bit more time on

HB 5163 HB 5165
HB 5170 SB 33

others that I think deserve some attention.

So first the more brief coverage, and that would be Bill 5163, revisions to Department of Transportation statutes. There are several, one deals with -- that was quick -- one deals with disposing of excess property. This would facilitate our capabilities to deal with excess property, both conforming properties and those that are non-conforming properties in a more expeditious fashion that I think will really affect our ability to do our job more efficiently. There's some changes in the dollar amounts for appraisals and a change in the process that would really speed up our ability to deal with property.

Number two, Section 2, deals with marine pilots capabilities to be in service and adds a feature that would inactivate a license that adds -- related to their ability, from a medical point of view, to perform the duties. This would be administrative action to inactivate a license until a person could provide some proof that they had, from a doctor, that they were able to respond and report back to duty.

Section 3 is about self-certifying vessels. Today that is a function done by the DOT. Rather than have that happen, this would simplify the process and, with a certificate of insurance, that would suffice for us in terms of the ability to certify the condition of a vessel for readiness.

Section 4 deals with permitting for companies that would like to use our property for filming. Today it's a little bit cumbersome to get through that process. And frankly often

speeding it up. In the end, we have to just repeal the old statute to make this all happen and we're asking your consideration of this. It is a pro-business and pro-business improvement for the DOT and we're really thrilled about where we are in terms of that process.

And then finally, Bill 33, the Governor's Bill regarding project delivery. This is a bill that would enable the department to deploy and employ design-build and construction manager at risk techniques for projects. I quite frankly was surprised coming into Connecticut and into this position that this wasn't a tool in the DOT's toolbox because I've been used to it for so long in my career in transportation. And I think it's in a critical set of capabilities for us to have. They -- I believe they bring to us several factors that will transform the DOT, when necessary, in terms of our ability to deliver projects, cost savings, time savings, and improved quality and innovation in the way we do projects. Those are key elements in our ability to -- to respond.

And I would add that one of the elements that is particularly important is that within federal guidelines, particularly in programs of funding like the ARRA funding with stimulus and like our TIGER program applications, those federal programs which come as -- repeatedly but almost unexpectedly enable us to actually use design-build to deliver projects, or we have to have projects completed and ready to go.

I don't like being in a position where in this latest round, I was unable to actually have a construction project in the right ballpark

ready to go because they don't have the design backlog of projects ready to go. But, frankly, if I had design-build, I could have gotten additional money to the state of Connecticut.

At a minimum, the department needs to maintain its --its basic engineering capability and resource to complete our program of moving projects through the design pipeline, having them ready to go, and sustaining our infrastructure. But design-build gives us new capabilities as does construction manager at risk. Perhaps less drastic of an approach, but one which, as with design-build, gets us a price guarantee, allows us to manage projects effectively, and really gets a best value delivery mechanism in place for -- for a price.

I think it gets us higher quality control, gives us an ability to keep our price within a fixed amount of money, and in some sense builds the capability within our construction industry to take on some of the risk that otherwise gets placed back on the state. So it's my recommendation that we move forward with design-build, and at that point I will complete my testimony and would welcome any questions.

REP. GUERRERA: Thank you, Commissioner, and thank you for your testimony. A couple questions and I'll hand it over to my Co-Chair here and my Ranking Member. In regards to -- to 5163, I know that there's been some concerns with the pilots on this. Specifically in the -- in regards that it seems like we're duplicating some of the efforts that the United States Coast Guard has a prerequisite for a state license, why would we want to basically duplicate efforts here?

And I'm very hopeful we'll produce significant improvement for the permit applicants, which has been a fairly significant problem particularly in recent years with the chronic delays. And this seems to address all of that, and so I'm very supportive of the implementation and am anxious to see the positive results that it produces. That's all I have, but thank you.

COMMISSIONER JAMES REDEKER: Thank you.

REP. GUERRERA: Thank you, Representative Scribner.

Representative Larson.

REP. LARSON: Thank you, Mr. Chairman. Thank you, Commissioner, for your testimony. My questions frame a little bit around the Governor's Bill No. 33. My first question is where were you four years ago? I -- I find it just awfully ironic that -- that you're coming before us to ask for this permission. I think that it's -- it's long time overdue, frankly.

I -- I oversaw a \$35 million federally-funded program at Tweed New Haven Airport, and one thing that I think gets overlooked a little bit in our business and in larger projects is being -- living in Connecticut or working in the environment in Connecticut, weather clearly has a play in when you can build and design. Most of your work, I would suspect, has to do with road building and tar and plants closing.

I see this bill as an opportunity to be much more flexible with your design, and getting projects across the plate a little quicker, and putting more people back to work faster. I've

heard several comments from area engineers that say we've got a lot of design, but nothing to - - to work on. And -- and they're anxious to get work going and so forth. So I applaud the effort on behalf of the Governor.

I have a couple of questions. I don't know that this necessarily interrupts non-union or union work from the perspective of depending upon the size and nature of the type of construction that you're doing, usually the larger construction jobs are going to fall to union shops anyways because of the magnitude and the ability to get the work out, so I don't see where the design-build interrupts any of that. I also think that it gives smaller jobs to local guys that have a little bit more flexibility.

From time to time I can tell you we found it difficult to find niche contractors on larger jobs' and have -- and have sometimes stumbled parlaying that against, you know, the FAA authorizing being held up on certain projects. When you talk about these TIGER projects, so you're -- you're, you know, three-quarters into your job and then the FAA holds up your -- your authorization and now you've got change orders and overruns and -- and additional costs that are just -- they're just beyond belief. How -- how can governments make sure that local folks get involved in these design-build projects, can you answer that?

COMMISSIONER JAMES REDEKER: Sure. I -- I think it -- consistent with the overall department's approach to projects and -- and what we've done frankly for most of our projects if not all now, is we do a lot of outreach and partnering. From small businesses to disadvantaged

businesses to all the contractors, in first understanding what we're doing, making sure that firms, perhaps the smaller ones and the local ones are qualified, understand what to do, we bring them through that process. And when we -- when we actually create a program, we often will break programs down into subprojects.

An example of that is the busway that could have been one single project but was broken up into many pieces. And as a result we see local contractors are interested, willing, and successfully participating in a project like that. So I think it's part of our overall strategy. Design-build would be added to that strategy, it wouldn't be handled any differently. Certainly the partnerships that - - that develop to do design-build in terms of the field, actually offer new opportunities for people locally to participate.

So I would say that our commitment to that outreach, to that training, communication, participation, as well as just support in knowing how to participate with the department effectively is a way to guarantee that. And so the successful firms will get the work and they will be local firms. They'll know us best.

REP. LARSON: That's great. Thank you very much. Thank you, Mr. Chairman.

REP. GUERRERA: Thank you, Representative Larson.

Representative.

REP. WADSWORTH: Thank you, Mr. Chair, and thank you, Commissioner, for being here today. I too am particularly concerned about Senate Bill No.

33. And in terms of my experience in the past with DOT projects, it seems like there's always reasons why they take a long time and that there's no funds available to get them done.

So I'm just wondering, would this opportunity to go to design-build or construction manager at risk, is that going to improve your capacity, through-put through your department? I mean I don't know how much design is done in-house at this point in time versus outside-house, and is it going to be a money issue or a design issue ultimately that -- that caps you on capacity?

COMMISSIONER JAMES REDEKER: Okay. So a little bit of background, I mean right now as we sit today, the department has lived through a summer of retirements of 189 people. We're not back to capacity there. We finished the last two years of incredibly aggressive funding because got a lot of stimulus dollars. We took those and applied them to the projects that were ready to go. So we're actually at a place today that we have very little if any backlog of projects ready to go from a design point of view.

We have still got to rebuild our staff, and frankly, when opportunities come to perhaps go after new money and stimulus money, design-build would give us an opportunity to go after those very effectively. In the long run, design-build, I think, gives us an opportunity to pick selective projects that may be particularly difficult or interesting that need innovation, where we want to try something new, where we want to set a price and make sure that there's some risk being taken on by the contracting community, so that we can actually

deliver something that way.

But I don't see design-build replacing the core functions of the department to sustain a regular program of design for a highway, bridge and transit program. I do think there are special applications that -- that really play into delivering a project using design-build or construction manager at risk. Typically as we look at other states, most of our nearby states have this capability, and other agencies within Connecticut.

These contracting approaches typically don't take more than five percent or utilize more than five or ten percent of our total construction project pipeline, because they're specialized, they're there for a reason. The way I view it is we're going to have to take these on incrementally and do them smartly. We don't want to do this the wrong way, and we'll be very careful about selecting projects going forward and building the capability in the department.

Design-build and construction manager at risk are really very different management approaches than typical construction projects. You're managing really, from a business perspective, a business deal. You're not managing the construction in the field. But what it gets you is a project that gets done usually a lot faster, maybe not for less money, but faster. And I think we've got critical needs facing the state where this could be deployed and deployed effectively.

REP. WADSWORTH: And the fiscal issue to this, is there funds available out there so as you move these projects along they can be funded and

completed?

COMMISSIONER JAMES REDEKER: These would be, I mean typically they'd be funded within our normal program, we'd select appropriate projects. Or, as I said, we might be able to go after special discretionary funding that becomes available where design-build is eligible for those resources, and that's sort of above and beyond funding. The -- the TIGER program that just came through keeps coming through sort of on a regular cycle is an example of that.

And if we have a design-build capability, I think we could have successfully competed for that money, because we could have started from scratch and designed and gotten a project through. Without that, we had to forego that because there wasn't a project ready for construction, shovel-ready.

REP. WADSWORTH: Thank you, Commissioner. Thank you, Mr. Chair.

COMMISSIONER JAMES REDEKER: You're welcome.

REP. GUERRERA: Commissioner, let me just ask you a few questions before I hand it over to Representative Steinberg in regards to design-build, is this more compatible in a union or non-union environment?

COMMISSIONER JAMES REDEKER: I think it can work in either -- in either capacity. It has in other places.

REP. GUERRERA: And in regards to small businesses or disadvantaged or minority participation, would it work the same way then as some of the contracts that are out there right now?

COMMISSIONER JAMES REDEKER: Sure. I mean we -- we would continue to set our goals the way we set them today. And our history has been that we've met and exceeded all of our goals on the highway and transit side for disadvantaged and minority business enterprises. We've got an aggressive program to do that, and we're committed to that. This would just fall within that same category.

REP. GUERRERA: And in regards -- what about in regards to speed or delivery of the project? Do you see these as being -- the cost being under and getting that project up and going a lot faster than say otherwise?

COMMISSIONER JAMES REDEKER: I don't see it necessarily as a guarantee of anything on the cost side. If anything what it does is fix the price so that there's risk that we're not bearing later. There's certainty about that where today we might not have that on most of our projects. What it does do is shorten the delivery time, and -- and that's been demonstrated over and over and over again. So -- and that's been my experience when I was back in New Jersey. Whether it was a parking deck or a light-rail line, I mean it really did shorten the time. It did not necessarily save money, but sometimes time is money. So it really does net out and I -- I think that that's the opportunity here.

REP. GUERRERA: And have you -- in your experience with this, has there been any issues in regards to the quality of the work?

COMMISSIONER JAMES REDEKER: No, I think that that's part of the contracting piece, I mean what

we're selecting. What's different about design-build and construction manager at risk is we're really selecting based on qualifications, it's not just low-bid sometimes. You know, we can mix and match that. And when you specify what you want and you set the performance metrics, that's what makes it different in terms of managing these. So that's -- when I look at this, I want this capability for the department, but I want to deal with it in a very careful way so that we're having the right people who have the skills to manage a business deal and not necessarily construction managers. So it's -- it's going to challenge us, but I think that that's the right challenge and we need to have this capability.

REP. GUERRERA: Thank you.

Representative Steinberg followed by Senator Boucher.

REP. STEINBERG: Thank you, Mr. Chair. I want to follow up on the line that my colleague was taking with regard to your fiscal circumstance. I was struck by your comment that you really don't have a backlog of jobs right now. Earlier in the week I joined my congressional delegation in Westport, adjacent to an I-95 bridge that was ranked the worst in Fairfield County and fourth worst in the state.

I'm not familiar with the specific elements of its deficiency, but if you're really not in a backlog situation, even if ARRA funds are no longer available, how do you factor that into your -- your work schedule? Is that going to get done? Obviously there are any number of projects in the state of Connecticut which are

high priority. And if, for example, the federal government may pass a bill that funds Connecticut to the tune of 600 million less than it did previously, what would that impact be on you?

COMMISSIONER JAMES REDEKER: Those are -- that's an interesting question and hopefully it's not 600 million less, because that would be the whole program and that would be the end of our program. But let me -- let me talk about funding and prioritization. One -- one point about the last couple of years that I didn't talk about was why we are in a position where there's not a lot of projects ready to go, and part of that was our federal-funding partners.

What they said to -- what Federal Highway said to us was, if you have a backlog of projects and you can't deliver those projects to construction in ten years, we're going to take the money back. And so the first thing we did was make sure that we had projects that we could deliver, and that -- and that narrowed the pool. We had -- we had more than twice the number of projects we could deliver, backlog. So we redefined our project pipeline.

But then we had the ARRA project program and TIGER program and stimulus money come in, and we took those projects that were on the back burner and put them on the burner and got them done. And then we had retirements, and so we're still looking to refill some of those. So what's the normal pipeline of project development is really at a place where -- a very abnormal place for the state of Connecticut.

In terms of priorities, every single bridge and

every single highway has a rating, and we set those priorities to sustain a safe system all the time. So bridges that are essential will get done assuming that the federal program stays about level, that's our assumption, and the state program stays about where it is.

Our five-year capital program, I believe, addresses all of the critical facilities on our system. But for the mega projects, right, that still are going to be a challenge, but we're moving those forward in design. So after the Q bridge comes the I-84 viaduct in Hartford. And after the viaduct in Hartford comes the Mixmaster Route 8 on 84 in Waterbury. Those are megaprojects. But we will move those along in a process so that in appropriate time down in the next decade, we'll be able to cover those as well assuming all funding continues.

I believe that the state has a challenge which is if we want to get other things done and get to some of the -- the deficiencies that we're seeing as our bridges are getting older. The average age of our bridges is 55 years right now. That's beyond where they should be which means the maintenance requirements are going up. So we have an obligation to see if we can address more of the maintenance obligations to prevent major projects.

That's why our program is converting to a preservation strategy, maintaining things ahead of time so we don't get to a backlog and then have a huge replacement obligation. It's smart, it's efficient, it saves money in the long run. So our hope is to balance as best we can our priorities. Ideally, you know, money would fall from -- from the sky and we'd be able to get all our needs and all of our wants

and all of the expansion ideas for transit and highways done. May not likely happen in, you know, the next couple of years. But we need to fight for that too and hope for the best. And we are fighting the cause in Washington as you look at authorization, and hope for the best there as well.

REP. STEINBERG: Thank you. I just hope that when it comes to bridges that have been identified as deficient, we don't wait too long even for these megaprojects.

COMMISSIONER JAMES REDEKER: Absolutely. There -- we will address every single safety issue immediately, and our program does that.

SENATOR MAYNARD: Thank you.

Senator Boucher.

SENATOR BOUCHER: Thank you very much, Mr. Chairman. And certainly I was very happy to be able to be back from another committee hearing in education to see you here, Mr. Commissioner. And thank you for all the hard work that you do and the personal interest that you take in almost every issue we have and every constituent we seem to have.

I'm particularly interested in this bill when you discuss the fact that this could -- the biggest advantage would be shortening time. Because that is one of the things that our public is most annoyed at, is the length of time it takes projects from the State Department of Transportation to do, because they're usually trying to get somewhere and it delays their getting to where they need to go. So, you know, you hear from people there.

But also I believe it also affects cost because the shorter the timeframe, you know, the longer these drag out the projects. And by the way, in the last couple of years specifically, such a good job is now being done on making sure projects are done on time and in some cases ahead of schedule as well, and oftentimes on budget. I know we've been helped by lower raw material costs and so on, yes, but I think the time and efficiency of projects is markedly improved. And thank you for that, hope it continues. And if this bill helps to get us further there, then, you know, I'll be very supportive of it. Thank you.

COMMISSIONER JAMES REDEKER: Thank you.

SENATOR MAYNARD: Thank you. Are there other questions from committee members?

Representative Nicastro.

REP. NICASTRO: Thank you, Mr. Chairman. Good afternoon, Commissioner. Representative Larson actually hit my question, he nailed it. But I wanted to tell you regarding Senate Bill 5163 - - House Bill 5163, I'm looking at these changes that you're looking at to make, and I'm very impressed with that. And I wanted to tell you that because a lot of these changes should have been made years ago, long before you.

And what really impresses me, and I know this sounds like I'm blowing smoke, but what really impresses me is how you've taken this department, you know, really taken charge of this department and moved it forward in a positive way. I've been sitting here for six years, okay. And I got to tell you, quite

frankly, what I've seen since you came on board as full-time chairman -- commissioner rather, is -- is very impressive. Please keep up the good work, because you and your staff deserve that. You've done a great job.

You've been there for me when we had that serious problem up on Route 72 (inaudible) major flooding where we lost about 150 feet of road there. You were there right away when we called for you. You had it taken care of. I know the mayor was impressed, everybody was impressed how you handled that. So I just want to commend you and your staff for the outstanding job you've done. That's all I wanted to say. Thank you, Commissioner.

COMMISSIONER JAMES REDEKER: Thank you so much. The credit really is due to the staff, and I want to make sure that they're recognized for that. They just shove me up here after they do the good work. So on their behalf I thank you for that.

SENATOR MAYNARD: Thank you, Representative Nicastro, and I want to, as we say, associate myself with the remarks of my colleague, Commissioner, likewise from us. One other question, just back to the earlier discussion, by the way, I -- I am quite interested and -- and generally supportive of the design-build approach for a lot of the issues mentioned. So I just wanted to indicate that and appreciate you bringing that forward.

But the other question was just back to the pilots issue, I knew I was searching for one other area, and that is the certificate of compliance. Is that -- is that a common practice around other states? Because it -- it

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RICHARD THOMAS: Senator Maynard, Representative Guerrerera, Senator Boucher, and Representative Scribner, members of the committee. Thank you for the opportunity to speak today. I am -- my name is Richard Thomas and I'm with the Design-Build Institute of America. And I want to speak briefly about the advantages of using design-build and hopefully dispel some -- some myths along the way.

Design-build is widely used today. It's 40 percent of the construction market and it's growing fast. In fact, in the -- in the last five years, the use of design-build has doubled both in terms of the number of projects and the value of those projects. And although design-build is authorized in some fashion in all 50 states, there are 4 states that don't authorize design-build for transportation uses, Oklahoma, Iowa, Nebraska, and Connecticut.

The -- as the commissioner had -- had talked about a little earlier, the reasons that public owners choose to use design-build generally is urgency of a project. If you need to get a project done very fast, design-build is the ticket, the opportunity for innovation, the opportunity for risk transfer, to achieve cost savings, and to achieve high quality. These reasons should really come as no surprise.

Studies have shown that design-build projects are typically delivered at six to ten percent lower cost than traditional methods. And perhaps more importantly, design-build projects are delivered 33 percent faster than traditional methods. When one can deliver a project faster and more cost efficiently without sacrificing safety and quality, I think

the real question is why wouldn't -- why wouldn't we have this tool authorized for all sectors? And I think that's why, you know, we're here today.

Design-build has been used in every region of the country, both on big and small projects alike. It's played an especially critical role during disasters where a local and regional infrastructure has been wiped out. We saw this after Katrina in the -- on the gulf coast. The collapse of the 35W bridge, which unfortunately I was to witness, and here's a bridge that was not only -- typically to design a bridge like this might take a year. The project was designed and completed in less than 14 months. And we also saw it recently in New York when the hurricanes came through last fall and Route 42 was -- was destroyed. And that was quickly -- quickly repaired.

And with today's current economic challenges, I'm often asked how design-build affects local economies. And I think the good news is it works very well. If you're a small business person and you're next to a construction project, having a project that's completed six to nine months earlier can mean the difference between your business being in business or not being in business.

And also it -- it provides a lot of opportunities for the local construction industry as a whole. It -- it makes the industry -- I was going to say for the lack of a better word, more sophisticated contractors because you're integrated more with other teams and, you know, contractors are learning more from their specialty contractors, the engineers are learning from the contractors. Instead of

having all these folks siloed, they're all working side by side.

I'll just close quickly, I want dispel some myths, some were raised here. One that design-build is only for big projects. The issue of unions whether it's compatible in a union or non-union, is a non-factor. And also the local participation, we've seen all over the country that design-builders have been able to work very efficiently.

And I think a key thing here, and the commissioner talked about this earlier, is performance requirements. If the owner makes it important to have local participation in the project, you can make sure that happens. And I'd be -- I'm out of time, but I'd be more than happy to take any of your questions about some of the specific comments I might have --

REP. GUERRERA: Thank you, Richard. I appreciate those comments, because I think it goes to what we've been waiting for for quite a long time. I believe that design-build can move projects more quickly. In regards to cost, I understand that maybe it's the same amount of the cost of the construction project.

But again it's something like you said that we can get it out there, get it done, in a professional manner, quality built the way it should be built, in a timely, you know, and like you said, any construction project that's done quicker obviously would save money. And I appreciate you touching on some of the points in regards to small projects or big projects. And I did notice that there's a lot of other states that do this.

RICHARD THOMAS: Forty-six states.

REP. GUERRERA: Forty --

RICHARD THOMAS: Forty-six states.

REP. GUERRERA: Forty-six.

RICHARD THOMAS: And some of them -- and, Mr. Chair, there really -- you have the whole gambit. You have some states like Florida which has a goal of 25 percent. Some states use it on small projects, some states use it on big projects. So although, you know, 46 states do have authority, they all have their own unique ways of -- of how they -- how they fashion those programs as well as I assume you would all do here in Connecticut.

REP. GUERRERA: Excellent. Excellent. Any other comments for Mr. Thomas? Thank you, Richard, for staying and clarifying some of those questions, very important.

RICHARD THOMAS: Thank you.

REP. GUERRERA: James Butler followed by Jim MacPherson.

JAMES BUTLER: Thank you, Senator Maynard, Representative Guerrero, members of the committee. I'm here today to speak about Senate Bill No. 112. My name is Jim Butler and I'm the Executive Director of the Southeastern Connecticut Council of Governments. We are comprised of 20 municipalities in southeastern Connecticut. The bill that we -- that we have proposed and the committee has raised is AN ACT CONCERNING THE SOUTHEASTERN CONNECTICUT COUNCIL OF GOVERNMENT'S OVERSIGHT OF THE SOUTHEAST AREA

But I will tell you that I believe it's helped raise the level of commitment on the part of this committee to make sure that this issue is addressed. Thank you.

DR. LINDA PERRY: Thank you.

REP. GUERRERA: Thank you, Representative Crawford. Any other comments? Thank you, Dr. Perry.

DR. LINDA PERRY: Thank you.

REP. GUERRERA: Paul Brady followed by, is Carol Leighton here? I don't think so, followed by Doug Pratt and Captain Charlie Jonas.

PAUL BRADY: Good afternoon, Senator Maynard, Representative Guerrero, Representative Scribner, members of the committee. I'm Paul Brady, Executive Director of the American Council of Engineering Companies of Connecticut representing engineering firms in the state. I'd like to speak -- speak in favor of Senate Bill 33, AN ACT CONCERNING THE DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY.

The bill would authorize the use of design-build and construction manager at risk, and we support that. Both methods are being used successfully in other state transportation departments, by the Connecticut Department of Construction Services, and by the private sector. In June of 2010, the Connecticut Academy of Science and Engineering prepared a white paper recommending the use of design-build by the Department of Transportation, and several of my recommendations stem from that paper.

Concerning the construction manager at risk,

Section 1(b) of the bill, recommend eliminating the use -- use of the words "architect, engineer or" from line 16. The design professionals should be selected using a qualifications-based selection as required by the federal Brooks Act and Connecticut Statute.

Concerning design-build in Section 1(c) of the bill, we would recommend the following changes. For projects that require environmental permits, the Connecticut Department of Energy and Environmental Protection requires project designs to be virtually complete prior to the issuance of a permit. This could create uncertainty and increase the cost of design-build projects. We'd recommend that the legislation include a provision that DEEP work with the DOT to resolve those issues at an earlier level.

The legislation should incorporate stipends into the project selection process. The issuing of stipends should followed federal policy, and the shortlisted design-build teams not selected should receive compensation for their design expenses.

The legislation should be clear that the selection of the design-build team would be based on a two-step process as recommended by national organizations including AASHTO. The first step involves shortlisting firms that are prequalified for the program. And then the second step is a issuance of a request for proposals and evaluation of the technical provisions of the project and -- from the shortlisted firms. The commissioner would then select the winning team based on a -- based on a best-value judgment.

The use of CMR and design-build will require training and experience by DOT staff. We hope that DOT will work with ACEC and other industry groups in developing policies and procedures to make those new procurement methods a success.

Thank you for your consideration, and if you have any questions, I'd be happy to try to answer those.

REP. GUERRERA: Good afternoon, Paul, thank you for waiting. Just a couple things, I know you outlined a few issues in regards you would like to see what the bill would incorporate, I believe it was one through three here, correct?

PAUL BRADY: Yes, sir.

REP. GUERRERA: Okay. Now by incorporating these -- these three items, that shouldn't prolong the process, correct?

PAUL BRADY: No. No, not at all.

REP. GUERRERA: So this is just --

PAUL BRADY: These are procedural issues.

REP. GUERRERA: Procedural, okay. All right. And I'm -- I'm glad to see that you're in support of this. I know that you've always been a big proponent of this. I know that we have met on a few occasions in regards to, you know, we kind of were in this process a while ago, then went out of it, and now we're starting to see it all come back again knowing that how important it is to get these projects moving, which does create jobs as we all know across

the board, and speeds up the whole process in regards to certain -- certain areas in the state. And certain projects get done quicker and we save money. I appreciate the three items that you outlined, and it's something that I think we will look at to make sure that if this bill gets put out (inaudible) we'll see if we can incorporate those issues.

PAUL BRADY: Thank you.

REP. GUERRERA: Any questions for Paul? Thank you for waiting, Paul.

PAUL BRADY: You're welcome.

REP. GUERRERA: Carol Leighton, is she here?

Doug Pratt followed by Captain Charlie Jonas.

DOUGLAS PRATT: Good afternoon, Representative Guerrero, Senator Maynard, distinguished members of the Transportation Committee. My name is Douglas Pratt, I'm a six-year veteran inspector of the Department of Motor Vehicles. I am here today to show my support for House Bill 5023, AN ACT CONCERNING ARREST POWERS FOR LOCAL POLICE OFFICERS AND MOTOR VEHICLE INSPECTORS.

My law enforcement career began in 1997 as a police officer in the Town of Stonington. In 1999, I became a trooper with the Connecticut State Police. In 2005, I transferred to the Department of Motor Vehicles as an inspector. I'm currently assigned to the eastern district truck squad where I enforce federal commercial motor vehicle laws, all Connecticut -- Connecticut State Title 14 laws and regulations. I issue infractions, misdemeanor

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ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Connecticut

TESTIMONY BEFORE THE TRANSPORTATION COMMITTEE REGARDING SB33

February 22, 2012

I am Paul W. Brady, Executive Director of the American Council of Engineering Companies of Connecticut (ACEC/CT), representing over 85 engineering firms providing independent engineering services to the public and private sector.

On behalf of ACEC/CT, I would like to speak in favor of SB 33, AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY..

This bill would authorize the Commissioner of Transportation to use two new procurement methods: construction manager at risk (CMR) and design-build. Both methods are being used successfully in other state transportation departments, by the Connecticut Department of Construction Services and by the private sector. In June, 2010 the Connecticut Academy of Science and Engineering (CASE) prepared a white paper recommending the use of design-build by the Department of Transportation.

Concerning the CMR process in Section 1(b) of the bill, we would recommend eliminating "architect, engineer or" from line 16. The design professionals should be selected using the qualifications-based selection as required by the federal Brooks Act and CGS Sections 13b-20b through 13b-20k.

Concerning the design-build process in Section 1(c) of the bill, we would recommend the following changes:

1. For projects that require environmental permits, the Connecticut Department of Energy and Environmental Protection (DEP) requires project designs to be virtually complete (approximately 90% complete) prior to issuance of permits. This could create uncertainty and increase the cost of the design-build project. We would recommend that the legislation include a provision that DEEP work with the DOT and the design-build team to issue permits without necessarily having reviewed the completed project designs. There should be an agreement between DOT and DEEP prior to starting the design-build project that would provide the framework for permitting.
2. The legislation should incorporate stipends into the project selection process. The issuing of stipends should follow federal policy (23 CFR 636.112). The shortlisted design-build teams not selected should receive compensation for their design expenses.
3. The legislation should be clear in that the selection of the design-build team would be based on a two-step process as recommended by many national organizations, including

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the American Association of State and Highway Transportation Officials (AASHTO). The first step involves shortlisting teams based on their responses to a request for statements of qualifications and without a preliminary design and price. The second step is issuance of a request for proposals and evaluation of technical and price proposals from the shortlisted teams. The Commissioner would then select the winning team based on best value.

The use of CMR and design-build will require training and experience by DOT staff. We hope that the DOT will work with ACEC and other industry groups in developing policies and procedures to make these new procurement methods a success.

Thank you for your consideration and I would be happy to answer any of your questions.

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**Public Hearing – February 22, 2012
Transportation Committee**

**Testimony submitted by Commissioner James P. Redeker
Department of Transportation**

Governor's Bill No. 33 - AN ACT CONCERNING DEPARTMENT OF TRANSPORTATION PROJECT DELIVERY.

The Department of Transportation (ConnDOT) strongly supports Governor's Bill No. 33, AAC Department of Transportation Project Delivery to provide the Department with options to help deliver certain transportation projects faster and more efficiently.

Currently, the only project delivery method available to ConnDOT, with the exception of work performed under Emergency Declaration statute 13b-26(f), is the "Design - Bid - Build" method. This proposal would allow the Commissioner of Transportation to designate certain transportation projects for an alternate project delivery method of either "Design-Build" or "Construction Manager at Risk - Guaranteed Maximum Price".

The Department of Transportation is responsible for hundreds of projects at any point in time and the projects involve all modes of travel, a growing value range, several federal agencies (FHWA, FTA, FAA, FRA, etc) with a myriad of federal aid grant and project/program funding requirements/arrangements. Some projects may have specific timeframes established for use of funds. While the demands of an aging infrastructure and environmental requirements have increased, the federal funding picture has changed significantly and discretionary grant programs/initiatives such as ARRA and the TIGER programs are becoming more common. The ability to utilize alternative project delivery methods such would strengthen our ability to compete in these programs that often require very short applications timeframes.

The agency has taken advantage of technological advances over time and continues to pursue more innovations, but accelerated project delivery methods need to be incorporated to enable the state to best utilize funding opportunities and satisfy public expectations.

Since 1990, the Federal Highway Administration (FHWA) has allowed State DOT's to evaluate non-traditional contracting techniques under a program titled "Special Experimental Project No. 14 - Innovative Contracting" (later revised from "Innovative Contracting" to "Alternate Contracting"). FHWA published a final rule in the December 10, 2002 Federal Register to implement regulations for design-build contracting as mandated by Section 1307 (c) of the Transportation Equity Act for the 21st Century (TEA-21). The regulation allows, but does not require, the use of design-build contracting procedures.

There are various adaptations of these two alternate project delivery methods which effect project duration, cost, and risk.

Design - Build

Design - build (DB) is an alternate method of project delivery in which the design (subsequent to preliminary design) and construction phases of a project are combined into one contract, allowing for certain aspects of design and construction to run concurrently. This can provide significant time savings compared with the more traditional design-bid-build approach where the design and construction services must be undertaken in sequence.

- The Design-Bid-Build process involves three primary players and two separate sequential contracts - the owner and designer and the owner and contractor.
- The general contractor selection is based upon the price of the Lowest Qualified/Responsible Bidder utilizing the Competitive Sealed Bid Process.
- The Design-Build process consists of two primary entities with one contract involving the owner and design build entity.

The Design-Builder is based upon a Quality Based Selection to create a short list and a Best Value Selection which considers the sealed Technical Proposal and sealed Price Proposal utilizing a predetermined metric provided to proposers.

With DB project delivery, the design-builder assumes responsibility for the majority of the design work and all construction activities, together with the risks associated with these services. This provides the DB with an increased flexibility to be innovative. Along with the increased flexibility, the design-builder also assumes greater responsibility and risk. The owners of the project usually retain responsibility for financing, operating, and maintaining the project. Because both design and construction are performed under the same contract, claims for design errors or delays are significantly decreased and the potential for other types of claims are greatly reduced. From a state transportation agency perspective, the potential time savings is a significant benefit.

The successful execution of a DB contract provides several benefits, including:

- Time savings through:
 - Early contractor involvement; and
 - Elimination of a separate construction contract bid phase.
- Cost savings from:
 - Reduced construction engineering and inspection costs to the contracting agency when these quality control activities and risks are transferred to the design-builder; and
 - Fewer change and extra work orders.
- Improved quality through:
 - Greater focus on quality control and quality assurance through continuous involvement by design team throughout project development; and
 - Project innovations uniquely fashioned by project needs and contractor capabilities.

The Connecticut Academy of Science and Engineering (CASE) undertook a study of Design-Build at the request of the Department. The report "The Design-Build Contracting Methodology for Transportation Projects: A Review of Practice and Evaluation for Connecticut Applications" was released June 2010. The brief statement of primary conclusion reads: "ConnDOT should be able to utilize the DB contracting methodology for design and construction of transportation-related projects. It is noted that DB is not entirely new to ConnDOT, as the Commissioner has the authority to modify or eliminate the bidding process for emergency declaration projects.

The General Assembly should adopt legislation permitting use of DB contracting as an option for transportation projects. The legislation should require ConnDOT to periodically report on its experience in utilizing DB contracting to the Transportation Committee and other relevant committees of the General Assembly for the purposes of determining the value and benefits of this method of contracting to the state and the public."

The Commissioner of Construction Services (DCS), formerly the Department of Public Works, currently has authority to designate certain projects as Design- Build pursuant to CGS 4b-24.

Construction Manager at Risk -- Guaranteed Maximum Price (CMR - GMP)

There are several variations of Construction Manager at Risk (Contractor at Risk, Construction Manager/General Contractor, etc.), but this proposal is to allow the Commissioner of Transportation to designate certain projects for a project delivery methodology of Construction Manager at Risk - Guaranteed Maximum Price.

CMR-GMP provides a quality based contractor as well as construction cost controls. Transportation facilities such as train stations, airport terminals, transportation maintenance facilities all offer possibilities for use of CMR-GMP.

DCS considers CMR - GMP to be the preferred project delivery method for their facilities projects which exceed \$25 million. ConnDOT envisions applications for its transportation facilities projects of such value.

The CMR process involves three primary parties - the owner, the architect and the CMR. The owner would have separate contracts with the architect and CMR. The CMR selection would be a "quality based selection" to create a short list and a "best value selection" which considers the CMR's general conditions and staff costs plus qualitative criteria. The CMR is selected during the design phase of the project and provides input during design. The CMR then selects the trade subcontractors using a low bid sealed process for each trade and the owner and CMR establish a Guaranteed Maximum Price (GMP).

It is important to note that there is no construction start until the State has accepted the GMP. The GMP is based upon the completed and fully permitted construction documents.

The Commissioner of DCS currently has authority to designate certain projects as Construction Manager at Risk - Guaranteed Maximum Price pursuant to CGS 4b - 103 and has cited the following advantages of using this project delivery method:

- Higher quality contractor participation;
- Quality based selection and best value selection processes;
- Single point of responsibility;
- CMR participates in the design effort;
- Improved schedule management;
- Open book cost accounting;
- Fiduciary responsibility to the owner; and
- Reduced construction claims.

In 2009, ConnDOT requested the Connecticut Academy of Science and Engineering (CASE) to study Design-Build as a potential project delivery methodology in Connecticut. The study notes that several states have passed DB enabling legislation for transportation projects since 2009 due to the release of federal stimulus funds and the need to construct the projects in a timely manner. As of June 2010, Connecticut remained one of only four states without enabling DB legislation for transportation projects.

In 2010, the Legislative Program Review and Investigations Committee studied the DOT Project Delivery Process. The study included consideration of Creative Contracting Authority and recommended that "legislation be enacted to permit the department to use design-build and other alternative contracting approaches on a pilot basis."

The Department strongly recommends favorable consideration of S.B. 33.

For further information or questions, please contact Pam Sucato, Legislative Program Manager for ConnDOT at (860) 594-3013 or pamela.sucato@ct.gov.

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STATE OF CONNECTICUT
DEPARTMENT OF CONSTRUCTION SERVICES



Governor's Bill 33 AAC Project Delivery at Department of Transportation
 Testimony of Donald DeFronzo
 Acting Commissioner of Construction Services

Transportation Committee
 February 22, 2012

Good morning Senator Maynard, Representative Guerrero, Senator Boucher, Representative Scribner and distinguished members of the Transportation Committee. Commissioner DeFronzo apologizes for not being able to join you today. For the record, my name is Allen Herring, Chief Engineer for the Department of Construction Services (formerly Public Works). I am here today to provide comments on Governor Malloy's Governor's Bill 33 "An Act Concerning Project Delivery at Department of Transportation." Governor's Bill 33 provides that, as an alternative to using a design-bid-build contract model, the Department of Transportation may designate specific projects to be completed using a construction-manager-at-risk contract with a guaranteed maximum price, or a design-build contract. To assist the Committee with its review of this proposal, the Department of Construction Services (DCS) hereby provides the Committee with our experience with the construction manager-at-risk (CMR) project delivery method.

Concerning the CMR delivery option, a design professional consultant is selected through a qualifications-based selection process to prepare the design and the construction documents. The CMR is chosen through qualifications-based and best value selection processes. The CMR provides pre-construction services during the design phase, and oversees project management issues and the coordination of activities during construction. The CMR publicly bids and holds the trade contracts. The CMR takes on the performance risk by providing a Guaranteed Maximum Price for the construction of the project.

Under the design-build option for project delivery, design-build teams composed of a general contractor and architect/engineer compete in a qualifications-based screening process followed by a competitive sealed proposal selection process. A design-build team is chosen based upon its proposal providing the best value to the state. DCS and the design-build team enter into a contract wherein the team agrees to design and build the facility for the total cost set forth in its proposal.

In the design-bid-build or "low bid" project delivery method, which is set forth in the DCS bidding statutes, C.G.S. Sec. 4b-91 et seq., a design professional consultant is selected through a qualifications-based selection procedure. The consultant develops the design and construction documents. A general contractor is selected through the competitive sealed bid process. The general contractor holds all of the subcontracts.

DCS received the statutory authority to utilize the CMR project delivery method in 2007. DCS developed the templates for the CMR family of documents over the course of the next year, and entered into its first CMR agreement in 2009 for Gateway Community College. Presently, we have five CMR projects in various stages of the design and construction process.

The CMR project delivery method has certain advantages over the design-bid-build or "low bid" delivery method. One advantage is that high quality contractors are willing to participate and submit qualifications and proposals as part of the quality-based and best value selection process. Once selected, there is now a single point of responsibility regarding the management and coordination of the work. This delivery method provides for an open book cost accounting. For projects where the CMR is selected during the early stages of the pre-construction phase of the project, the CMR provides its knowledge and expertise in the review of the design, including estimating its construction cost and offering value engineering to

reduce such cost when necessary. The relationship among the CMR, DCS and the client agency is a cooperative one.

Our experience with CMR projects, furthermore, is that DCS receives a high level of support from the CMR, through its provision of an appropriate number of qualified personnel for the particular project. There are less issues coordinating the work than with similar low bid projects. The trade bidding process, furthermore, allows for a greater opportunity to evaluate the qualifications and abilities of all of the trade contractors.

It should be noted, in addition, that the selection process for the CMR has been very competitive and that the CMR fees have been in the 1%-2% range.

In sum, DCS has had very favorable experience to date utilizing construction managers at risk in our projects, and believes that the CMR model provides the state with many advantages. Thank you for the opportunity to testify. I will be happy to answer any questions that members may have.

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Chairman, Members of the Committee, my name is Richard Thomas. I am Vice President of the Design-Build Institute of America. Thank you for the opportunity to speak today in support of the Governor's design-build bill.

I will speak briefly about the advantages of using design-build and hopefully dispel some myths as well. Design-build is widely used today; it is 40% of the construction market share and growing fast. In fact, the use of design-build has doubled in the last five years both in terms of the number of projects and their value. Although design-build is authorized in all 50 states in some fashion, there are still four states that don't authorize its use for transportation: Oklahoma, Iowa, Nebraska and Connecticut.

The top five reasons public owners have chosen to use design-build are:

- The urgency of the project
- The opportunity for innovation
- The opportunity for risk transfer
- To achieve cost savings
- To achieve high quality.

These reasons should come as no surprise really; studies have shown that design-build projects are typically delivered at 6-10% lower cost and delivered 33% faster than traditional methods. When one can deliver a project faster and more cost effectively without sacrificing safety and quality, the real question is: why is design-build not authorized for all sectors?

Design-build has been used in every region of the country on both big and small projects alike. It has played an especially critical role during disasters when local and regional infrastructure is devastated. Most of the critical infrastructure replaced and repaired in the aftermath of Katrina was done using design-build. We also saw with the collapse of the 35W Bridge in Minneapolis how design-build could deliver a project in half the time of traditional methods. Design-build also virtually eliminates the change orders and legal challenges that delay and increase the costs of many projects today.

With today's current economic challenges, I'm often asked how design-build impacts local economies. The good news is that those impacts are very positive because design-build projects move so quickly. Due to the integrated processes, workers often step on a project 6-9 months sooner than projects using traditional methods.

Design-build has had a positive effect on the construction industry as a whole as well, an industry that has been hit particularly hard in the recent recession. Additional project delivery methods give construction and design professionals more opportunities and more sustainable business approaches.

I feel compelled to dispel the most common myths:

1. Design-build is only for big "mega projects" only.
2. Design-build is only for big "out-of-town" contractors and designers.
3. Design-build is not compatible in union (or non-union) markets

Regarding the first, design-build is used all over the country on big and small projects alike, the only size limitations generally are arbitrary.

The second, typically, design-build is done local. Design-builders doing the projects, team with designers, suppliers and specialty contractors ensuring all that local participation is very high. Passage of this bill would in fact help make local teams more competitive.

Lastly, design-build has proven successful in both union and non-union markets. There is no evidence that design-build has given union or non-union contractors any advantage or disadvantage.

In closing, I want to mention that design-build is a time tested delivery method. It has consistently delivered high-quality projects, faster and more cost effectively than any other delivery method. This bill would save tax payers millions of dollars, months, and perhaps years in project delays, create jobs, and do this safely without sacrificing quality. This bill is exactly what Connecticut needs during these difficult times and I urge you to support it. Thank you.