

LABORGRAM

ASSOCIATION OF CONTRACTING PLUMBERS OF THE CITY OF NEW YORK, INC.
44 West 28th Street, 12th Floor, New York, N.Y. 10001 212-481-4580 Fax 212-481-7185 www.acpcny.org

October 2, 2013

TO: ALL MEMBERS AND PROMOTION FUND CONTRIBUTORS

RE: **MANHATTAN RESIDENTIAL MARKET RECOVERY (MRMR) PROJECT LABOR AGREEMENT - SEPTEMBER 1, 2013 REVISION**

Dear Sir:

In December 2011, Plumbers Local Union #1 established the terms for the Manhattan Residential Market Recovery Project Labor Agreement - *8 hour day, ratio adjustment - 1 "A" Journeyman to 1 Apprentice up to 16, then 2:1 up to 31 Employees, then 3:1, and waiver of all temporary services.*

In February 2013, Plumbers Local Union #1 changed the terms to - *8 hour day and ratio adjustment - 1 "A" Journeyman to 1 Apprentice up to 8, then 2:1 up to 21 and then 3:1.*

In June 2013 (see attached letter from Plumbers Local Union #1 dated June 13, 2013) Plumbers Local Union #1 changed the terms to - *8 hour day. No other adjustments to the "A" Division Collective Bargaining Agreement.* Applies to Manhattan Residential Market Recovery Project Labor Agreements bid after July 1, 2013.

In September 2013 (see attached email from Plumbers Local Union #1) Plumbers Local Union #1 went back to the February 2013 terms for MRMR Project Labor Agreements granted on or after July 1, 2013.

Should you have any questions, please call this office.

Sincerely,



Stewart O'Brien

SO/rs

cc: Andru Coren	President	Association of Contracting Plumbers
Ralph J. DeMartino	Vice President	" " " "
Thomas Maniuszko	Treasurer	" " " "
John M. Botto	Secretary	" " " "
Eugene S. Boccieri	Immediate Past President	" " " "
Raymond G. McGuire	Counsel	" " " "
John Murphy	Business Manager	Plumbers Local Union #1



Stewart O'Brien <obrien.stewart@gmail.com>

Manhattan RMR PLA

John J. Murphy <jmurphy@ualocal1.org>
To: Stewart O'Brien <obrien.stewart@gmail.com>
Cc: Mike Apuzzo <MApuzzo@ualocal1.org>

Wed, Sep 18, 2013 at 1:18 PM

Stew,

As a follow up to prior correspondence regard the Manhattan Residential Market Recovery PLAs, the NYC BCTC Executive Board has recently retracted it's decision to reduce the terms from a 20% savings to 10% savings effective July 1, 2013.

Call me in the in the office tomorrow to confirm the specific terms.

Thanks,

John

John J. Murphy
Business Manager
UA Plumbers Local No. 1

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February 27, 2013

TO: ALL MEMBERS AND PROMOTION FUND CONTRIBUTORS

RE: LOCAL #1 REVISION TO CERTAIN PLAS (MANHATTAN RESIDENTIAL MARKET RECOVERY, AFFORDABLE HOUSING AND OUTER BOROUGH) EFFECTIVE FOR JOBS BID AFTER MARCH 1, 2013ⁱ

Dear Sir:

As you know the prime purpose of the PLA process is to modify the terms of the regular collective bargaining agreements ("CBA") so that costs to owners/developers can be as close to non-union trade costs as possible. The PLAs referenced above permit the individual unions to decide how to produce the savings which are advertised to be 20%.

In December 2011 Local #1 established its terms for these PLAs.ⁱⁱ It stated that the supposed "20% savings" would be achieved by going to an 8 hour day and allowing a journeyman/apprentice ratio of 1:1 up to 16 employees, then 2:1 up to 31 employees and then 3:1.ⁱⁱⁱ It also eliminated the temporary water requirement which was still carried in the CBA at that time.

This Association undertook an analysis of the supposed 20% savings as claimed by Local #1 and published our findings in Addendum #10 (June 2012) of our Change Order Manual. Our analysis found that the 8 hour day produced a cost savings of 1.34% and the ratio changes combined with the temporary water elimination, produced cost savings of between 5.4% and 7.4% depending upon the size of the job.^{iv}

In a letter dated February 22, 2013 Local #1 has changed its ratio formula (letter attached). Instead of a 1:1 ratio up to 16, 2:1 up to 31 and then 3:1, the ratio will now be 1:1 up to 8, then 2:1 up to 21 and then 3:1.

In addition, the value added for the temporary water elimination was lost due to its elimination in our new CBA.

The terms as set forth in December 2011 did not come close to providing a 20% savings from our CBA. Clearly, the new PLA terms produce savings even lower.^v

The Association encourages its members to point out to developers and general contractors that the advertised 20% savings by labor unions was estimated without any input from contractors. The Association has been advised by Local #1 that questions from developers, on how Local #1 estimated a 20% savings between the CBA and the PLAs, can be referred directly to Local #1.

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Should you have any questions, please call this office.

Sincerely,



Stewart O'Brien

SO/rs

cc: Andru Coren	President	Association of Contracting Plumbers
Ralph J. DeMartino	Vice President	" " " "
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John M. Botto	Secretary	" " " "
Eugene S. Boccieri	Immediate Past President	" " " "
Raymond G. McGuire	Counsel	" " " "
John Murphy	Business Manager	Plumbers Local Union #1

ⁱ PLAs are agreements between owners/construction managers/general contractors and the BCTC (Council of Local Construction Unions). Contractor associations are not party to the agreements and are not even consulted when terms are made.

ⁱⁱ Applied only to the Manhattan Residential Market Recovery PLA but the "cost saving" provision language is exactly the same in Affordable Housing PLA.

ⁱⁱⁱ It also waived temporary services unless requested by the owner. Construction Water is now no longer required by our current CBA unless requested by the owner.

^{iv} Change Order Manual Addendum #11 will be distributed in the next few days. Analysis was updated to reflect the new CBA (July 1, 2013 - June 30, 2016) and that analysis shows savings of between 4% and 6%.

^v The Association is currently revising its analysis.

PLUMBERS AND GASFITTERS LOCAL UNION NO. 1
OF THE
UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING
AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA
NEW YORK CITY



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Inside Sentry
PAUL COTTO

February 22, 2013

Stewart O'Brien, Executive Vice President
Association of Contracting Plumbers
of the City of New York, Inc.
44 West 28th Street, 12th Floor
New York, NY 10001

Dear Mr. O'Brien:

As you are aware, The Building and Construction Trades Council ("Council") has implemented Project Labor Agreements ("PLAs") known as the Manhattan Residential Market Recovery, Outer Borough Residential Market Recovery and the Affordable Housing PLA Templates.

These are PLAs for certain work to be performed at specific projects entered into with the Owner, Developer, Construction Manager or General Contractor and the Council and its affiliated Local Unions, including Plumbers Local Union No. 1 and its members.

The parties desire to provide for the cost efficient, safe, quality and timely completion of said construction work thereby increasing work opportunities for our members and contractors signatory to Plumbers Local Union No. 1.

Article 11, Section 1b of this PLA reads as follows:

"The signatory Unions shall adjust their Schedule "A" Agreements to provide for the equivalent of a twenty (20%) reduction in the payroll costs attributable to the wage and benefit rates for the trade. This reduction may be accomplished by any lawful method including, but not limited to, direct payroll reductions, targeting efforts in accordance with existing targeting programs, work rule adjustments, and/or the provisions of Article 6, Section 2 (Temporary Services) of this Agreement, or any combination thereof, within the Union's sole discretion."

Stewart O'Brien
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February 22, 2013


Please note that Local 1 has agreed to the following work rule changes in order to achieve the equivalent of a twenty (20%) percent reduction in labor costs. There will be no direct reduction in wages and/or fringe benefits payable to Local 1 members. The three means of achieving the reduction will be realized in the form of recent changes to our Building Trades Collective Bargaining agreement, effective July 1, 2012, specifically the elimination of mandatory construction water, in addition to the eighth hour at straight time and adjustments to ratios between Building Trades Journeymen and Apprentices. Also note that collectively our bargaining unit total wage package remains between 7 and 11 percent lower than the other respective BCTC mechanical trades in order to remain competitive in the residential construction industry.

Specifically, on project work, a ratio of (1) Journeyman to (1) Apprentice for up to (8) employees; (4) Journeymen, (4) Apprentices; followed by a ratio of (2) Journeymen to (1) Apprentice for up to twenty-one (21) employees may be utilized. If and when additional employees are required, the ratio will be (3) Journeymen to (1) Apprentice for over twenty-one (21) employees.

This adjustment is in effect on all jobs that are being bid under the terms of the Manhattan Residential Market Recovery, Outer Borough Residential Market Recovery and the Affordable Housing PLAs after March 1, 2013. I ask that you please pass this information on to all contractors as I believe the PLAs are being given to contractors when they are being asked to submit bids on project work.

Thank you for your assistance in this matter and should you have any questions concerning the above, please contact my office.

Sincerely,


John J. Murphy
Business Manager

JJM/jac
