



City of Cambridge

12.

IN CITY COUNCIL

February 14, 1994

COUNCILLOR SULLIVAN
COUNCILLOR DUEHAY
VICE MAYOR RUSSELL
COUNCILLOR TOOMEY
COUNCILLOR TRIANTAFILLOU
COUNCILLOR WALSH
MAYOR REEVES

WHEREAS: The City Council is in full favor of the Prevailing Wage Law and its requirements; and

WHEREAS: This City Council fully endorses the concept of "lowest responsible bidders"; now therefore be it

ORDERED: That the City Manager be and hereby is requested to investigate and respond to allegations contained in the attached letter from Mark L. Erlich, Business Manager, Carpenters Local 40.

In City Council February 14, 1994.
Adopted by the affirmative vote of seven members.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:- *D. Margaret Drury*

D. Margaret Drury
City Clerk

United Brotherhood of Carpenters and Joiners of America

MARK ERLICH
Business Manager/
Financial Secretary

JACK WHALEN
Business Representative/
Organizer

LOCAL UNION No. 40



109 SMITH PLACE
CAMBRIDGE, MA 02138

TELEPHONE: (617) 547-8511
FAX: (617) 547-0371

February 7, 1994

Councillor Michael Sullivan
City Hall
Cambridge, Ma. 02139

Dear Councillor Sullivan:

I am writing to alert you to the situation regarding the award of the contract for the construction of the New Agassiz School. Unfortunately, the circumstances reflect the exact problems in the public construction sector that I have discussed with you on previous occasions.

On January 13, the City of Cambridge received bids for the work. The two lowest bidders -- Eastern Contractors of Framingham and R.W. Granger & Sons of Sherewsbury -- are among the most notorious violators of labor laws in the public construction field. It is my understanding that Eastern may be currently under investigation by the state Attorney General's office for payroll violations. At various times over the last few years, town officials in Northampton, Mashpee, Ashby, Pepperell, and Townsend have been involved in law suits with Eastern over public school projects. Granger has been the subject of litigation at a number of sites, most recently, a school in Danbury, Connecticut that prompted a series of investigative reports in the local press.

The current system requires the award of projects to the low bidder and thus rewards unscrupulous contractors who submit low bids based on an intent to undermine quality requirements and prevailing wage rates. The result is that cities and towns are forced to accept contractors they do not want and workers are cheated of legally established wage rates.

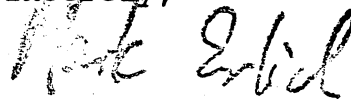
Given this context, it is remarkable that the third and fourth bidders -- Peabody Construction and Jackson Construction -- on the Agassiz are legitimate employers. Their bids were not far above Eastern's. Both have collective bargaining agreements. While there is no sentiment here that all union contractors are saints, they must play by the rules by virtue of their contracts.

I have spoken extensively with the City Manager's office on this subject and provided them with materials documenting my claims. The City Manager is well aware that state laws require cities and towns to award projects to the

"lowest responsible bidders" and that the word "responsible" offers the city latitude to reject a contractor that is likely to create problems over the life of the project.

Projects of this scale do not happen every day in the City of Cambridge. I believe it is worth doing it right ahead of time rather than waiting for the inevitable problems to occur. Please urge the City Manager's office to take a pro-active stance and reject the two lowest bidders on the Agassiz School.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark Erlich". The signature is written in a cursive style with some loops and flourishes.

Mark L. Erlich,
Business Manager



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Toomey Triantafyllou, Walsh
Consent Order #12

Revised CM-A1

Councillors Sullivan, Duehay and
Vice Mayor Russell re: Prevailing
Wage Law and its requirements.

Order Adopted

In City Council,

February 14, 1994