



# Construction NEWS

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LABOR UPDATE FALL 2017

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## Say Goodbye To the 'Old Tap'

The last sections of the eastbound span of the new Mario M. Cuomo Bridge were installed in late September. With eastbound traffic in October to be routed onto the northern span, crews will begin demolishing the 61-year-old Tappan Zee Bridge shortly.

## Trades See Robust Employment In All Sectors Except Multifamily

By JOHN JORDAN

TARRYTOWN—The volume of work in both the public and private sectors is clearing the union halls through 2017, and the outlook is for an equally strong 2018, according to a half dozen labor leaders from the region who spoke with CONSTRUCTION NEWS this month.

Much of that work is being driven by the heavy highway, utility, wastewater and other infrastructure-related sectors. Another area showing great promise is the utility sector, driven in large measure by Gov. Andrew Cuomo's \$2.5-billion Clean Water Infrastructure Act, which became law earlier this year and which, at its core, authorizes some \$1.5 billion in grants to municipalities for clean water infrastructure projects.

Hudson Valley labor leaders are in unison that most construction trades are at or near full employment at the moment, and all officials expect the robust volume of work to continue through 2018.

The private sector, too, has also been a source of considerable work for the building trades, particularly with the growing number of medical facilities and repurposed commercial properties. An equally fertile sector is institutional school construction.

However, upbeat job outlooks are tempered in the views expressed by construction labor officials in the southern part of the Hudson Valley who see most of the multifamily downtown redevelopment projects in Yonkers, Mount Vernon, New Rochelle and White Plains going open-shop and not to union construction firms. A major complaint is that many of these projects receive incentives and financial support packages from the municipalities or Westchester County government.

Another trouble spot for some is the delayed \$1-trillion infrastructure program proposed by President Donald Trump. The initiative has not garnered much traction now that Congress

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scuttled health care reform, and tax reform looks more like Brigadoon with all its missing parts. In addition, some political and labor leaders in the region are questioning the federal commitment for the nearly \$30-billion Gateway Tunnel project that is believed to be critical to the region's transportation network.

### Edward Doyle

President

Building & Construction  
Trades Council of  
Westchester & Putnam  
Counties, Inc.  
Briarcliff Manor, NY

**L**ongtime labor leader Edward Doyle points to the continued work on the Mario M. Cuomo Bridge as a job generator for the trades in the lower



Hudson Valley. Three large projects being performed under the terms of Project Labor Agreements are also driving employment for the Building Trades: the redevelopment of the former Kings College in Briarcliff Manor (Andron Construction Corp. is the general contractor); the redevelopment of the PepsiCo complex in Valhalla; and the expansion at the Westchester Medical Center at the Grasslands campus in Valhalla, NY.

The trades will also benefit from approximately \$70 million in New York State Department of Transportation bridge/highway work on separate jobs on the Sprain Brook Parkway and Hutchinson River Parkway, he noted. All projects are also being performed under a Project Labor Agreement negotiated between the contractor and the Building & Construction Trades Council of Westchester & Putnam Counties, Inc.

Looking forward, Mr. Doyle said the building trades are

concerned about how they are going to replace the man-hours from the multi-year Tappan Zee Bridge replacement project, begun in January 2013, for union tradesmen in the region.

He said the building trades are negotiating with city officials in White Plains, Mount Vernon, New Rochelle and Yonkers to try and increase market share on major residential projects in their respective downtown districts. Mr. Doyle said the trades are in talks with the general contractor of the redevelopment of the former Westchester Pavilion about union participation in the \$275-million mixed-use project to be built at the site in Downtown White Plains. Union contractors performed the demolition work on the venture, he noted.

When asked his views on work prospects in 2018, Mr. Doyle said the outlook is unclear and that new projects must emerge to take the place of the man-hours now registered

on the Mario Cuomo Bridge once work begins to wind down on the new span in late 2018.

### Jeff Loughlin

Business Manager  
International Union of  
Operating Engineers  
L.U. 137  
Briarcliff Manor, NY

**J**eff Loughlin, who also serves as vice president of the Building & Construction Trades Council of Westchester & Putnam Counties, Inc., said Operating Engineers 137, with its active membership of 760 workers, is at full employment at the moment. The Mario Cuomo Bridge has been a source of work for many Operating Engineers for several years and will continue to be a major job generator as work continues



to complete the second span and the Tappan Zee Bridge is demolished and removed.

"We are anticipating the demolition portion of the bridge (project) to start probably in mid-October so we will be ramping up there," he said. "There will be a need for more crane operators and more excavator operators. We should be adding 10 to 12 more jobs to the current workforce we have out there." In total, between the two locals, 137 and 825, there are approximately 160 Operating Engineers currently working on the new bridge project.

Another major job generator for the foreseeable future is the construction of the more than \$1.56-billion Cricket Valley Energy Center in Dutchess County. The project, governed under a National Construction Agreement, currently employs 23 Operating Engineers, but will ramp up in coming weeks when cranes are brought to the site in Dover, NY.

Operating Engineers are also working on the \$466-million patient pavilion project at Vassar Brothers Medical Center in Poughkeepsie, NY and will have additional workers on that site when several large cranes arrive to begin erecting steel. Workers from L.U. 137 are also at the New York City Department of Environmental Protection's \$1-billion Delaware Aqueduct Bypass Tunnel project where a massive new 470-foot long tunnel boring machine will be put to work.

In terms of the building trades in Westchester and Putnam counties, Mr. Loughlin said that most of the labor unions are very busy, with the exception of electrical workers who have been impacted by the L.U. No. 3 strike against Charter Communications. In addition to the major projects he mentioned, the construction trades in Westchester and Putnam have also benefitted from significant utility work from Consolidated Edison.

Mr. Loughlin added the construction trades in Westchester County are frustrated by the lack of work from major private construction projects underway in downtown districts in New Rochelle, Yonkers, Mount Vernon and White Plains, many of which are receiving financial incentives from the municipalities or from the Westchester County Industrial Development Agency.

While the major projects will continue to be a great source of work for the trades, Mr. Loughlin said, "The residential market (in Westchester County) is being done open shop." He said some developers pick and choose and hire some union trades and some open-shop firms. Mr. Loughlin noted in coming years the construction trades efforts to increase market share in the residential construction market is of ma-

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 job concern and importance to everyone in organized labor.

## L. Todd Diorio

Business Manager  
 Laborers L.U. 17  
 Newburgh, NY

**T**odd Diorio, who also serves as president of the Hudson Valley Building & Construction Trades Council, said the building trades' approximately 10,000 members are at near full employment and Laborers Local No. 17 is at full employment. He is bullish on the heady job market for construction in the region for the next few years.

The workload in L.U. 17's jurisdiction is so robust that its members involved in construction and public and private sector work are all employed. So far this year Local 17 has added approximately 40 permit personnel and about 25 new apprentices to meet demand, he reported.

In addition to the aforementioned Cricket Valley Energy project in Dutchess County and the NYCDEP tunneling job, the building trades are also working on the Resorts World Catskills \$1.4-billion casino project in Sullivan County. In addition to work on the casino, construction work also started recently on an adjoining water park at the property. The casino is scheduled to open in March 2018.

Union tradesmen continue to work on the \$900-million CPV Valley Energy Center in Wawayanda in Orange County and cheered when the Federal Energy Regulatory Commission overturned a New York State Department of Environmental Conservation rejection of key permits for the 7.8-mile Millennium Pipeline lateral pipeline that will transport natural gas to the CPV Valley Energy Center. At press time it is not known when construction will begin on that \$39.4-million project.

Other major project work for the building trades in Rockland, Orange, and Dutchess include multiple major projects at the U.S. Military Academy at West Point. Also, the building trades have secured a significant amount of wastewater improvement project work, including jobs in Newburgh as well as a new \$12-million water treatment plant under a PLA with the Town of New Windsor.

Mr. Diorio said "man-hours for the building trades and Local 17 are up compared to 2016," which was also a very good year for the industry.

"Every trade that I know

of is busy," Mr. Diorio said. "The Carpenters are going full boar, the Ironworkers are full boar, the Plumbers, Sheet Metal Workers, the Painters and the Operating Engineers have been busy."

Looking ahead, the Building Trades are hopeful site work could possibly begin before the end of this year on the proposed \$500-million LEGOLAND New York theme park in Goshen. The project, which would include approximately \$40 million in road and bridgework adjacent to the Orange County site on Route 17, is in the final stages of the approval process with the Town of Goshen.

Mr. Diorio revealed he received a commitment letter from Merlin Entertainments on a Project Labor Agreement with the building trades on the project. Talks to finalize the PLA were ongoing at press time.

In addition, work on the Exit 131 improvement project in Harriman, adjacent to the Woodbury Common Premium Outlet, could get started late this year. The New York State Department of Transportation issued a RFP for the project, estimated at approximately \$125 million, earlier this year.

When questioned by CONSTRUCTION NEWS on whether the construction trades face a labor shortage due to the high volume of work, Mr. Diorio responded, "We have been able to supply the workers for the jobs. Has it gotten scarce? Yes. The non-union guys are struggling... They are having a hard time finding workers in general. A lot of the non-union companies have come to us for help just because they can't find quality workers and we've (lured) away—among the Electricians, Laborers and Carpenters—a lot of the non-union guys who are now working union for better wages, better benefits and better working conditions."

In 2016, Local 17 members logged 1.3 million man-hours and Mr. Diorio expects the local will achieve that lofty mark again this year.

## William Banfield

Southeast Regional  
 Manager  
 Northeast Regional Council  
 of Carpenters  
 L.U. 279  
 Hopewell Junction, NY

**W**illiam Banfield said construction trades in the Hudson Valley region, including Carpenters L.U. 279 in Hopewell Junction, are enjoying strong employment thanks to a diverse

portfolio of projects of roads, bridges, highways, hospitals, colleges, gaming properties and energy plants.

With a jurisdiction that extends from Montauk, Long Island to the New York/Canadian border, Mr. Banfield said the overall outlook is very good for the construction sector in lower New York State.

However, in his remarks Mr. Banfield, like his other contemporaries, pointed to issues surrounding major multifamily development projects in Westchester County as a major sticking point.

He said major mixed-use and residential projects are either under construction or in the pipeline in lower Westchester County and many are being bid out without prevailing wage requirements. "(Union) contractors are bidding on them and they can't get a sniff of the work. They are bidding against contractors that are not paying a rate that is livable in Westchester County and it is tough for our contractors to be competitive."

Mr. Banfield continued that many of these projects secured public incentives, but in fact many of the benefits do not stay within the municipality because either the contractors or their workers are from out of the area or out of state.

"The mayors want to see their respective cities flourish and I understand that, but they can't really flourish without the people of the community working on these projects," he argued.

## Michael Gaydos

Business Manager  
 International Association  
 of Bridge, Structural,  
 Ornamental & Reinforcing  
 Iron Workers  
 L.U. 417  
 Newburgh, NY

**M**ichael Gaydos, who also serves as vice president of the Hudson Valley Building & Construction Trades Council, noted the work has

been plentiful in the large and medium-sized project sectors, but said the trades must continue to service its "bread and butter" small project sector.

In addition to the aforementioned projects in the Hudson Valley, he said there will be three to four major projects that will go out to bid at the U.S. Military Academy at West Point in the next year.

Like other union leaders, Mr. Gaydos said he has approximately 250 workers who are fully employed. He added that the union's man-hours are expected to increase compared to 2016, which was also a very

good year for the Ironworkers Local.

He added that he believes 2018 and 2019 will be good years for both his Ironworkers Local as well as for the overall building trades in the Hudson Valley.

## Stephen J. Reich

Business Manager  
 Heavy Construction  
 Laborers L.U. 754  
 Chestnut Ridge, NY

**S**tephen Reich said the Heavy Construction Laborers L.U.



754 currently has approximately 385 active members and the Local is currently at full employment.

Major projects performed by its members include the new Mario Cuomo Bridge, where in recent times between 60 to 70 workers have been employed on a daily basis. During construction, at the height of activity, the Local has had as many as 90 members on the project. For the past two years, the local secured significant work from the Algonquin Incremental Market Pipeline. Work on that project ended this past June.

At present, the union has been working on several New York State Thruway bridge and road projects in Rockland County. In addition, the Local is currently working on a number of NYSDOT projects, including a major road rehabilitation project on the Palisades Parkway being performed by Kubricky Construction-D.A. Collins.

A major source of work for the union has been utility work. "From 2009 we had no one working for Orange & Rockland Utilities in gas replacement," Mr. Reich said. "It was all non-union. Now we have about 40 men working in that industry." He added that the Local expects to see its utility market share

increase even further now that Riggs-Distler has secured a five-year gas line replacement project with O&R.

A major project that should begin shortly is a more than \$100-million major data center project at the former Rockland Psychiatric Center campus in Orangeburg being built by Structure Tone for JPMorgan Chase.

Demolition and asbestos removal are expected to begin in October and could involve as many as 250 construction workers, Mr. Reich explained.

Mr. Reich was upbeat about work for the remainder of this year, but expressed caution about how the heavy highway industry may fare in 2018.

"I have been concerned about 2018." While he expects considerable work on the Mario Cuomo Bridge next year, "DOT (and the New York State Thruway Authority) in general have really not focused on Rockland in their capital programs in the next three to four years."

He added the new Rockland County Highway Department facility, which has been delayed for years due to the county's fiscal condition and political wrangling, is still in political limbo. He said he is hopeful the County Legislature will approve the more than \$20-million project later this year.

Mr. Reich said in Rockland County, construction labor unions are also facing the issue of open-shop contractors dominating the residential sector, particularly on multifamily and senior-housing projects.

He added there have been instances in which a developer will seek incentives from the Rockland County Industrial Development Agency, secure the approvals, but fail to sign the agreement until much of the project is complete, thereby skirting the prevailing wage requirements. He said the Union has been in talks with the IDA to change the language of the prevailing wage requirement to close that loophole.