

October 12, 2015

Mr. Varant Markarian  
President  
Masters Contracting Inc.  
544 Riverdale Drive  
Glendale, CA 91204

**Re: Non-compliance of 30% Local Hire goal per the Project Labor Agreement at Los Angeles City College- Red Line Pedestrian Corridor Project #33850**

Dear Mr. Markarian:

The Los Angeles Community College District (LACCD) is committed to the significant participation of local workers on its \$6.2 billion capital improvement program. The Project Labor Agreement (PLA) specifically Article III, Section 3, articulates the goals for the participation of local and disadvantaged local workers on LACCD projects.

**ARTICLE III, SECTION 3**

- All parties agree to cooperate fully in the District's Community Economic Development Program – Established in Article III, Section 3(c)(iii)
- 30 percent of all skilled trade positions employed on project work shall be workers residing within the zip codes specified for a particular campus (or for the District as a whole when residents of the campus-specific zip codes are not available) – Established in Article III, Section (c)(i) and (c)(ii)
- 20 percent of such local resident hires shall include at-risk persons qualified for project work and referred to the unions from a program to be coordinated by and with the Build-LACCD Program Manager – Established in Article III, Section 3(c)(i)

The LACCD is committed to ensure that all contractors and subcontractors conducting business with the district are in compliance with the PLA. The PLA is intended to ensure labor harmony on project jobsites and provide a uniform labor relations framework for both labor and management during the construction project.

As such, given the critical economic challenges confronting local, skilled workers it is imperative that the local worker requirement set forth in the PLA is adhered. Union dispatch procedures are clear and efficient, and there is an ample supply of local, skilled workers available through this process that enable subcontractors to meet their contractual obligations under the PLA.

Since October 2015, the Labor and Community Economic Development team has met with the project team to discuss the need to increase local worker participation on the project to achieve the goals set forth in the PLA. As of September 15, 2015, our certified payment data indicates that the local worker hire performance at this project site is 26%. During the course of about a year, the level of local worker participation has increased from 0% to 26%, which is below the standard set forth in the PLA.

Please contact me at (213) 593-8414, if you have any questions or if I may be of any assistance to you in your efforts to ensure subcontractor compliance with Article III, Section 3 of the PLA.

Sincerely,



Dan Sloan  
Project Labor Agreement Administrator  
Build-LACCD

CC: Jim O'Reilly  
Tom Hall  
Bill Sewell  
Kelly Cauvel  
Veronica Soto  
Bryan Payne  
Nader Farnoush  
Steve Galloway  
Stanley Westfall  
Harry Markarian