

CONCERNED CONTRACTORS of Pennsylvania

FOR IMMEDIATE RELEASE:

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April 23, 2009

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CONCERNED CONTRACTORS COMMENT ON EDUCATION TASK FORCE REPORT

Report emphasizes need for multiple-prime contractor process for schools

(Harrisburg, PA) – In February 2009, the Task Force on Mandate Waivers presented a report to Governor Ed Rendell and the PA General Assembly on the testimony and examined evidence gathered over a six month period regarding the multiple-prime bid vs. single prime bid contracts for school construction projects. The report suggests that school districts should not rely solely on a single prime bid. Instead, the number one recommendation of the Task Force was to require school districts that wanted a waiver to solicit bids using both a single and multiple prime approach and select the less expensive option.

As the frequency of waivers sought by school districts escalated, a group of plumbing, electrical, HVAC contractors and their workers band together as the "Concerned Contractors of Pennsylvania." These contractors were all feeling the same thing – shut out from projects in their own towns and local school districts. Thousands of small business owners were being denied opportunities to participate, while only large general contractors/brokers were allowed to submit bids.

"Having good contractors is the key," said Mark Philips of Philips Brothers Electrical Contractors. "Single prime contracts can bring out inexperienced and un-bonded subcontractors to install complex security and environmental systems. By using multiple-prime contractors, each specialist is bonded, thus providing an additional layer of experience and reliability."

The Task Force report recommended that any and all future waivers of multiple-prime construction issued by the Department should solicit single prime bids as well as multiple-prime bids, with the district utilizing the least

Background Information

The Task Force was established under Act 61 of 2008 to investigate the impact on taxpayers of mandate waivers granted for section 751 of the Pennsylvania School Code. The Mandate Waiver statute provides that school districts may apply to the Secretary of Education for a waiver of certain School Code provisions if the waiver will enable the applicant "to improve its instructional program or operate in a more effective, efficient or economical manner."

The school code's "multiple-prime contractor requirement" is a statutory mandate under which school districts must bid construction projects with a minimum of four prime contracts (e.g., general, plumbing, heating, electrical, etc.) and award a contract to the lowest responsible bidder for each prime contract. Some school districts are seeking waivers so they can avoid this requirement.

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expensive/most responsible bid option.

The Concerned Contractors argue that multiple-prime bid contracts have a proven track record of saving money and can help public school projects come in under budget. Yet, some school districts continue to request waivers to use the single prime contract approach and the Department of Education has continued to grant the waivers despite its support of the recommendation of the Task Force.

Brian M. FitzGerald, vice president with Jay R. Reynolds, Inc. said, "We are hoping the Governor's office, the General Assembly, the PA Department of Education and school boards will seriously consider the recommendations contained in the Task Force report and work with us to make sure a fair and open bid process is not lost with single prime bidding. The cost to bid a project both ways is minimal, but the multiple prime savings have been significant. In some cases, the multiple prime bids are saving school districts millions over the single prime bids for the same project."

About the Concerned Contractors

The Concerned Contractors of Pennsylvania is a coalition of open shop and union shop contractors (plumbers, electricians, HVAC and building trades) that have organized to represent the many small business owners and construction workers across the state. The mission of the coalition is to bring unfair and needlessly expensive bidding to the attention of the parents, students, school board officials, legislators and the media. For more information on the Concerned Contractors, please visit their website at <http://concernedcontractors.homestead.com/index.html> or contact Linda Rhinehart at Lkrhinehart@att.net or (717) 571-2567.

Sources:

Mandate Waiver Task Force Recommendations
http://www.pde.state.pa.us/k12_initiatives/lib/k12_initiatives/TFRecommendations.pdf

Association of Delaware Valley

American Subcontractors
Association of Western PA

Independent Electrical
Contractors Association
Members, Central PA

I.B.E.W. International Unions

Iron Workers Local # 401

Mechanical Contractors
Association of Central PA

Mechanical Contractors
Association of Eastern PA

National Electrical Contractors
Association

PA State Building and
Construction Trades Council

Plumbers Local # 690

Sheet Metal Workers Local # 19

Steamfitters Local # 420

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