

Dean Bjerke

 EXHIBIT 4 B011
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 HB 603

From: Dean Bjerke

Sent: Wednesday, February 18, 2009 10:15 PM

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Subject: VOTE DOWN HB 603- business and labor Committee on Public Labor Agreements

Dear Labor and Business Committee Members: -I implore you to kill this bill in committee. I fully believe that the enactment of this bill would place our business owners and great Montana construction labor force back in time by 50 years, to the adversarial position between employers and employees. I have been in business as a general Contractor in the Great State Of Montana for 32 years - 23 of them as the owner of Diamond Construction Inc. Our firm has an annual payroll of 3.5 million Dollars, all of which is non- union. The State of Montana public works is 33 to 50% of our annual volume. I believe 100% of the success of our firm is do to all or our team: office staff, carpenters, laborers, painters, and cabinet makers. We pride our selves on our construction artists, which time and again demonstrate unequalled talent and dedication. Any leader or business owner that does not recognize that his success is directly tied to his team mates- their personal success and satisfaction with their job; will not be in business very long. I do not believe that PLAs will benefit anyone except the union coffers with funds collected from dues. The state already protects each individual worker on any public project with dictated State Of Montana prevailing wages for all crafts people. These minimum wages are to prevent labor abuse by any unscrupulous contractor. These same unscrupulous employers will end up being part of a union agreement because of the disgruntled workers or bankrupt before they even get a chance. I'm guessing that about 60 to 80 % of all General Construction companies doing public works projects are non union presently in our State. Do not enact this law to limit the non union contractors ability to flex our team mates to fit the job required and allow us to have painters working as carpenters or labors during the slow months - allowing us to keep a seasoned work force of well trained and dedicated skilled professionals that are gainfully employed as close to year around as possible. The non union flexibility of being able to pay wages on non- public woks projects gives construction company leaders and owners an ability to pay for the talent of each individual not one pay rate fits all. This is often the philosophy of the union public labor contract agreements and is already supported by the Montana prevailing wage laws. We owe Diamond Construction's long term individual success to being able to pay wages that may be lower when we work on residential projects verses commercial work. I do not know of many construction firms that could stay in business if they did not have the ability to work competitively at many different project types: public-commercial and heavy highway and non- public commercial, heavy industrial and residential.

Allowing any state political entity to set the requirement of a Public Labor Agreement on any project could easily turn our construction industry upside down, resulting in limited competition and increase the cost to tax payers. We have done a couple of commercial jobs where local unions have posted informational pickets and not due to low wages paid. When any one job is dictated as a PLA it will most likely be a union requirement that the contractor will have to sign for all jobs he ever does. We had offered to sign an agreement for one individual job we were doing in one city, but the unions would not accept this as an acceptable option. They insisted on an agreement that would cover every one of our jobs all over the state, placing us in a tough position of not being competitive in some types of non public work projects. It will not be economical for the unions, employees or the contractors to set all of the payment requirements for one job and then abandon them. The benefits of health insurance and 401K retirement programs are based on continuity. Every worker that entered one job agreements would most likely loose all of their paid in retirement money to the rest of the union members because they never stayed long enough to collect anything. This is not like any 401K program where the benefits that they pay in or we pay in, is their money in most cases. This whole process of transitional benefits would be a nightmare for all. This would hurt our company profitability and the ability to keep all of out team mates gainfully employed year round. If we were confronted with this tough option on any public project - we would have to pass on bidding the work, as I would expect from the majority of non- union General contractors in our State. As contractors we just can not sacrifice our competitive flexibility for all of our various project types for one or even a few PLA public work projects. The State of Montana Legislature could easily be assisting the creation of a group of elitist union Construction organizations that could drive up the cost of public works projects, at the cost of the tax payer's dollars.

DO NOT PASS THIS BILL OUT OF COMMITTEE!! This bill will hurt our State and its great labor force

Thank you all for your Public service to our great State. Please call or email if you have any questions.

Ardine (Dean) Bjerke, President
 Diamond Construction Inc,
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2/19/2009

4