

**EXTENSION AGREEMENT – PLA FOR THE
REPLACEMENT BED BUILDING #1**

WHEREAS it is the policy of the Board of Supervisors of the County of Santa Clara that all construction projects having construction costs exceeding ten million dollars are to be analyzed for purposes of determining whether the usage of a Project Labor Agreement (PLA) will further the County's legitimate government interest; and

WHEREAS, the County of Santa Clara has analyzed the construction project known as the Replacement Bed Building #1 and determined that this project would benefit from a PLA as it is a large capital project with estimated construction costs totaling approximately \$350 million dollars, is technically complex, will involve numerous contractors and employees in different trades, will have critical time lines for completion and requires a skilled and properly trained workforce to successfully complete the work in a proper and timely manner; and

WHEREAS, the County of Santa Clara has previously entered into PLAs with the Building Trades Council and its affiliated Unions for County construction projects known as the Valley Specialty Center Bid Package #2, the New Crime Laboratory, the Milpitas Valley Health Center and the Health Centers at Fair Oaks and Gilroy and has experienced positive benefits with its relationship with the Building Trades Council and its affiliated unions under these PLAs and the benefits have included but are not limited to, an increased quality of contractors, increased bidding pools, on time and on budget projects, and a reduction in labor and other disputes to the project work listed in those Agreements; and

WHEREAS, the County of Santa Clara and the Building Trades Council and its affiliated Unions desire to enter into a PLA for the construction project known as the Replacement Bed Building #1 and desire, through execution of this Extension Agreement, to extend all the terms and conditions of the existing PLA on the Health Centers at Fair Oaks and Gilroy, a copy of which is attached to this Extension Agreement as "Attachment B", to the seismic safety construction project at the Santa Clara Valley Medical Center known as the Replacement Bed Building 1;

THEREFORE, the parties to this Extension Agreement agree that all the terms and conditions of the existing PLA on the Health Centers at Fair Oaks and Gilroy as set forth in Attachment B, are hereby extended to the seismic safety construction project at the Santa Clara Valley Medical Center known as the Replacement Bed Building #1.

This Extension Agreement is comprised of (1) the text of this Extension Agreement to which the parties shall become signatory by affixing their signatures in the spaces immediately below, (2) Attachment A to this Extension Agreement (the "Agreement to be Bound") executed by additional parties to this agreement such as contractors and subcontractors, (3) Attachment B to this Extension Agreement (the text of the prior Project Labor Agreement on the Health Centers at Fair Oaks and Gilroy with the exception of those terms set forth in Amendment No. 1 to the PLA on the Health Centers at Fair Oaks and Gilroy between the County and the Building Trades which do not apply to this Extension Agreement); and (4) Attachment C to this Extension

Agreement which is the Sideletter Agreement to the Extension Agreement on The Replacement Bed Building #1 Project Between The County of Santa Clara and the Santa Clara & San Benito Counties Building & Construction Trades Council.

The parties acknowledge that all terms and conditions of Attachment B shall apply under this extension agreement, with the exception of the following:

1. The construction project shall be identified and known as the Replacement Bed Building #1 project. Language set forth at Section 2.B. of Attachment B shall be amended to set forth the following description of the seismic safety construction project known as the Replacement Bed Building #1:

The County of Santa Clara Replacement Bed Building #1 project which includes all construction work performed in the construction of a new bed building, Central Utility Plant upgrades (including boilers chillers, and emergency generators) and site work associated with utilities and roads located on Valley Medical Center campus in San Jose, California except as excluded by this Agreement. The building consists of a structure that will provide 168 ICU and Acute Care hospital beds, a Rehabilitation Therapy Center, Aquatic Therapy Pools, Administrative and Medical Staff offices and facilities for Pharmacy, Respiratory care and Supply Storage. The project does not include preparatory projects currently under construction which include expansion of parking facilities in the form of a surface lot on a newly acquired adjacent site and construction of a five level (1,400 space) parking structure nor does it include the demolition of two buildings required for clearance of the project site.

2. The County of Santa Clara may establish and implement an owner-controlled insurance program, on the Replacement Bed Building #1 project.

3. After negotiation with the unions, the County may establish and implement an alternative worker's compensation delivery system that may include a dispute resolution procedure under the provisions of Section 3201.5 of the California Labor Code. However, unless and until an agreement on an alternative system is reached by and between the County and the unions, neither the County nor the unions waive the right to maintain any workers' compensation system currently in place and at no time may the unions or the County resort to any economic weapons such as a strike, lockout, or unilateral implementation of terms and conditions of employment through invocation of this clause. If the unions and the County through mutual consent reach agreement on an alternative worker's compensation delivery system that differs from those in the master agreements that are set forth in the Schedule A Labor Agreements to the Extension Agreement (Attachment B), the terms of the alternative worker's compensation delivery system shall prevail.

4. Amendment No. 1 to the PLA on the Health Centers at Fair Oaks and Gilroy between the County and the Building Trades does not apply to this Extension Agreement.

This Agreement shall be included as a condition of the award of all construction contracts

on the Project.

This Agreement shall continue in full force and effect until the completion of the Project.

SANTA CLARA & SAN BENITO COUNTIES
BUILDING & CONSTRUCTION TRADES COUNCIL

Dated: 1/30/09

By 
CEO

Dated: _____

By _____
Project Manager

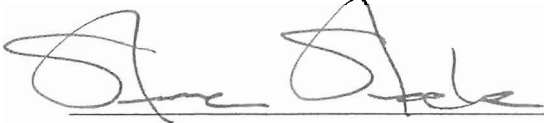
COUNTY OF SANTA CLARA

Dated: _____

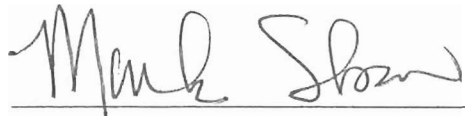
By _____
Liz Kniss, President
Board of Supervisors

UNION SIGNATORIES

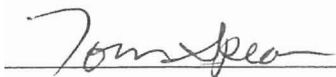
ASBESTOS WORKERS LOCAL 16




BOILERMAKERS LOCAL UNION 549



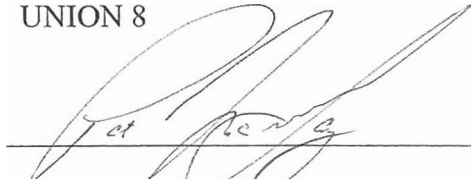
BAC LOCAL UNION 3



IBEW LOCAL 332



ELEVATOR CONSTRUCTORS LOCAL
UNION 8



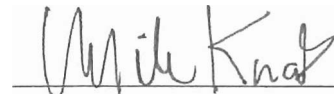
IUPAT District Council 16
Painters & Allied Crafts



PLASTERERS LOCAL UNION 300



NORTHERN CALIFORNIA CARPENTERS
REGIONAL COUNCIL



OPERATIVE PLASTERERS AND
CEMENT MASONS LOCAL UNION
400

ROOFERS LOCAL UNION 95

SIGN & DISPLAY & ALLIED CRAFTS
LOCAL UNION 510

TEAMSTERS LOCAL UNION 287

IRON WORKERS LOCAL UNION 377

LABORERS LOCAL UNION 270

Signed and certified that a copy of this
document has been delivered by electronic
other means to the President, Board of
Supervisors.

Attest:

Maria Marinos
Clerk of the Board of Supervisors

UNITED ASSOCIATION, PLUMBERS &
FITTERS LOCAL UNION 393

SHEET METAL WORKERS
INTERNATIONAL UNION LOCAL 104

UNITED ASSOCIATION SPRINKLER
FITTERS LOCAL UNION 483

LABORERS LOCAL UNION 67

OPERATING ENGINEERS LOCAL 3

APPROVED AS TO FORM AND
LEGALITY:

Nancy J. Clark
Deputy County Counsel