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# Irvine delays vote on prevailing wage requirements at Great Park

Council majority argues that change is needed to protect against substandard work.

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IRVINE – The City Council majority this week spoke in favor of imposing state prevailing wage requirements on Great Park projects, but delayed a final decision on a change that city leaders hope will attract top contractors. Some fear the change would add millions in construction costs.

City officials previously considered Great Park projects exempt from prevailing wage requirements, which govern the hourly rates and benefits paid to workers on some public works projects. For a project to be exempt it must be a municipal concern that does not receive state or federal funds.

Councilman Larry Agran argued that without the prevailing wage, lower-paying firms are able to underbid more qualified contractors. Agran pointed to the construction of the Great Park balloon, which he said the low-bid contractor completed only through great difficulty and much assistance from Great Park staff.

"If you get a race to the bottom on wages you get a race to the bottom on standards." Agran said. "When you have a quality workforce it costs you more, but it saves you tremendous grief."

Regardless of the council's decision, prevailing wage requirements will be forced on the Great Park by 2010, staff said, when the city begins using redevelopment money to help fund construction. Sen. Barbara Boxer, D-Calif., during a recent visit to the Great Park said she would seek federal money for the project, a change that would also trigger prevailing wage requirements.

But immediately requiring prevailing wages could add an estimated \$4 million to \$8 million to the cost of Great Park construction, according to staff reports, a 10 percent to 20 percent rise in costs.

A half-dozen building industry representatives urged the move to prevailing wages, arguing that potential cost overruns are offset by the use of better-trained contractors who can avoid costly, time-wasting delays.

Councilwoman Christina Shea opposed the move to prevailing wage, arguing that many quality city projects were built without the requirements. Shea attributed the Great Park balloon difficulties to a tight construction schedule.

"To say that unless you pay prevailing wage you are going to get junk is not the truth," Shea said.

The council will take up the prevailing wage debate again next month, along with a formal pre-qualification process for construction companies hoping to contract with the city.

"We want to make sure we are building a park with the best available resources and most qualified contractors," Councilman Sukhee Kang said. "You get what you pay for."

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