

JOBS

Tilesetting jobs were the one union sore spot on the Hyatt project

Bricklayers Local 1 warned Mortenson that there'd be problems with non-union contractor

By Don McIntosh

The just-opened Hyatt Regency Portland ended up being a largely union project, but tile was a notable exception. Leaders of Bricklayers Local 1—which represents tilesetters and tile finishers—got nowhere trying to warn developer Mortenson and project sponsor Metro that non-union Sustainable Floors was going to have to break the law in order to underbid union contractors as much as they did.

When Local 1 Business Manager Matt Eleazer and Business Rep Matteo Russo Jr. learned that none of the union's signatory tile contractors got work on the massive project, and that non-union Sustainable Floors had put in the winning bid, they met with Mortenson operations director Mike Clifford to warn there would be problems.

According to a social equity report produced by Mortenson, Sustainable was paid \$1,618,642 to do the tile work in bathrooms in all 600 hotel



In 600 rooms at the Hyatt Regency, shower tiles were set by a non-union company that violated prevailing wage and other laws.

rooms as well as hotel public areas. Eleazer says that was far below what union contractors bid.

Because public subsidy paid part of the project costs, all bidders for each specialty would be required to pay the same prevailing wage.

"On a prevailing wage job, we should be playing in the same ball park," Russo says. "There should be no \$100,000 discrepancies."

Clifford told the *Labor Press* by phone Jan. 13 that Sustainable got the job because it was the low bidder, and because no

bids were received from qualified union tile firms that were certified as minority- or women-owned, which was a very important factor for both Mortenson and Metro.

Based in Fife, Washington, Sustainable Floors is certified as a woman- or minority-owned firm.

"Metro made it clear that their number one factor was our ability to achieve the social equity goals, so we set out to do that," Clifford said.

Eleazer and Russo predicted to Mortenson and Metro that Sustainable wouldn't perform the work with its own employees, and argued that the company would be better defined as a broker, subcontracting to multiple firms.

After tile work got under way around November 2018, that proved to be the case. Local 1 identified tile employees on the job who were employed by at least six other companies. The union also learned of multiple violations of prevailing wage and other public construction laws, and shared its findings with the Oregon Bureau of Labor and Industries (BOLI), the agency responsible for enforcing those laws.

BOLI assigned several investigators, who found dozens of violations. Sustainable itself was found responsible for 14 separate violations. Among them: It didn't have a public works bond or require its subcontractors to have one; it failed to pay prevailing wage or overtime in some cases; or keep records of hours worked.

On behalf of two workers who suffered wage theft on the project, BOLI collected \$20,840 in unpaid wages and damages.

BOLI also found that at least three of Sustainable's subcontractors each violated the law four to six different ways.

It wasn't just the laws that were broken: Sustainable also skirted Metro's goal of apprentice opportunities, Eleazer says. As part of its agreement with Metro, which oversaw at least \$74 million of public subsidy for the project, Mortenson had agreed that it would aim for 20% of the work to be done by apprentices. But neither Sustainable nor any of the subcontractors Local 1 was able to identify were even enrolled in any state-registered apprenticeship program for tilesetters.

"If on Day One they're not a

registered training agent, how were they even allowed to bid this job?" Eleazer said.

Local 1, meanwhile, had roughly two dozen tilesetter apprentices that could have worked on the job.

All of these concerns Eleazer laid out in a March 1, 2019 letter to Metro Chair Lynn Peterson.

"It is our experience that brokers like Sustainable Floors count on a lack of compliance enforcement, and that is why their bid tends to be much lower than a true subcontractor," Eleazer wrote to Peterson.

The letter was followed by a March 20 meeting with Metro's General Manager of Visitor Venues and a Metro attorney. Nothing came of it, Eleazer said: "They basically said, 'sorry for your loss,'" Eleazer recalls.

Eleazer and Russo said they thought BOLI did a great job on the investigation, but it came too late and was after the fact.

Union firms lose out on bids far and square all the time, and take it in stride, Eleazer said. What bothers him in this case is the sense that the non-union competition won the work by not playing by the rules.

IN MEMORIAM

Robert Blanche 1962-2020

Robert Blanche, former president of the Portland local of SAG-AFTRA, died Jan. 3 after a long battle with a lung ailment.

Best known as Sgt. Franco on NBC's *Grimm*, Blanche appeared in over 80 television and film productions, including *Men of Honor* (2000), *Rose Red* (2002) and *World Trade Center* (2006), and two episodes of *Portlandia*.



Robert Blanche

Blanche also played officer Patrick Bonanno in the TNT show *Leverage*.

Blanche joined the Screen Actors Guild in 1995 and served as the president of its Portland branch prior to SAG's 2012 merger with AFTRA, and on several committees of the national union. He later served as local president of SAG-AF-

TRA from 2017 to 2019.

In 2011, he was diagnosed with hypersensitivity pneumonitis, an inflammation in the lungs that led to pulmonary fibrosis. He received a double lung transplant in August 2018, but struggled to recover.

Over the past year, local union members and supporters raised about \$45,000 to help Blanche and his family cope with medical expenses and the loss of income from being unable to work.

Blanche is survived by his wife June Eisler and five children.

The union will honor Blanche's memory at an Jan. 19 viewing party for the televised annual SAG-AFTRA awards at Lake Theater in Lake Oswego.



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