THE FOUNDATION FOR FAIR CONTRACTING met in Sacramento this month with the Governor's top appointees over labor to discuss the FFC's job monitoring program.

Foundation presses for more cooperation

Duke's men meet on job watch program

By James Earp
Managing Editor

The Foundation for Fair Contracting took its program straight to Governor Deukmejian's top appointees over labor affairs this month in an attempt to solicit more state cooperation in the fight against the construction underground economy.

Local 3 Business Manager Tom Stapleton, foundation chairman Chuck Center and co-chairman Curt Thornton of W.M. Lyle Co. and representatives of the Associated General Contractors of California met at the AGC headquarters on Nov. 13 to outline ways in which the state could cooperate more fully in enforcing the law against cheating contractors.

Representing the state were Ron Rinaldi, chief of the Department of Industrial Relations; Robert Simpson, deputy director of DIR; Lloyd Aubry, newly appointed labor commissioner and Barry Carmody of the Division of Labor Statistics.

"The main intent of the meeting was to show the Governor's people that the job monitoring program of the FFC is not just a union effort," Business Manager Tom Stapleton emphasized. "It is receiving strong and enthusiastic support from employers."

"We want the Governor to know that the FFC's program to document wage, safety and apprenticeship violations in the construction industry is working very effectively and it would be to his benefit to see that the state gives the program its full support."

Stapleton pointed out that the findings of a blue ribbon committee selected by the Governor to study the extent of the underground economy in California revealed the need for greater cooperation between state agencies and the industry.

"We are dealing with a problem that is costing the state more than $2 billion a year in lost tax revenue," Stapleton explained. "The Foundation for Fair Contracting in only six months has brought $620,000 in penalties against violators."

"The FFC has proved it can do a job," Stapleton added. "But the program could be even more effective if we had a closer working relationship with the involved state agencies."

(Continued on back page)

Building Trades take Hatch beef to the streets

A thousand trade unionists marched this month to demand state and federal investigations of evidence that the union-busting Rail-Roadway Hatch construction venture of Oregon used fraud to obtain the largest freeway contract ever awarded in the Bay Area.

The march opened with a rally at the Carpenters Local 1622 headquarters in Hayward, a quarter of a mile from the construction site at the intersection of I-580 and Route 238.

Mike Munoz of the Carpenters opened the rally and brought on speakers which included John Henning, head of the California Labor Federation; State Senator Bill Lockyer, Assemblyman Johan Kiel and others.

Following the speeches, the marchers headed towards the Hatch construction site, closely followed by the California Highway Patrol. Several men in business suits watched from behind a cyclone fence as the long file of marchers encircled the equipment yard.

In related developments, the Alameda County Board of Supervisors has added its voice to the swelling chorus of demands for investigation into the Hatch joint venture.

The board voted unanimously to demand congressional, federal and state

(Continued on page 2)

Local 3 scores well in election with BART win

A landslide victory in San Mateo County favoring the construction of a BART extension into the county headed the list of a number of important off-year election wins for Local 3 this month.

The Measure A on the ballot, which brought a 71 percent favorable response from the voters, authorizes the County Transit District to build a passenger station next to the BART storage yard currently under construction in Daly City. Approval of the measure opens the way for BART service to Colma.

It also opens up the possibility of expanding BART service to the San Francisco Airport.

In the South Bay, Local 3 endorsed candidates Eddie Souza and Vern Detto won their races as Mayor and City Councilman respectively for the City of Santa Clara.

Nearby Sunnyvale elected Bob Reese

(Continued on back page)
At its meeting on October 13, 1985 the Executive Board approved Honorary Memberships for the following Retirees who have 35 years or more of membership in Local 3:

Name Reg No.
J. W. Crump 0657630
James H. Dill 0645815
Trueman E. Douglas 0324918
Kenneth Dyer 0657928
Louis Gates 0657645
Milton C. Griffith 0577360
Virgil Jarosh 0657681
Maurice Jeffries 0627492
James F. Johnson 0549271
John J. Kennedy 0649351
Joe Krpan 0615174
Vern Lambert 0386668
John P. Magnasco 0622774
J. L. Manner 0375531
Christopher McCarthy 0652585
William R. Mills 0620715
Elton Mongold 0657817
Daniel Scott 0635552
Irvin W. Snow 0620167
Rudolph Stark 0649457
Bill E. Stout 0481118
Warren Thompson 0657732
Leon Vuillemainroy 0657736
J. W. Williams 0575564

Honorary Members Effective September 1985.
Art Burman 0649235
James Malcolm 0652857

By T.J. (Tom) Stapleton, Business Manager

It’s no secret that in the past two years, the Operating Engineers Local 3 has been in the forefront of the fight to combat the growth of the underground economy in the construction industry. Our determination in this battle has been spurred by the onslaught of employers — most of them nonunion — whose only means of survival in a competitive environment is to cheat their employees and the state on wages and taxes and to violate labor law and apprenticeship standards.

Although contractors who cheat probably don’t lose any sleep over the fact that their actions aren’t viewed very highly by the labor movement, it is important to note that building trades unions aren’t the only ones who suffer.

Taxpayers suffer because their tax dollars are being spent on public works projects that very often are past deadline, over budget and substandard.

Workers suffer because either they lose potential jobs to workers brought in from out of state or, if they do get a job on one of these projects, they aren’t getting paid what they’re supposed to.

The state loses out because contractors who violate prevailing wage laws also cheat on payroll and income taxes.

The entire industry is made uncompetitive because fair, law abiding contractors can’t bid competitively against firms that base their bids on substandard wages.

Unfortunately, if it were not for our efforts and those of a few other unions, this disease would be growing almost unchecked today.

In the past two years, we have worked hard to bring greater public attention to this problem and to take bold steps to do something about it.

• We worked closely with Assem- blyman Dick Floyd in a series of public hearings that were held throughout the state to uncover the extent of the underground economy in construction.

• We implemented a job monitor program within our own union that provides a watchdog key union-related projects and documents wage, manning and safety violations.

• We worked with various district attorneys offices and the Labor Commissioner to investigate and prosecute suspected violators.

• Working with the Associated General Contractors and other concerned employers, we established the Foundation for Fair Contracting which is expanding the job monitoring program that we originally began and is proving to be an effective weapon in the war on the cheating contractor.

Would it be qualifiable if we could say that Governor Deukmejian, who claims to place great priority on law and order, has been an ardent supporter of these programs. So far, that has yet to be the case.

In fact, the Governor has gone out of his way to veto every bill that would have put more teeth into the law concerning the underground construction economy.

Nevertheless, we are pleased that the public awareness that has been brought on this issue prompted the Governor to commission a report from the Little Hoover Commission, which did an adequate job of outlining the problems that exist.

We are also hopeful that a new agreement among the Dept. of Industrial Relations and other state agencies to establish an information sharing program to provide more effective prosecution against suspected violators will be taken seriously.

However, if I were the Governor, I would do a little more. I would take a good, hard look at the proposals that were presented this month by the Foundation for Fair Contracting to his top staff people over labor affairs (see page 1). If I were the Governor, I would look at the overall picture and consider that, if people are going to take me seriously about defending the rights of victims, I’ve got to do more than just talk about it.

The Foundation for Fair Contracting is offering a wealth of professional expertise to help the state present stronger cases against suspected violators. It won’t cost the state anything for this help. Indeed, the state will reap tens of thousands of dollars in additional penalties and fines.

If I were the Governor, I would consider that the positive publicity would make an effective cooperative effort would make me look awfully good in the eyes of the public. That’s a valuable commodity in an upcoming election year.

R.A. Hatch beef taken to the streets

(Continued from page 1)

investigators of the phony subcontractor charges after John C. Richard, researcher with the Alameda County Building and Construction Trades Council, showed them a videotape of the ABC television investigation of Hatch Rail Roadway that was broadcast over the network last month.

Individual supervisors have spoken out frequently with criticism of the manner in which Caltrans awarded the contract, but this was the first official action by the board.

The board asked:

• Gov. Duckmejian to push the Caltrans in the federal investigation of this phony scheme that apparently has been going on for years.

• Transportation Secretary Elizabeth Dole to expedite a federal investigation of the phony phony projects.

The possibility of a federal probe has been viewed as a reason for not pushing ahead with the state investigation.

Rep. Parren Mitchell, D-Maryland, to bring the House Small Business Committee, which he chairs, to California for hearings on the charges.

Mitchell was an author of the legislation that encourages growth of minority-owned businesses by requiring that project bidders offer a portion of their work to minority-owned firms.

The joint venture has been banned from bidding on any public works projects in California for one year as punishment for flouting state Labor Code regulations on the training and hiring of apprentices.

Hatch Rail Roadway has bid on light rail projects in San Jose and San Diego, and it appeared that the ban, imposed by the director of the California Department of Industrial Relations, would have a severe impact on the company’s plans to move its anti-union methods into California.

Meanwhile, efforts of the Alameda County Building and Construction Trades Council to force Caltrans to come to court to defend its award of the contract to Hatch Rail Roadway were dealt a setback.

A judge in Alameda County Superior Court ruled that the council had not brought on this issue.

Greivance Committee Elections

At its meeting on September 26, 1985 the District 9, San Jose membership elected Brothers Ronald Phillips and Allen Palmer to serve on its Greivance Committee for the ensuing year, filling the positions left vacant by the resignation of Brothers Don McCormick and Peter Burum.
AFL-CIO News

Anaheim, Calif.— If the promise of the AFL-CIO’s convention is achieved, the years ahead will bring trade union growth in fields of employment now barely tapped. There will be new and more enduring links between workers and unions, greater participation by members in union activities, and extra cash value in a union card.

Key resolutions and the floor discussion that highlighted their significance coupled the traditional trade union goal of “organizing the unorganized” with a commitment to new forms of outreach to today’s workers—and tomorrow’s.

The convention gave a green light to the AFL-CIO to put together a package of membership benefits—including low-cost insurance and consumer services—that unions could offer to their members.

Savings generated by the polled buying of millions of workers would make union membership immediately valuable. A convention resolution viewed the program as especially useful in building a proposed new category of associate members—union supporters not presently covered by a collective bargaining agreement.

Associate memberships, the resolution suggested, could include persons who leave a job in which they were represented by a union in an unsuccessful organizing drive.

Feasibility study

The feasibility study that backed the concept of “providing direct services and benefits to workers outside of a collective bargaining structure” was conducted by a staff drawn from the AFL-CIO and 23 affiliates.

One of its facets was a poll of members of AFL-CIO unions that found widespread support for the establishment of a benefits program. Union members, the poll indicated, have confidence that their unions will be acting in the best interest of the members in putting together such a package.

The study found that “the insurance industry and financial institutions are interested in developing programs that could be offered on a federation-wide basis to union members.”

It concluded that “by acting together, unions would be able to obtain a range of benefits and services, as favorable rates tailored to meet the special needs of workers.”

While the benefits would be made available to all affiliates, the convention specified, each union would make its own decision on the extent of participation. The AFL-CIO would pay the start-up costs of such a program, but it would be self-financing thereafter.

The convention also keyed in on the importance of developing new approaches to the traditional need of organizing.

Declaring that organizing is “a continuing obligation and challenge of the highest priority,” a convention resolution called for:

• Developing new research techniques and new strategies and tactics for organizing both small shops and major units.
• Developing comprehensive corporate campaigns to help affiliates deal with recalcitrant employers, particularly multinational corporations.
• Training staff members to deal with organizing problems in such special sectors as white-collar, clerical and professional fields.
• Providing affiliates with information on union-busting consultants and studies of the impact of their methods.

In floor discussions, Vice President Leon Lynch of the Steelworkers urged unions to “pledge people, as well as finances, in order to pay for organizing expenses.”

He said the task of reaching out to the unorganized is labor’s prime objective. President John J. Sweeney of the Service Employees said it’s “harder to organize” in the present climate than it was a decade ago, but that an “organizing resurgence” could overcome the obstacles now in labor’s path.

New ways of getting our message out

By James Earp, Managing Editor

As one who has covered several AFL-CIO conventions for the labor press, the 30th Anniversary convention held last month in Anaheim stood out in two significant ways.

First was the recognition by the AFL-CIO that bold, new steps must be taken by the labor movement to adopt state-of-the-art technology and methods to advance American trade unionism.

Second was the innovative use of video programming to communicate the message of labor to its delegates. Aided by the recently formed Labor Institute of Public Affairs, gavel-to-gavel coverage of the convention proceedings was projected onto 12 by 16-foot video screens.

Daily satellite feeds of convention highlights were broadcast to 540 television stations. Delegates could also tune into WORK-TV, a closed circuit television system airing labor programs produced by the Auto Workers, Steelworkers and other affiliated unions.

Key committee reports and resolutions were presented during the convention through special video programs produced by LIPA.

The labor movement has finally begun to realize that in order to compete head to head with big business, we have to be capable of utilizing the best methods of communication available.

It’s a major investment in terms of cost, time and most of all, talent. But it’s an investment in our future we cannot afford not to make.
$1.6 million project in Pershing County

G.P. Construction, awarded a job in Pershing County which calls for grading the roadway, installing drainage structures, widening an existing bridge structure and developing campgrounds and a boat launch area on F.A.S. Rte. 401 between Yre and wanted State Park and I-80. Their bid was $1,597,960. District Repre- sentative Les Lassiter reports this month.

A major portion of the 1-580 extension in Reno was recently approved by the State Transportation Projects. The $31 million project was approved after representatives of Washoe County, the City of Reno and area homeowners endorsed the plan. Completion of the project, which will extend from Del Monte Lane to the Mount Rose High- way, should be completed by the fall of 1987.

Oxbow Geothermal Corp., headquartered in Washington, is planning a $100 million geothermal plant in Dixie Valley. The privately held company has taken over leases and wells owned by TGI of San Francisco and Sun Geothermal of Dallas, TX, and has been combined in a 25,000-acre geothermal unit. Dixie Valley is con- sidered Nevada’s richest geothermal power resource. The total estimated cost of the proposed plant to be built at Spring Creek, in the north end of the valley, is approximately $100 million. The power generated from this plant will be transmitted to southern Cali- fornia. If the project proceeds as planned, completion would be in the summer of 1987.

In conjunction with the National Joint Heavy and Highway Committee, a special job monitoring program for construction industry. The long-range goal is the organizing of non-union heavy and highway contractors in the state. The project, which has been on line for the past few months, has been successful in shutting down a local non-union job several times for safety violations alone.

By HAROLD HUSTON, President

A Personal Note From The President’s Pen

During the past month I’ve tried to gaze into my crystal ball of the future and find out what is going to happen with Medicare and Social Security. My news articles for the past several months have zeroed in on this subject matter with my goal in mind to keep you and your wife as informed as possible. It’s not very easy to do with the Senate and House of Represen- tatives moving on a roller coaster course in making their decisions.

The Department of Health and Human Services is drafting a report to Congress recommending a major change in the way the government pays physicians under Medicare, the health insurance program for the elderly.

According to department officials, the report suggests that the government establish a schedule of standard Medicare payments for 60,000 procedures. The fees would be based on historical data showing how much doctors have charged or how much Medicare has paid for the services.

This system would bring greater uniformity for payments under Medicare. Currently, there is, in effect, a different fee schedule for each doctor, and payments are calculated according to a complex formula taking account of the physician’s customary charges, as well as the prevailing charges in an area.

The new system could go into effect only if Congress approved it. Congress has indicated a strong interest in such proposals as part of its effort to control Medicare costs. Among health policy experts in and out of government, there appears to be a consensus that Medicare’s physician payment system needs to be overhauled, but there is no agreement on what to do.

The fee schedule would reduce regional variation in the payment of doctors, much as Medicare has tried to standardize payment of hospital services in the last two years.

There is now a different set of physician charges in each of 243 localities. As an illustration, there are 10 localities in New York state, 28 in California and 32 in Texas. Under the proposal, the number of localities would be sharply cut, which would tend to flatten geographical variations. Even at the cut, the final number of areas has not been decided.

In each area, Medicare would pay the same basic amount for a given procedure, such as an office visit, an appendectomy or a skin biopsy. The tendency would be for lower charges to cover up and higher charges to average down, but the government might make adjustments for overhead costs, such as office rental and malpractice insurance premiums, which generally run higher in New York City than in most other parts of the country.

Only about 20 percent of the nation’s doctors have agreed to “accept assignment”—that is, to take the Medicare-approved fee as payment in full for their services. Most doctors perform more than half of all medical procedures done on patients eligible for Medicare.

To help America’s 26 million senior citizens locate these doctors, the Health Care Finance Adminis- tration, recently published the “Medicare Part- icipating Physician and Supplier Directory,” a regional listing of doctors who accept assignment. Reference copies are available at Senior Citizen Centers and Social Security offices.

All doctors listed in the directory have agreed to accept assignment. But doctors who aren’t listed still have the option of accepting assignment on a case-by-case basis. So even if your doctor isn’t listed in the directory, it may pay to ask if he or she will accept assignment in your case.

The Senate Finance Committee has approved a package of spending cuts, including limits on Medicare payments to doctors and hospitals, that would reduce the federal budget deficit by more than $21 billion over the next three years.

The bill, similar to one written by the House Ways and Means Committee in July, would moderate increases in premiums that Medicare recipients pay for Part B Insurance—Coverage of doctors’ fees.

Under the provision, the present $15.50 a month premium would rise to about $16.50 next year, $18.60 in 1987 and $20.80 in 1988. The Reagan Adminis- tration wants to raise the premium to $25.30 by 1988.

Medical insurance enrollment

March was the last month of the 1985 general enrollment period for persons to sign up for Part B medical insurance under Medicare.

The three month sign-up period which ended March 31 for eligible individuals who failed to enroll during their initial enrollment period or cancelled coverage previously occurs in the first quarter of each year.

Medical insurance coverage began July 1, 1985 for people who enrolled during this year’s general enrollment period. Newly enrolled participants will pay the basic Part B premium of $15.50 plus 10 percent extra for each year they could have been covered by medical insurance but did not choose to take it.

The Part B premium currently represents about one fourth of the actual cost of the medical insurance. The balance is paid for out of federal revenue funds.

Medicare insurance helps pay for services of physi- cians, out-patient hospital services and many other items and services not covered by the Part A Hospital Insurance portion of Medicare. In general, after a person has spent $75 in approved charges for covered medical expenses in a year, the Part B medical insurance pays 80% of the approved charges for additional covered services during that calendar year.

G.P. Construction gets Nevada job

G.P. Construction was awarded a job in Pershing County, which calls for grading the roadway, installing drainage structures, widening an existing bridge structure and developing campgrounds and a boat launch area on F.A.S. Rte. 401 between Yre and wanted State Park and I-80. Their bid was $1,597,960. District Repre- sentative Les Lassiter reports this month.

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ENGINEERS NEWS
AFL-CIO completes study on open shop

Utah and Wyoming are among 20 "right-to-work" states and the District of Columbia where union-shop agreements can be negotiated. According to a study by the AFL-CIO.

"By any yardstick, per capita income, average hourly earnings or annual pay, both supervisory and non-supervisory personnel in Utah and the other states with compulsory open shops lag behind the rest of the nation. Not only in earnings, but also in fair employment practices protection, equal-pay laws for women, state minimum wage legislation, funding on public school students," the study showed.

When the open shop was made compulsory in Utah in 1955, workers were paid $255 a year below the national average. The right-to-work states, by contrast, lagged far behind at $11,692. The right-to-work states by a lot more than the union-busters. Right-to-work, originally made these states ripe targets to break up picket lines.

"The measure was killed in the Senate this year and fiscal 1984, meaning there was [a further $364 drop in the following year]." They showed the unions are handicapped in organizing in the right-to-work states by a lot more than the regional prejudices and attitudes that originally made these states ripe targets for the union-busters.

"Right-to-work" states and the District of Columbia where union-shop agreements can be negotiated. As for Wyoming, the study states that when it passed its right-to-work law in 1963, the state's per capita income was $9 above the national average. Since then, however, the figure has fluctuated widely. "But by 1984, it was in the minus column, $565 below the national average."

Four new Veeps—Four new vice presidents were elected at the AFL-CIO Convention last month in Anaheim. From left to right are President Millan Stone of the Rubber Workers, President Gene Braddock of the Professional Athletes, President Robert A. Georgine of the Building & Construction Trades Dept. and President Larry L. Dugan, Jr. of the Operating Engineers.

State admits failures in CAL-OSHA

Failure of the California Occupational Safety and Health Administration to conduct inspections within deadlines set by law was admitted by Ron Rinaldi, Gov. George Deukmejian's director of industrial relations.

"We agree that we have not complied with the statutory mandates," Rinaldi said. "I have directed my staff to be current by the end of the year without any excuse whatsoever."

Rinaldi testified in an interim hearing before the State Senate Industrial Relations Committee, which last month made public a report highly critical of CAL-OSHA.

"By the time you get a compliance officer out there, you may have a dead person on your hands," said Jack Short, director of safety and training for Operating Engineers Local 3."

"If we don't have a high priority, the Deukmejian Administration is going to shift enforcement away."

"It's a question that this had been accomplished by pulling staff members away from inspections in other regions. Labor witnesses testified on CAL-OSHA's slow response."
Haskins moves the dirt at Canyon Lakes

By John McMahon

One of the largest dirt spreads currently in operation in Local 3's jurisdiction is the Arthur "Buzz" Haskins Company job in San Ramon. With a crew of over 75 operating engineers, the Canyon Lakes housing and golf course project is rapidly taking shape.

Operating a fleet of 38 scrapers along with several other pieces of equipment, Haskins' company is moving over 18 million cubic yards of dirt. Financed by the Blackhawk Corporation, the project, which covers 3,000 acres, includes a golf course, tennis courts, housing units, condominiums and a 60 acre lake.

The job, which started in September, 1984, has not been without its share of problems however. The biggest difficulty stems from the unstable soil in the hills above San Ramon. Redrawn because of constant dirt slides.

When completed, the Canyon Lakes development will contain 1,200 housing sites. The 60 acre lake, which will occupy the center of the project, required the excavation of over two million cubic yards of dirt.

The work is expected to continue through the winter, before winding down next spring.
Member risks life in job mishap

Brother engineer Marcelino Herrera of Gitive, an employee of Prazza Construction Company, has just reached his 40 years of age last July, and who has been operating equipment for 17 of those 40 years, was said to have been the resident of a section of East San Jose and by police officers, for risking his own life, said he is a private sector. He has been crossagreements and property in an area called Salyo Drive.

Business agent Don Incardona reports that Marcelino was the only person in the area that was attending the incident that night. Everything seemed like a smooth outing, when suddenly a hydraulic hose broke on Marcelino's motor. The machine rolled down the street, picking up speed while he desperately wrestled to steer it away from houses, people and cars.

The machine finally crashed into a curb at First Avenue. The impact was such that it split the machine in half and sent Marcelino flying several feet up into the air. When he landed, he broke a leg, and suffered several cuts and bruises. He was taken to a nearby hospital for treatment.

According to the neighborhood residents who witnessed the accident, if Marcelino had jumped off the roller, it would have most probably crashed into a house, or it would have practically destroyed a few cars that were parked along the street.

The reaction from the residents varied. Some said they were very thankful to Marcelino for not using their vehicles to stop the machine. Other said they were glad he didn't crash into their homes and most of all they were glad because no lives were lost. They all agreed that it takes a "heck of a man to do what Marcelino did."

Incardona said that it would have been easy for him to jump off the machine, and let it roll down the street, but he stayed with it until the very end, and for that he was highly commended. Marcelino is recovering from the broken leg and bruises.
Fringe Benefit Forum

By Don Jones, Director of Fringe Benefits

Congratulations, Engineers working under Agreements in California. You now have an additional retirement plan—the Annuity Plan. You have the option to approve placing part of your wage/fringe package toward the Annuity Plan. (And Hawaii Engineers already have a similar Annuity Plan.)

As a retirement plan, Annuity Plan contributions are not taxable until paid out to a participant. So you have the opportunity to earn high interest on your money and at the same time any tax payments on the earnings.

And the Annuity Plan is not meant to replace your Pension Plan. The Pension Plan will still be expanding its tele-diagnostic and preventive care and all Office. The current phone number is (415) 391-4440 or effective December 1.1985, the Trust Fund Office can be reached on its new telephone number: (616) 1568, and well be happy to assist you in use your Safeguard panel dentist. And if you have any questions about Safe- guard, first call Safeguard direct at (800) 652-1152, and if you are not able to get answers to your questions, call the Fringe Benefit Center at (415) 431-1568, and we'll be happy to assist you in any way we can.

At the time of your death, the balance of your account will be paid to your designated beneficiary.

You may withdraw the money from your account when one of the following conditions are met:

• You leave the industry.

• You have been awarded a Social Security Disability Benefit.

• You are a least age 55 and no contributions have been made to your account for at least three consecutive months.

• Regardless of your age, you have worked less than 300 hours under an Agreement that provides for an Annuity Fund contribution in any two consecutive calendar years (any work in Hawaii Plan).

• You retire and receive a pension benefit from the Operating Engineers Pension Trust Fund.

• Receipt of State Unemployment Benefits.

The Annuity Plan will be able to loan you money from your own account. Once the Plan has been in effect for three years (to allow for a build-up of Plan reserves), participants who have had individual accounts for at least three years may borrow as much as 50 percent of their balance in their account. The Trustees may approve loans for medical expenses, college expenses for dependent children, purchase of a restaurant, or the payment of related monthly expenses, or funeral expenses of dependents. By law some limiting purposes of loans must be in the Plan. Any interest you pay on money borrowed will go directly into your individual account.

In asking you to approve that contributions begin to go toward an Annuity Fund, your office is looking to expand the amount of financial security you could count on at retirement. They were also looking to broaden the possibilities you would have for constructive use of your money should you need it prior to retirement. The Annuity Fund is of course a way to reduce your immediate tax liability. The Plan is a new kind of retirement plan and as such contributions and investment earnings in your individual account are not taxable until you receive them.

Effective December 1, 1985, dental benefits for all active participants and their dependents will be provided through California Dental Service (CDS). Under this program you may go to any dentist you wish. However, CDS will guarantee the percentage of payment allowed by the Plan only when you use the services of a CDS member dentist. A very high percentage of dentists in California are CDS member dentists. Chances are your own dentist has a contract with CDS. Even if he does not, you may still use his services. But non-member dentists may cost more.

If your dentist is a CDS participating dentist (and even in some cases if he is not), your dentist will take care of all the paperwork for you. You need not file any claim forms. Your dentist will do all the claims work. You will be notified of the amount CDS pays your dentist and what payments you must make.

And a significant improvement has been made for diagnostic and preventive services. Effective November 1, 1985, there has been increased coverage from 85 percent to 100 percent. That's 100 percent payment for annual dental exams, cleaning twice a year, x-rays and palliative treatment as necessary. Here is a look at the benefits under CDS:

• Procedures

• Plan Pays

• Annual exam, cleaning twice a year, bi- annual x-rays, palliative treatment .................. 100%

• Basic Benefits 85%

• Basic benefits: Crowns, Jackets and Cast Restorative Benefits 85%

• Prosthodontic Benefits 60%

Here are some basics to remember regarding the new program. First, check your dentist to see if he or she is a CDS member. Chances are good that your dentist is signed up with CDS. If your dentist is not a CDS member, you may still use his services. It may cost you a little more if your dentist's rates are higher than other dentists' rates in the same area. Second, remember that your dentist will do all the claims work for you. Third, if you have questions about the new program, contact the Fringe Benefit Center.

Retiree dental plans reviewed

Effective November 1, 1985, dental benefits for all active participants and their dependents will be provided through California Dental Service (CDS). Under this program you may go to any dentist you wish. However, CDS will guarantee the percentage of payment allowed by the Plan only when you use the services of a CDS member dentist. A very high percentage of dentists in California are CDS member dentists. Chances are your own dentist has a contract with CDS. Even if he does not, you may still use his services. But non-member dentists may cost more.

If your dentist is a CDS participating dentist (and even in some cases if he is not), your dentist will take care of all the paperwork for you. You need not file any claim forms. Your dentist will do all the claims work. You will be notified of the amount CDS pays your dentist and what payments you must make.

And a significant improvement has been made for diagnostic and preventive services. Effective November 1, 1985, there has been increased coverage from 85 percent to 100 percent. That's 100 percent payment for annual dental exams, cleaning twice a year, x-rays and palliative treatment as necessary. Here is a look at the benefits under CDS:

• Procedures

• Plan Pays

• Annual exam, cleaning twice a year, bi- annual x-rays, palliative treatment .................. 100%

• Basic Benefits 85%

• Basic benefits: Crowns, Jackets and Cast Restorative Benefits 85%

• Prosthodontic Benefits 60%

Here are some basics to remember regarding the new program. First, check your dentist to see if he or she is a CDS member. Chances are good that your dentist is signed up with CDS. If your dentist is not a CDS member, you may still use his services. It may cost you a little more if your dentist's rates are higher than other dentists' rates in the same area. Second, remember that your dentist will do all the claims work for you. Third, if you have questions about the new program, contact the Fringe Benefit Center.

Health Examinations begins another round of testing

Beginning this month, Health Examinations, multiple testing units will be making another swing through Northern California.

The Board of Trustees has arranged this return tour with the expectation that during the winter months when many members are not working, they will take advantage of this opportunity and have a thorough health screening. This benefit is provided at no cost to you.

The testing program has been designed to provide your doctor with test result information he can use to detect disease and discover conditions which, if neglected, could develop into serious illnesses or health problems in the future.

Eligible members and their spouses will receive additional information, by mail, prior to the unit's arrival in their area. Appointments can be made by returning the postcard provided or by calling 1-800-542-6233.

Good health is a priceless asset. Protect yours; you owe it to yourself and your family. Make an appointment and have a check-up. It's up to you.
**Credit Union**

**Your vote is needed — Your credit Union's Board of Directors has voted to convert from being a California state-chartered credit union to being a federally chartered credit union.**

The main reason for the decision to convert is the strong interest of the three state-chartered credit unions subject to a franchise tax on investment income and to state sales tax.

If we convert to a federal charter, your savings will be insured to close behind the scraper’s left rear tire so he couldn’t get close enough to shoot the grade at the start of the cut. As he walked, he mentally worked through the procedure for shutting down the grade.

He then grabbed Carpenter grasped as he dropped the scraper’s bowl to begin the cut. He’d had alot of Apprentices left rear tire and when he’d still be ready to shoot the grade at the start of the cut. As he walked, he mentally felt himself out with all that hustle first.

Hank reversed the scraper to finish the cut, as he stepped on the throttle, he looked around for Charlie. Over the noise of the polder and the persistent beeping of the backup alarm, Hank thought he heard someone yelling. ’Twas Charlie. He was green and he should have what they are doing they let their mind a sickening feeling as he scrambled down from the cab. It was Charlie...hehadjustrun overhisown foot cut for this section. He moved in behind the scraper’s left rear tire so he could have just run down to shut off the grade.

The NCUA’s share insurance fund is currently strong, the three agencies that federally insure the savings of Americans. Your Credit Union will keep “cap” coverage through the year. And, “cap” coverage is insurance for those who have been on the job a short time. The first phase of the job was done, and at home recuperating.

When employees have been doing the same work for years without an accident, their job tasks may become so commonplace they let their mind wander and think about personal affairs while working.

Whatever the reason, it is poor practice to feel you have been on your job for so long that you cannot get hurt. Some of the worst accidents have happened to people with long service. It’s only natural to relax and feel more at ease after learning a particular job. A relaxed attitude is good on any job, that is, if you don’t block out thoughts concerning your personal safety.

Even though you have become acquainted with your Credit Union has made to your share savings account, and it is another step in a series of changes that have been made since you last had a chance to see them.

This is the year we converted so you’ll have more dividends to report on your 1985 income tax return. We’ve been offering this three times this year instead to two. You were paid on January 1, 1985 for the second quarter period ending December 31, 1984; on July 1 for the semiannual period ending June 30, 1985 and on October 1 for the quarter ending September 30, 1985.

All of these dividends will have to be reported on your 1985 income tax return. You’ll have to report appears on the bottom of your Fourth Quarter statement that you’ll receive early in January.

**WITH SAFETY IN MIND**

By JACK SHORT, Director of Safety

The following is a true account of an equipment accident. The names have been changed, but what happened was real. We present it to remind you of what can happen when unsafe conditions and actions occur.

"Those who cannot recall the past are destined to relive it!"

Charlie Ogden was anxious to do a good job. He had only been in the apprenticeship program for three weeks, but he had already decided he liked it and becoming a Journeyman Operator was his goal. Not just any Journeyman Operator but the "best Operator these guys have ever seen.”

But, for now, his job was grade checking so, he thought. "I'll be the Hank darn grade checker around." Even though Charlie was new, he had already learned the two secrets to success as a grade checker: speed and accuracy.

Charlie walked faster to catch up with the 623D pedestrian scraper as it pulled in to make the on-and-off foot cut for this section. He moved in behind the scraper’s left rear tire so he couldn’t get close enough to shoot the grade.

As with most accidents, the blame for this one doesn’t fall into one convenient place. Most importantly, Charlie should have realized he was walking into a dangerous situation. Most new Apprentices who want to do well, he had lots of things to think about while he was on the job. This accident occurring partially, because he forgot to think about the most important part of his job: SAFETY. Even though the scraper’s backup alarm was doing its job, Charlie was just too close to get out of the way in time. If he had been thinking about safety, he never would have been that dangerous spot in the first place.

Hank shared some of the blame also. Even though a scraper operator can’t see directly behind his rig, it’s still his responsibility to keep an eye out for people working in the area. Hank knew Charlie was green and he should have made sure he knew where the Apprentice was at all times throughout the operation.

The main responsibility was Charlie’s, though, just as it’s your responsibility to keep your eyes open for danger anytime you are around heavy equipment. As in the case of a scraper, many times the operator has no way of seeing directly behind or to one side or the other of the equipment he or she is operating, so YOU have to be sure you’re not where you shouldn’t be...afterall, it’s YOUR Life.

A lot of people have the mistaken idea new employees are those who have most of the injuries. However, accident records in all industries show old-timers are just as likely to get hurt as employees who have been on the job for a short time. Usually, new employees are cautious because they are not familiar with their surroundings. After being on the job a short time, however, the attitude of new employees may change. They may become complacent and “throw caution to the wind.”

When employees have been doing the same work for years without an accident, their job tasks may become so commonplace they let their mind wander and think about personal affairs while working.

Whatever the reason, it is poor practice to feel you have been on your job for so long that you cannot get hurt. Some of the worst accidents have happened to people with long service. It’s only natural to relax and feel more at ease after learning a particular job. A relaxed attitude is good on any job, that is, if you don’t block out thoughts concerning your personal safety.

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**Winter has arrived on North Coast**

Winter has arrived on the North Coast with a schedule, reports of cold and Representative Gene Lake. Most projects that were underway during the past year have been completed as a result, there will be very little carry over work next spring.

What this means is the contracts that were awarded this fall will possibly new jobs next season. They include clearing and grubbing on the Redwood National Park, totaling $2 million by Phillips Pipeline; grading and structures, also on the R.N.P. bypass, by Tudor-Sabia-Perini (JSV); and placing and dolosses at Crescent City harbor by Dutra Construction; and the Peace Bridge and construction by Wright-Schuh chart-Harbor, first phase of Highway 36 realignment by Tonkin Construction.

The Broadway reconstruction project which was postponed earlier this year is on schedule for spring. Another jetty reinforcement is also planned for Humboldt Bay. Site work for the new Bay Trail is scheduled for spring.

The first of the year should see equipment for the R.N.P. project. At the present time a shop and yard is being prepared for use by the contractors.

Redi International is finishing their Humboldt Bay jetty project. The work on the north jetty is now complete with completion expected this week. After that, a couple of weeks to tear down and ship out the other 4100 and general clean up are all that remain to be done. This has been a good job with a lot of overtime at both jetty and quarry.

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NOVEMBER 1985
Talking to Techs
By Frank Morales & Wally Schissler

1985 has been one of the busiest years the Techs have experienced in quite a while. The majority of the firms have had more Techs employed and have also worked a tremendous amount of overtime this year. Some of the halls could not supply the manpower in their districts, and had to go out of area to fill the orders. There are a lot of surveyors as well as members in the Testing and Inspection Industry who are looking forward to the winter slow down.

Next year, 1986, from all indications, looks like it will be a repeat of 1985. We certainly hope so.

Contra Costa is growing so fast the County planners can’t keep up with the developments. The developer has no choice but to crowd the same seven-by-ten mile parcel, with 20 wind farms, three dams, two reservoirs, an airport, a wildlife preserve, a park and subdivision.

We would like to remind you to take advantage of the reduced dues this winter if you are unemployed more than thirty days.

The Tech Department would like to stress the importance of attending your District Union Meetings. We know when you are working a lot of overtime, you are tired when you get home, and you just want to kick back and relax with the family. The last thing you want to do is get cleaned up to go to a meeting! Well fellows, it is important that you go to these meetings, so that you can be informed about what is going on with your Union and have input into your Union! So, when you get through reading this article, look at the back page – it will tell you the time and place of your District’s next meeting!

Testing & Inspection & Oilfields
By Dan Senechal

The California rig count - up one week and down the next (one move usually off-setting the other) has held a utilization rate of about 58% for the union companies of Hunnicutte and Heald. However, continued erosion behavior of the industry makes it increasingly likely that overall utilization in California will exceed only 1983, the lowest rate recorded to date. It does appear that the last quarter of 1985 will be busier.

The failure of the Northern California rig count to rally early this year is causing concern among contractors. Most contractors still expect steady improvement in the fourth quarter of the year. But no one anticipates an upward spurt to reach the 1984 levels. The so-called experts predict a reduction of about 6% in 1986 compared to 1985.

Offshore problems

The offshore companies are up in arms because of governmental pressure to close thousands of California offshore tracts to development until the year 2000. They will do this by not extending the moratorium through the legislative process. If a decision is made not to extend and expand the moratorium I believe it will be harmful to the.

Personal Notes

Eureka: It is with great sorrow we report the following deaths from the Eureka area: Brother Bill Smith on October 12; Retired Brother Max L. Morelock on October 25. We extend our condolences to the families and loved ones.

Reno: Our condolences are extended to the family and friends of our dear, departed Sister, Pat Robison, August 13th; Melvin Hess, August 19th; Robert Pulpsifer, August 21st; Teddy Johnson, August 29th. Out sincerest and deepest sympathy is also extended to the family and friends of our dear, departed Sister, Paula Solageau, who passed away on September 6th.

Congratulations to Carl & Monica Randolph on the birth of their baby daughter, Nicole, on September 17th, and Tom and Angela Tolbert, who had a little boy girl, Amanda, on September 13th.

Santa Rosa: Our deepest sympathy is extended to the friends & family of Lewis Hicks who died on September 21, 1985.
Don't dig a hole you can't get out of.

That's just what could happen if the piece of heavy equipment you're operating comes in contact with an underground power or natural gas line. When you're doing construction work with a trencher or backhoe becomes a dangerous electrical or natural gas line accident.

The same thing applies for overhead power lines. That's just what could happen if the piece of heavy equipment you're operating comes in contact with an underground power or natural gas line. When you're doing construction work with a trencher or backhoe becomes a dangerous electrical or natural gas line accident.

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ATTEND YOUR UNION MEETINGS

All District Meetings convene at 8:00 p.m. with the exception of District 17 (Hawaii) meetings, which convene at 7:00 p.m.

**November**

26th District 8: Auburn
Auburn Recreation Center
123 Recreation Drive

**December**

4th District 12: Ogden
Ogden Hilton
247 24th Street

5th District 11: Reno
Musicians Hall
142 W. Taylor

12th District 9: Freedom
VFV Hall
1960 Freedom Blvd.

**January 1986**

14th District 1: Eureka
Engineers Bldg.
2806 Broadway

14th District 17: Kauai
Wilcox Elementary School
4319 Hardy Street

15th District 7: Redding
Engineers Bldg.
100 Lake Blvd.

16th District 6: Marysville
Engineers Bldg.
1010 "I" Street

21st District 17: Kona
Kona High School
Keahukaius

22nd District 1: San Francisco
Engineers Bldg.
474 Valencia Street

28th District 17: Honolulu
Kaili Waena School
1240 Guilick Ave.

29th District 17: Hilo
Kapiolani School
966 Kuahea Ave.

30th District 17: Maui
Kahului Elementary School
410 S. Hira Ave.

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IMPORANT

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FCC representatives at the Nov. 12 meeting pressed the state for more cooperation in the following areas:

- Tighter enforcement of prevailing wages is needed on "acquisition" projects. These are projects in which a contractor makes improvements on roads, sewers, etc. and then the local contracting agency acquires the work through an assessment or improvement district. Frequently local agencies will try to get around prevailing wage requirements by making improvements on a new development by requiring the contractor to make improvements in the streets, roads and sewers as part of the cost of the project.

- The contractor does not pay prevailing wages because he claims it is part of the private development. The agency then forms an assessment district that taxes the users for the cost of these improvements. Ultimately, then, the project is funded by public money but the contractor avoided paying prevailing wages for the work.

- The DIR should assign a deputy labor commissioner to the foundation for a one-year period, on the condition that the foundation pay the payroll cost. The FCC argued that this arrangement would provide an avenue to develop a close, effective working relationship between the foundation and the state. It would cost the state nothing, since the foundation would cover the payroll cost, and it would provide a means of expediting serious cases.

- In the end, the state and the industry would benefit from this working arrangement.

Simpson noted that this request had been submitted by FCC once before and was denied. Labor Commissioner Aubry said he would take this request under consideration again, but was not optimistic.

Simpson expressed satisfaction with the general tenor of the meeting and expressed his hope that it would initiate a more cooperative relationship between the state and the foundation in the fight against cheating contractors.

Local 3 fares well in elections

(Continued from page 1)

and Larry Stone onto the City Council. In Livermore, two candidates running for the council with Local 3's endorsement were elected, defeating incumbent members. With the election of Tom Vargas and Judy Bartoli, the composition of the board would be one more favorable toward planned growth.

Building moratoriums were on the ballot in three Bay Area cities. Corte Madera voters approved a two-year ban on commercial development to allow the area time to evaluate the traffic implications of the newly constructed Village Shopping Mall.

Commute Traffic problems were also responsible for voter approval of a building ban in Walnut Creek, where increased development and corporate moves from San Francisco have strained existing highway arteries.

Residents of San Francisco turned down a controversial measure that would have severely restricted further highrise development in the downtown area.

In other races, Local 3 endorsed candidate Steve Weir was reelected to the Concord City Council. Numerous school board candidates backed by the union won their respective seats.

Two notable losses in the election were Don Shank for Novato City Council and Richard Skaff for Corte Madera City Council.