

Supreme Court upholds job safety rights

A unanimous U.S. Supreme Court ruled this month that American workers may refuse, free from employer retaliation, to perform jobs they consider too dangerous.

The Justices upheld a Labor Dept. regulation that bars employer action against workers who base their refusals on a belief that the assigned tasks present an immediate danger of death or serious injury.

Local 3 Business Manager Dale Marr hailed the court decision as a victory for workers' job safety rights. "Our union has long been in the forefront in protecting workers on the jobsite," Marr declared.

"In our collective bargaining

agreements and safety training programs, we have always protected our members' rights to refuse to carry out a job if he or she believes it to be unsafe. The Supreme Court's ruling this month reaffirms that basic right. Failure to have upheld the Labor Dept. regulations would have destroyed everything we have worked so long and hard to gain in the area of job safety."

The decision, written for the unanimous court by Justice Potter Stewart, came in a 1974 case against Whirlpool Corp. in Ohio, in which two workers refused to crawl out on a screen from which a co-worker had plunged to his death

nine days previously.

The two workers were told to go out on the screen 20 feet above the floor to retrieve small appliance parts spilled from a massive conveyor belt system above. The screen was in place to protect workers in the plant from spilling parts, but the retrieval had resulted in other workers falling partially or completely through the screen.

Whirlpool supervisors sent the workers who refused the assignment home for the day, docking them about six hours' pay. Backing Whirlpool Corp. in the lawsuit was the Chamber of Commerce.

Eula Bingham, Labor Dept. OSHA director, said the Supreme

Court's decision has sent an "unequivocal signal to employers and workers alike that the law protects employees who refuse to work when forced to choose between their jobs and their lives."

The Supreme Court decision noted the elaborate system under which OSHA gets a worker appeal, investigates and when necessary petitions for a court injunction to save workers from facing dangerous conditions. Even then, the decision noted, "circumstance may sometimes exist in which the employee justifiably believes that the express statutory arrangement does not sufficiently protect him from death or serious injury."

That situation may be accompanied by circumstances "in which the employee has reason to believe there is not sufficient time or opportunity either to seek effective redress from his employer or to apprise OSHA of the danger."

It is in this kind of situation that a worker's right to refuse an assignment must be upheld by the law.

"The Act does not wait for an employee to die or to become injured," Justice Stewart wrote. "It authorizes the promulgation of health and safety standards and the issuance of citations in the hope that these will act to prevent deaths or injuries from ever occurring."



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Interview with Gianturco

On Feb. 21, Engineers News spent a couple of hours with Caltrans Director Adriana Gianturco in an exclusive and in depth interview on the state's highway program. Turn to page 6 for this exclusive feature.

Important Notice

Turn to page 11 for an important notice regarding a proposed ERISA exemption involving the Pension Trust Fund for Operating Engineers Local 3.



Running Empty:

Is our state's highway program headed for a dead end?

By James Earp, Managing Editor

IT USED TO BE THAT THE FIELD of transportation kindled the imaginations of planners and scientists. The 1960 World's Fair in Seattle featured the "automobile of the future," a sleek winged and finned vehicle that would supposedly jet along ultra-smooth expressways at hundreds of miles per hour. In the more environmentally oriented seventies, the first state Transportation Plan published by the Reagan administration envisioned that by 1983, cars would be banned from California's central cities, smog reduced by half and people would be whisked about on electromagnetic conveyor belts. Commuters would eschew their automobiles in favor of "free public transportation."

Obviously, about the only thing these glorious predictions really proved is that the reality of times change and what once seemed like great ideas are now utterly out of the question. The cold, hard fact is, our transportation system, regarded as the finest in the world, will soon experience the greatest crisis in its history if some definite actions are not taken. These actions boil down to one common denominator—money.

Despite the fact that operating engineers have just completed one of the most active years in the history of the highway program and that next year promises a similar number of new highway construction projects, the California transportation program over the next five years appears to be headed for a financial dead-end. The skyrocketing price of gasoline has forced automobile users to cut down on their driving. As drivers purchase less gasoline, the funds derived from the seven cent state gas tax and the four cent federal gas tax are reduced, resulting in a similar drop in the state and

federal highway trust funds which finance highway construction.

In an exclusive interview with Caltrans Director Adriana Gianturco this month (see page 7), *Engineers News* asked her how the state plans to deal with the eminent crisis.

"I think there is a crunch, no doubt about it," she responds. "But that's not a new situation. We're not facing any new crisis that we haven't been trying to deal with for the last five years (since the Arab oil embargo) and we have restructured our operation so that we can deal with this problem with constant or diminishing resources and keep things going."

She points specifically to more careful management of state funds to obtain federal matching funds, a downscoping of earlier proposed highway construction projects and the build up of a reserve fund for future projects—a tactic she has been heavily criticized for. Yet, a report released at press time by the accounting firm of Arthur Young & Co. disputes Gianturco's optimistic view and concludes that despite the fact there is nearly \$600 million currently in the state highway account, the five-year, \$6.5 billion

(Continued on page 8)



By DALE MARR, Business Manager

LOOKING AT LABOR

Cranston-backed bill would decimate OSHA program

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Local 3 has long been in the forefront in efforts to protect the safety of our members on the jobsite. We were instrumental years back in seeing that roll over protection structures were installed on most heavy construction equipment, a move that has resulted in saving many lives. We instituted an expanded safety department when this administration first took office seven years ago. We have always maintained a close relationship with both the state and federal OSHA departments and last year opposed attempts by the Brown administration to severely curtail the CAL/OSHA program in the area of mine and tunnel safety.

Yet, these efforts and much more would be laid to waste if a Senate Bill authored by Senator Richard S. Schweiker (R-Pa.) and backed by Alan Cranston (D-Ca.) becomes law. The bill, S. 2153, has been deceptively called a "save OSHA" bill by its backers, but in actuality it poses the greatest threat to OSHA in the nine years of this program's existence.

Basically, the bill is aimed at barring federal job safety inspections at up to 94 percent of the nation's five million workplaces. It would rely on the records of state workers' compensation agencies to identify employers with "good safety records." Those employers so labeled would then be exempted from OSHA inspections. An estimated 85 percent of all workplaces would be exempt under this rule and another nine percent could qualify simply by filing affidavits with OSHA stating that they had no job-related deaths and a low number of lost-time occupational injuries during the preceding year.

It is easy to visualize that OSHA would be flooded with millions of affidavits by firms anxious to be relieved of the responsibility of maintaining a safely monitored workplace. OSHA would shift from an enforcement agency to a paper shuffling bureau merely processing employer statements.

There is no getting around the necessity of enforcement of job safety standards. Exempted from the threat of OSHA inspections, most firms will revert back to the "dark ages" of occupational safety. Employer safety training programs and seminars will begin to disintegrate. Safety personnel will no longer be considered a priority item. In short, the constant training

and educational process needed to enforce good safety work habits on employees will come to an inevitable demise if the present federal OSHA program is gutted by the passage of S. 2153.

It is interesting to note the arguments posed by its supporters. Schweiker claims his bill will provide a "fundamental shift" in the legal framework of the Act by redirecting OSHA's "policeman role" to "situations where it is really needed to deter and correct grave occupational hazards." In addition, the measure is aimed at "stimulating employer and employee cooperative self-initiative to improve workplace safety and health," he states.

The bill would require the Secretary of Labor to enter into an agreement with state workers compensation agencies, whereby each agency would annually submit a listing of all employers in that state which had one or more reported occupational injuries during the preceding year. Any workplace not appearing on the list would be automatically exempt. Inspection would be permitted only (1) to determine the cause of an accident that resulted in death or hospitalization of one or more employees, (2) to determine the existence of an "imminent danger", (3) to determine whether a violation exists if OSHA was notified of such a violation and was not assured by the employer that the hazard had been corrected and (4) to determine whether a previously cited violation has been abated properly.

According to the bill, no employer qualifying for the exemption could be assessed an OSHA civil penalty for a violation found in the employer's workplace, if the employer maintained an advisory safety committee and a safety consultation program. OSHA would also be prohibited from proposing a fine if the employer employed no more than 10 workers at any time during the preceding year. Penalty limitations would be introduced for employers that maintained safety committees, even if they did not qualify for a safety record exemption. Penalties for serious citations would be limited to \$700.

In my view, imposing a maximum of a \$700 fine for a serious OSHA violation, such as the scaffolding accident that killed over 50 construction workers in West Virginia, is an insult to the surviving members

of families victimized by such mass negligence on the part of the employer.

Because the bill is an obvious attempt by business to squeeze out of its responsibilities to employees, it is being vigorously opposed by the AFL-CIO and many other officials. Eula Bingham, director of OSHA points out that under the proposed legislation, OSHA's presence on the jobsite would generally be permitted "only after death or injury had occurred." Even then, OSHA inspectors would have to limit their investigation directly to the cause of injury or death rather than make a "wall-to-wall" safety inspection of the plant.

There is also ample reason to sharply question the effectiveness of state worker compensation agencies in determining "safe workplaces." These state agencies and commissions rely on the insurance industry for their information. Under that system, information can be provided on a specific accident but not much can be told about workplace safety.

So far we have made some progress against the bill, but much still needs to be done. Senator Gaylord Nelson (D-Wisc.), who was also one of the original sponsors of the legislation, withdrew his name from the bill last month after considerable pressure from the AFL-CIO, declaring that he had become convinced that the measure would keep OSHA from inspecting many hazardous workplaces until it was too late.

Cranston has so far refused to withdraw his name from the bill, although we have succeeded in getting him to call for general oversight hearings on the "achievements, administration and implementation of the Occupational Safety and Health Act."

I urge our members to take a few minutes of time and write Senator Cranston a brief note urging him to withdraw his support of this bill. Surely many of you have been personal beneficiaries of the state and federal OSHA programs. Now is the time to do your part in helping to save it.

Correspondence urging the defeat of S. 2153 can be addressed to Senator Alan Cranston, New Senate Office Building, Washington, D.C. 20510. Send a copy of your letter to *Engineers News*. If we get it soon enough, we'll run it in the newspaper along with updated articles on this legislation.

Labor sets up for 'Big Business Day'

A drive by a coalition of labor, consumer and public interest groups to expose corporate abuses is in high gear. Called Americans Concerned About Corporate Power, the coalition is sponsoring "Big Business Day" on April 17 in a nationwide event that will involve hundreds of communities.

According to Robert Georgine, president of the Building and Construction Trades Dept., AFL-CIO and a co-sponsor of the event, "Big Business Day" will be a "day of solidarity, education and action aimed at exposing the excesses of corporate power we have all felt."

On April 17, the coalition, among other things, will release a legislative package that seeks to reform the corporation by increasing the accountability of its decision-making process. It would

grant greater rights of access and voice to the various constituencies of the giant corporation—workers, consumers, communities and shareholders.

William Wynn, president of the United Food and Commercial workers, observed: "Just as the 1950's scrutinized the labor movement and the 1970's big government, this day will mark the 1980's as the decade to correct the abuses of big business. We in the labor movement think it's time for a Landrum-Griffin Act for big business."

The Landrum-Griffin Act of 1959 was enacted following the exposure of abuses in some unions. It imposed certain procedures and disclosure requirements, mainly on unions.

The planned event has even re-

ceived support from some of the nation's top economists. Professor John Kenneth Galbraith commented, "Because I would like to see big business better understood, I urge that we all take a day to see how it sets prices, persuades consumers, influences legislation and otherwise plans our lives. We want all to realize that the voice of the corporate leader . . . regularly gets mistaken for the voice of the masses."

About 60 prominent groups and citizens are expected to contribute their resources and time to the event, including the Building Trades, UAW, National Council of Senior Citizens, Public Citizen, Consumer Federation of America, Friends of the Earth, and the Machinists Union.

In addition to the legislative pro-

posals, "Big Business Day" will feature teach ins and debates, alternatives-to-big-business fairs, the promotion of small business and appropriate technologies, "trials" of corrupt companies, nominations for a "Corporate Hall of Shame," symbolic bread lines at banks that red-line communities, and a compilation of models of corporate responsibility.

The event will also publish an anthology, "The Big Business Day Reader" and a book of profiles entitled, "The 50 Businessmen You Don't Know Who Run America."

The coalition maintains that the event is not against corporations per se, but the "management cadre" which has no regard for stockholders, employees or the nation.

Grievance Committee Elections

At its regular quarterly meeting on February 26th, the District 8 membership re-elected the following to serve on its Grievance Committee for the ensuing year: Billy Burns, Jack Misener and Glen Roberts.

Hawaii Meeting Changes.

The regular quarterly District 17 membership meetings scheduled for April have been changed to avoid conflict with the I.U.O.E. Convention which will be held in Honolulu. The new meeting dates are: April 8th—HONOLULU, April 22nd—HILO, April 24th—MAUI. The Maui meeting place has been changed to the Kahului Elementary School, So. Hina Ave., Kahului.

PROJECT

Infamous 'Freeway to Nowhere' To Go to Bid this Month

In the next few weeks, the State Dept. of Transportation will advertise for bids for construction of 3.2 miles of surfacing and structures at the Route 280, 680 and 101 interchange in and near San Jose. Funds available total \$37.7 million. The February job is the largest in the department's tentative three-month advertising schedule. All counted, there are 17 Northern California projects for which funding, in each case, exceeds the \$1 million mark. Cal/Trans stresses that the projects listed for advertising in February, March and April are not to be construed as commitments: "There are many factors which may delay or possibly advance project advertising. Plans and proposals are not available until the project is advertised."

Ranked next largest, in the amount of funding available, is construction of four-lane freeway, with grading and drainage structures on 12 miles of Route 101, also in Santa Clara County, extending from .3 mile south of Cochran Road in Morgan Hill to .5 mile north of Route 82 in San Jose. The project is expected to be advertised in April; funding totals \$19.9 million. Third largest project involves grading and drainage for 2.4 miles of Alameda County Route 84, from the east end of the new Dumbarton Bridge to .3 mile west of the existing toll plaza in Fremont; funding totals \$10.1 million. The job may be advertised this month.

Other Northern California projects in the million-dollar category include: Humboldt County, scheduled for April, .3 mile bridge and approaches located 2.5 miles west of Six Rivers National Forest boundary, \$1,252,000. Lassen County, for March, 4.3 miles, truck climbing lane, Route 36, from 6.5 mile east of County Road A-21 near Westwood to 4.7 miles west of Route 44, \$2,943,000. Modoc County, for March, 14.9 miles, surfacing, Route 395 from 3.9 miles north of Likely Post Office to North Fork Pit River Bridge in Alturas, \$1,024,000.

Trinity County, for March, 26.5 miles, surfacing, Route 299 from 1.8 miles west of Big Bar to 1.1 miles east of East Weaver Creek at Weaverville, \$1,012,000. Lassen County, for April, 6.9 miles, realign and recycle surfacing, Route 395 from 3.7 miles north to 10.6 miles north of Litchfield Railroad Crossing, \$2.9 million. Sacramento County, for April, 1.8 miles, sound walls, Route 5 in Sacramento from Pocket Road overcrossing to .7 mile north of Florin Road overcrossing, \$1,958,000. Alameda County, 1 mile, widen to four lanes, Route 61 from Route 112 in San Leandro to airport access road in Oakland, \$2,024,000. Alameda County, for March, .5 mile, signals and channelize Route 61 in Oakland from Hegenberger Road to .1 mile north of DeHavilland St., \$1,194,000.

Final Approval for Geysers Unit

An application has been filed by Pacific Gas and Electric Company to start the second stage of permit approval to construct a geothermal generating unit at The Geysers in Lake County. PG&E filed the Application for Certification with the California Energy Commission for The Geysers Unit 16 and an associated 38 mile transmission line. This sets in motion a nine-month permit approval process, required before construction can begin on either the 110,000-kilowatt unit or the transmission line from The Geysers. The first nine-month process, following filing of a Notice of Intention concluded with approval by the CED in August.

Bill to Control Tahoe Growth

A California congressman has unveiled legislation to protect Lake Tahoe by placing

federal controls over local commercial and gambling development. Rep. Vic Fazio, D-Sacramento has outlined a proposal to designate Lake Tahoe as a National Scenic Area. He said the lake is threatened by "the inordinate power enjoyed by a small number of people with economic interests in the basin. The legislation, which Fazio will introduce when Congress reconvenes, would impose a two-year building moratorium. The Forest Service would supervise the moratorium, which would block two new casinos and expansion of Harvey's Wagon Wheel casino in South Lake Tahoe. The agency would devise a Lake Tahoe preservation plan that would have to be obeyed by agencies in California and Nevada.

Connector Road Gets Boost

A draft report that shows it would be expensive—but possible—to build a four-lane connecting road from the Dumbarton Bridge to Woodside Road in Redwood City has been issued by the state Transportation Department. The study was requested by Redwood City and the Port of Redwood City, which wants the access to promote growth and to open up adjacent land to industrial development. The study notes that the access would cross "environmentally sensitive lands" south of the port and would stir a hornet's nest among certain groups. However, Port Director Fred J. DiPietro said he wants the access badly enough that he would be willing to bargain on a "trade-off," giving up 138 acres north of the port in exchange for a more or less free hand in development of 600 acres to the south. What becomes of the California Transportation Department's study for the Dumbarton connector would depend on how political and regulatory agencies react and what funding is available.

PG&E Delays Application For Solano Coal Plant

Pacific Gas & Electric Co. will delay filing applications to build a massive coal-fired power plant in Solano County, primarily because they "are very worried" it could cost \$1 billion to comply with regulations intended to reduce the amount of smog in the Sacramento and San Joaquin valleys. State Air Resources Board officials immediately disputed PG&E's cost estimate and a spokesman accused the company of trying to cut construction costs by "gutting the regulations." PG&E applications to the state Energy Commission to build the proposed \$1.6 million-kilowatt Montezuma Coal Fired Power Plant will be postponed at least three months, the company spokesman said.

The additional time will be used to review government energy policies, develop data, review alternate energy sources and study "the impact of new environmental and regulatory requirements and the financial requirements for planned construction. PG&E spokesman Harry Arnott said the company still has "full intention" to build the 1.6 megawatt plant. Prospective partners in the venture, include the Sacramento Municipal Utility District, the Modesto and Turlock Irrigation District and the state Department of Water Resources.

Fairfield Begins Sewer Project

Trans-Dyn Corp., a Dynallectron Subsidiary, has been awarded a \$15 million construction contract by the Fairfield-Suisun Sewer District for the expansion of its Sub-Regional Wastewater Treatment Plant in Solano County. Located within the city limits of Fairfield, the existing plant was completed in October 1976. It presently processes approximately 9.5 million gallons of municipal and industrial wastewater per day—compared with its design capacity of 10.75 million gallons per day. The plant expansion will increase the plant capacity to 15.7 million gallons per day. This is necessary to meet

the increasing demands of the community, whose 100 sq. mi. area encompasses the cities of Fairfield, Suisun, and Cordelia, as well as Travis Air Force Base, and several large industrial plants. Preliminary site work and material procurement will start immediately, thus beginning the anticipated 24 month project period. Trans-Dyn will support this project from its headquarter facilities in Martinez.

Auburn Dam Construction May Begin by End of Year

Construction of the Auburn Dam could begin late this year if a design for the proposed project is accepted by the state, according to Congressman Bizz Johnson, D-Roseville. "If the state agrees to the revised design of the dam, the U.S. Water and Power Resources Services (formerly the Bureau of Reclamation) could move very fast on building a keyway for the dam," Johnson said. "Two separate design criteria utilizing the existing site have been received by the state in a very good light," he said. The \$1.5 billion dam has been proposed at the confluence of the North and Middle forks of the American River at Auburn, 16 miles northeast of Roseville.

Original design for the structure called for the world's largest concrete thin-arch double-curvature dam. Construction of the dam has been delayed because of earthquake safety issues raised following a 1975 tremor that shook the area around the Oroville Dam, about 40 miles northwest of the Auburn site in the foothill fault system. The Oroville quake set off a debate between federal and state officials on the dam's design strength. The federal government expects to have design work on the dam completed early this year, according to Ed Horton, assistant regional director for the U.S. Water and Power Resources Services. The structure will have to withstand a minimum movement of 5 inches and a maximum of 9 inches under earthquake standards approved by U.S. Interior Secretary Cecil Andrus.

Seismic experts agreed that an earthquake with a 6.5 reading on the Richter scale could be the worst possible tremor to strike near the dam site. They disagreed, however, on how much the dam would move during a major quake and whether earthquake faults at the site are active or inactive. Johnson said he believes a safe dam can be built on the site. A \$100 million project to prepare the site for the dam, including a coffer dam for diverting water during construction, was finished last year. The original schedule called for completion of the dam in 1979 at an estimated cost of \$450 million. The cost is now estimated at \$1.5 billion. Johnson said Sugar Pine Dam on the Foresthill Divide, authorized by Congress as part of the Auburn Dam project, will be completed by 1982. The \$19.1 million Sugar Pine Dam will increase the dependable water supply for the Foresthill Divide from 300 acre-feet per year to 2,500 acre-feet per year.

City OK's Funds To Do Research on Bridge Plan

A \$3,500 allocation for land acquisition research along the proposed route of a road and bridge to directly link downtown Oroville with the county complex in Thermalito was approved last month by the city council. The proposal would include road improvements along Second Street to Nelson Avenue and Oro View Drive from the bluff to Grand Avenue. The council previously allocated \$6,000 to be used in part for a bridge feasibility study completed by Cook Associates. Part of the allocation was used for research on a proposed road widening project on Oro Dam Boulevard at the railroad overcrossing.

UPDATE



By HAROLD HUSTON, President

A Personal Note From The President's Pen

A jarring, rolling powerful earthquake centered between Brentwood and Livermore, east of Mt. Diablo gave Contra Costa County a good shaking and caused widespread damage in the Livermore area.

The earthquake on January 24, 1980 at 11:00 a.m., measured 5.5 on the Richter Scale. By comparison the great San Francisco quake of 1906 which devastated the city has been estimated at 7.9.

Two Livermore schools were evacuated as a precautionary move. One building at the Lawrence Livermore Laboratory, where nuclear research is being conducted was evacuated, and low-level radioactive tritium began leaking from a storage tank. The quake also injured 25 lab employees and caused several million dollars of damage.

The quake lasted for approximately 30 seconds and was one of the most powerful in the Bay Area in recent years. Its official reading at the University of California was 5.5 on the Richter Scale, with the epicenter registering at 26 miles north of Livermore, along the Greenville fault. The tremor was strong enough that the seismograph needle bounced off the scale at the University of California.

The Richter Scale, devised in the 1930's, measures ground motion of earthquakes. Every jump by a whole number means a tenfold increase in magnitude. A quake of 6.0 is considered major.

We have had approximately 100 aftershock earthquakes since the first one with the strongest quake registering 5.6 on the Richter Scale at the Berkeley Seismographic Station. The quake center was located about three miles south of the first 5.5 intensity shake, along the Greenville Fault, five miles northeast of Livermore. The temblor which moved from south to north, was felt as far away as Santa Rosa, South Lake Tahoe and Stockton.

One of California's leading authorities on earthquakes says that this January 24th shaker was not the major quake he has predicted, "this has nothing to do with the big one," said Bruce Bolt, a University of California geology professor and director of the U.C. Seismographic Station. "And it doesn't change our prediction that there's a better than 50-50 chance that there will be a major quake in the next 10 years."

Last month, Bolt and Stanford University seismologist Richard Jahns published an article predicting that California would be struck by a major earthquake within the next 10 years, with a magnitude on the Richter Scale of 7 or more.

WHAT TO DO IN A QUAKE:

When an earthquake starts to shake the walls, your first reaction might be to head outdoors.

But if you're in a building, stay there. If you're outdoors, get into the open, away from buildings and powerlines. If you're in your car, stop the car, but stay inside.

Inside the house, the bathroom, with four tight walls and small or no windows, might be the safest spot.

Elsewhere in the house, when a quake starts, roll under a heavy table or stand in a door frame—its built to carry the weight of the house.

The important thing to remember is to stay away from bookshelves, cabinets or any shelves with heavy objects that could crash to the floor in a temblor.

Once the quake has stopped, its best to stay inside waiting for aftershocks that could come a few minutes after the first quake.

However, clear out if the building smells of gas or if there are major structural damages.

There is a strong feeling earthquake prone areas could play a major role in determining final approval of future Housing Developments, Dams and other major projects which means jobs for our brother and sister engineers.

For example; the proposed Los Vaqueros Dam project near Byron will be thoroughly studied in regard to possible earthquake risk, the Contra Costa Water District was assured.

CCWD General Manager, John De Vito said he had talked to state water officials following the recent series of earthquakes and aftershocks in the area and been told preliminary studies indicate there will be no hazard.

The proposed dam west of Byron is four to five miles away from the Greenville Fault, north of Livermore, believed to be the site of the recent temblor activity, and the reservoir itself would be a mile from the faultline. De Vito said he was informed by state engineers.

Los Vaqueros is being studied as part of a package to relocate the Contra Costa Canal intake from Rock Slough near Oakley to Clifton Court Forebay near Byron. The proposed dam and other smaller dams in the area would provide an off-stream storage facility to benefit the State Water Project and serve as a standby supply for CCWD customers.

It is included in SB200, the Peripheral Canal bill now going through the Legislature, and in a feasibility study bill by Congressman George Miller, D-Martinez, which would include studies of earthquake vulnerability.

De Vito said preliminary state seismic studies showed the proposed earth-fill structure could easily withstand a quake of 5.5 on the Richter scale, the exact reading of the first temblor. Earth-filled dams are considered to be considerably safer than concrete dams, such as the proposed Auburn Dam, which we are told would sit on an active fault.

State studies are continuing, and when completed will be turned over to an independent consulting board for further study.

Two important questions remain: first, will we get the big quake as predicted? Second, if and when the quake does occur, will you be ready for it?

First phase of 'Cross Town Sewer' goes to bid

Business Rep. Jim Johnson reports that on February 13, the first phase of the Eureka Sewer Rehabilitation project consisting of two contracts, the cross town interceptor lines and the three pumping stations went to bid. The bid results were: PHASE I—Interceptor Lines, H. M. Byars, Reno, Nev. \$3,886,500. PHASE II—Pumping Stations, Kirkwood Bly, Santa Rosa, Cal. \$4,177,000.

These were the low bidders and both fall within the engineers estimates. It is not yet known if they will be awarded but the engineering firm seems to be confident that they will.

The Redwood Park bypass road has received the OK. Other good news in the district is the \$50 mil-

lion Redwood National Park bypass highway in Northern Humboldt County will be built.

The federal Department of Transportation gave final approval Tuesday for the immediate obligation of \$30 million to finance the construction of the 11-mile freeway around portions of Prairie Creek State Park and Redwood National Park.

Rep. Don Clausen, who introduced the special legislation which authorized the highway, said Tuesday that he was "simply ecstatic" about the federal government's unprecedented funding of a specific project.

In addition to the \$30 million which is now available, the project's authorization calls for \$20

million more in the 1981 fiscal year.

Clausen, R-Crescent City, said the project was partially authorized by the bill which expanded Redwood National Park and partially by the Surface Transportation Act of 1978. He said he had introduced the legislation to help offset the economic impact of the park expansion and had been able to fight it through Congress because of its potential as a "demonstration project."

According to John Vostrez, district engineer for Cal Trans, the new highway will leave Highway 101 just north of Orick and follow the May Creek drainage east of Prairie Creek State Park. It will circle the state and national parks on the east and rejoin Highway 101 just north of the Humboldt-Del Norte county line.

Clausen said the bypass will allow through traffic to move faster and will allow the use of the existing highway directly through the park as a scenic alternative, much like the Avenue of the Giants in Southern Humboldt County.

"I know this will come as a terrific shot in the arm to the economy for both counties," he said.

"And, more important, it has the potential to relieve a bottleneck north of Orick to provide safe and efficient highway transportation while also allowing the creation of what can be, what should be, a beautiful redwood parkway.

"We've been working on this for nearly two years," Clausen said. "I couldn't be happier."

Under terms of the Redwood National Park expansion legislation, authored by Rep. Phillip Burton, D-San Francisco, the Department of the Interior was ordered to ac-

quire a right-of-way for the proposed freeway. According to Clausen's Washington office, a small amount of land was acquired in the park expansion that might not otherwise have been included just so an adequate freeway construction site would be available.

The federal government is to acquire the land and then turn it over to the state at no cost once the specific right-of-way has been chosen, according to Vostrez.

"We're working on it right now," the District I engineer said. "We've got two survey crews out there and expect to soon have some materials people out there looking."

He said the state's tentative timetable had construction beginning in the summer of 1982 and predicted the project would last four or five years.

Greg Andrews of the Federal Highway Administration's Congressional Liaison Office said this month that the money was "con-

tract authority" and would be available until the state used it, that there was no danger of the authorization expiring if the funds were used during the fiscal year. He said the same contract authority applied to the final \$20 million of the project and that no new authorization would be needed for it.

The funding for the project is on a 90-10 basis, with the federal government's \$50 million providing 90 percent of the cost. The state's 10 percent match is included in the current Transportation Improvement Program which is before the California Transportation Commission, has been endorsed by Cal Trans Director Adriana Gianturco, and final approval by the commission in July or August is expected, Vostrez said.

Along with the other good news for the local brothers funding totaling more than \$2 million for Crescent City Harbor is included in the new federal budget Congressman (Continued on page 14)



A 3900 Manitowoc places frame with special fabric on slope, which will then be covered with rip rap. Its part of the new Eureka marina project under contract to R&D Watson, now over half way complete.

Mail to: Attn: M. Kelly, Operating Engineers Local Union No. 3, 474 Valencia Street, San Francisco, California 94103

Please send me: A Membership card for the Magic Kingdom Club

My name is: _____ (PLEASE PRINT ALL INFORMATION)

Address: _____ (Street number & name, or box number)

City, State & Zip Code Social Security Number



By BOB MAYFIELD
Vice-President

Rigging Lines

This month I will discuss a topic that many of our members might not really be totally familiar with, unless he was working for a contractor who got a job in another local union anywhere within the Western Conference of Operating Engineers. This subject deals with the transfer of Key men and reciprocity. Up until most recently, the only such formally signed agreement dealing with the transfer of key men from one local to another was the one which now has been in effect for a substantial length of time between Local #3 and Local #12. By and large, and contrary to what a lot of rank and file members from both locals might think, this document has served as an effective vehicle that has allowed many key men working for a contractor in another local to bring to the other up to 10 key men on a project.

This feature is absolutely necessary because almost all jobs of any size have special equipment which requires special skills that can be obtained only by working constantly on and around it. An example would be concrete lining equipment for large canals. This specialized equipment and its trained operators will make or break a contract, and skill and productivity are essential. Cement is very expensive and to depend on new people to man this specialized equipment would prove to be disastrous, even though the new men involved might be quite proficient and conscientious at other jobs. A few new people can be fitted in these situations, along with the experienced mainstays, and the operation will be successful, but the key man necessity I've described is only one situation of hundreds of live, potentially everyday situations that occur.

As of this date, in order to help stop the open-shop and non-union contractors—and also union contractors who might otherwise attempt to go non-union in a new territory—I, and this local union working in conjunction with other Western Conference local unions (and at the urging of General President J.C. Turner), have decided to draft and sign a document that would allow the key man transfer in an equitable and sensible manner. This document would have to do the job and take out the politics of a good or bad work year in a particular local union on any given year, and be totally consistent. For example, when work is good or excellent, such as 1979 was in Local #3, and everyone is working and, in fact, jobs are sitting because men are not available, who would mind any outside contractor transferring a few men from outside to help him.

On the other hand, we can again go back to 1973 and 1974 in Local #3, when hundreds of able and qualified members were out of a job in mid-year and given the same situation of an outside contractor coming into an area and bringing with him a fixed number of his key men as well. I can only say that the local Business Agent at that juncture is going to have hell to pay with the heat generated. Where the key man document is totally consistent (and the street runs both directions) from 2 given locals, over a period of years the job and people numbers will absolutely even out and thus, as I stated earlier, take the politics out of a good or bad work year. At this time we now have signed a key man transfer agreement with three other local unions and expect several more, hopefully, to do so in the near future for the good of ourselves and the construction industry.

The original agreement was first completed with Local #9, which covers the entire state of Colorado and ourselves. This idea was brought up and discussed at last year's Western Conference held in Spokane, Washington at a work session of the Conference, which I had the privilege to conduct. However, talking doesn't get the job done and Local #9 Business Manager Ken Jennings, a good friend of mine and Local #3's, was very serious about completing such a document as the entire western border of Colorado touches our Utah border, and contractors from both states are always crossing these common border-lines and need their key people for such jobs. After an exchange of drafts submitted by Brother Jennings to me and this local, and resubmission by me for our input into the document, we finally reached a successful conclusion. Features of this document include the allowance of five key men to be brought into the other's local on any given job, with the first person to be a local man; the second a key man; the third a local man, and so on until a total of five is reached. Not only can five men come in under this document, but for the first time fringe benefits may be paid back to the home local union so as to keep an absolute continuity of benefits, such as Health & Welfare and Pension, which under the old rules had caused gaps or lapses in coverage, which is very serious.

In the even the fringe benefits from out of local are less than those under the local contract, then the difference, if less than the local contract, must be paid on the paycheck. Thus, an outside contractor coming into an area where fringes are less, by putting the difference on the paycheck, has no bidding advantage over a local contractor. Also, this document, in the event of crane rental involvement, lets a full crew (one Operator and one Oiler) come in from the outside. In all circumstances, traveling members must come in for proper dispatch and pay Travel Service Dues (doby) before ever going to work. This may not be the perfect solution to this not very dramatic problem, but certainly, in my opinion, is a well thought-out beginning. Since the original Local #9 signing, an exact replica has now been signed and completed with Local #701, which covers the entire state of Oregon. I'm expecting to try next

(Continued on page 13)

Marysville work begins to pick up

Work in the Marysville area is slowly getting underway on the west side, says Business Rep. George Morgan. Butte Creek Rock is about to wrap up their roadside job at Willows with just the landscaping left.

Work is still underway on the bank project in the Orland Recreation area at Black Butte Lake. Carl J. Woods was bidder on that job for \$188,885.00. The project started November, 1979.

Underground Construction is trying to get in full swing on their pumping stations in the Williams

area on the Tehama-Colusa Canal job. Ray Bertelsen is getting underway with their west side job just out of Williams. This job will probably reach the ¼ Million Dollar mark after the extras get done.

The work picture on the east side is still moving at a slow pace, says Business Rep. Dan Mostats.

The Oroville Board of Supervisors has approved the go ahead of the Table Mountain Bridge project in Oroville. This project will replace the Upper Thermalito Bridges which start from downtown Oroville on to Table

Mountain Tavern next to the Fish Hatchery. The new bridge will be built up-stream of the present bridge. It will be an estimated 600 feet long and 50 feet wide. The estimated cost of this bridge project will be 3.5 million dollars.

The Oroville-Wyandotte Irrigation District and P.G.&E. have reached an agreement for construction of a 10 Megawatt Hydroelectric Power Plant. The Plant will be constructed at the O.W.I.D. Sly Creek Reservoir on the South Fork of the Feather River and will cost about 12 million dollars.

In Reno

M.G.M.'s 982-room expansion underway

In Reno, construction of the M.G.M. 982-room expansion should start approximately the second week of February 1980, reports Business Rep. Dave Young. Del Webb is the managing contractor and the subcontractors are not known at this time. M.G.M. is hopeful that construction can be completed this year.

G.P. Construction and Industrial Construction bid joint venture and were awarded I-80 highway construction at Battle Mountain, Nevada, on Thursday, 1/24/80. The low bid was \$7.9 million with the second lowest bid being presented by Max Riggs Construction for \$8.2 million.

The pre-job will be held approximately the first of March 1980. J.P. Associates of Sparks, Nevada, a subsidiary to Robert L. Helms Construction, was low bidder on site preparation, parallel taxiway, grading for runway, and paving at the Cannon International Airport in Reno for \$1.6 million outbidding S.J. Grove & Sons of Sparks by \$354,051.

S.J. Amoroso Construction was awarded classroom additions and site improvements for Pershing County School District, Lovelock Elementary and High Schools, and Imlay Elementary School for \$3.1 million. Golden West Paving of Reno was awarded paving at the Lake Mansion for \$5,500 by the Washoe Preservation, Inc. group which goes to show that preservation groups can be objective with proper management.

H.M. Byars Construction of Reno will soon begin construction of the water treatment facilities for Diamond Heights Association who have bought the bankrupt River Inn at 9400 West Fourth Street in Reno and are going to return the once highly favored resort casino and hot springs spa into a paying enterprise. The H.M. Byars Construction bid was \$514,000 and F&M Engineering of Santa Cruz, California, bid \$538,000. The restoration cost for the restaurant-casino complex will be approximately \$3.7 million.

Bids are also being called for in Elko County for construction of the I-80 bypass at Wells, Nevada, which consists of 5.863 miles of new construction. Contractors currently holding plans are Max Riggs Construction of Las Vegas, Nevada; M.L. Dubach, Inc. of Davis, California; S.J. Grove & Sons of Sparks, Nevada; J.P. Associates of Sparks, Nevada; Peter Kiewit Sons of Twin Falls, Idaho; and Frehner Construction of Las Vegas, Nevada. Bids are due February 7, 1980.

The Ramada Inn currently under construction at Lake and 6th Streets in Reno by McKenzie Construction won approval to add four more stories and 92 rooms to the seven-story 150-room hotel-casino. The Reno City Council also approved rezoning property near the Cannon International Airport which would allow developers to pursue plans for a 15-story 305-room highrise hotel.

The City Council unanimously approved a 68-unit public housing project at Stead, Nevada. At the same time the Council rejected a proposal to change zoning plans for a seven-acre Harding Street site which would change the 75-unit public housing residential project from single-family residential to multifamily residential. The project was rejected due to the overwhelming opposition from a crowd of over 200 northwest Reno residents.

Hopefully, the ban on new subdivisions in Carson City, Nevada, will be lifted within the next 12 to 18 months as soon as the city starts getting additional water from the Hobart-Marlette system that will generate about 2,100 additional acre feet annually. Carson City currently requires 5,200 acre feet annually to meet the estimated six-tenths of an acre foot of water that is needed to sustain a single-family dwelling.

The MX project met a blast by Reno and Sparks residents, legislators, and activists at an open meeting held by the United States Air Force officials. Approximately 700 persons attended the meeting held at Hug High School in Reno. Out of sixty speakers only two persons spoke in favor of the MX project. So please note that your support is strongly needed in order that this project will get an early start.



Pictured on the top photo on a backhoe is recently graduated apprentice Jack Isenberg, working for Helms Construction Co. Also operating a backhoe for Helms Construction on an underground project (bottom photo) is recently graduated apprentice Joe Woosley.

Interview with Gianturco

(Editor's Note: On Feb. 21, Engineers News spoke for two hours with Adriana Gianturco, director of the State Department of Transportation. The issues discussed were wide ranging and covered in depth the current status of the highway program, which is of vital importance to Operating Engineers. On these two pages are portions of that interview.)

ENGINEERS NEWS: Several years ago we had the Arab oil embargo, and that put a funding crunch on everything, particularly Caltrans. With the price of gasoline rising at least as high as it was then and inflation constantly eroding the construction dollar, can you really say that we are not in worse shape now than we were then?

GIANTURCO: There's a big difference between the situation we are in now and the one we were in in 1974. In 1974 we were for all practical purposes totally unprepared for that oil embargo. We were spending money right up until the time that embargo happened as though there were no tomorrow. I mean we were still building big, huge projects. There was no carefully scheduled, tight program that we were operating under. Lots of commitments were being made to things. Major projects were under construction with no guarantee or even reasonable guess that funds would be available to complete them and that's when the oil embargo happened.

As a consequence, a lot of things were just left literally in mid air. Probably the best example of that is that interchange in San Jose—(left) literally in mid air. Construction was just stopped. Another example is the Napa River Bridge, Route 29. The bridge was built, but no connecting roads. There were irrational things all over the place.

But after that oil embargo, we've done a number of things to try to make sure we never get into that kind of situation again, namely: we really picked up on an effort that was underway before the embargo happened but hadn't gone into full fruition. That was the outcome of a consultant study that was done by McKinsey and Co. which reexamined the highway program and down-scoped a lot of projects and tried to bring our commitments more in line with what any kind of reasonable expectations about revenue would be.

Of course we had to take some drastic actions in connection with that oil embargo and the total disruption of our revenues at that time, namely closing down advertising of all projects, a total moratorium for six months, the staff (of Caltrans) was reduced by some 2,700 people.

What we've done since then and what we've been highly criticized for is trying to make sure that nothing like that happens again by operating in a much more prudent fashion. Now we have scheduled our projects so that they maximize the use of federal aid. We schedule them so that in the year that a project goes to construction, federal aid will be available in that year to cover 80 to 90 percent of the costs.

We're no longer building big projects with 100 percent funding by the state, which was not uncommon before this '74 situation. We've developed this policy with so-called "carryover reserve," which is generally referred to as a surplus. It is not. We've been highly criticized for that. We have money in reserve to meet future commitments, so that we won't get into this situation where a project is half built and then there's nothing there to fund the second stage of the project.



Adriana Gianturco, Caltrans Director

We have reexamined all the projects themselves. We've shifted the emphasis of the program so that the types of projects that we're working on now tend to be smaller projects, a lot of rehabilitation type things, cheap types of improvements as opposed to massive, new things, like straightening curves instead of building a new road.

And also we developed the procedures that we're using now for an annual programming process where we're not dreaming up these 20-year "wish lists" anymore. We've cut the period where we operate. We've scheduled our work down to five years ... so that we're not getting way out in front of any reasonable predictions you can make about what's going to happen in the future. And we do have a reserve fund and we can adjust our projects and so on. So I think we can weather any kind of a crisis that comes along.

We expect fully that we will adjust and that's the whole reason we do the program every year so that if inflation goes up or goes down or the federal law changes we can adjust what we do and not be faced with a last minute crisis.

ENGINEERS NEWS: I remember in 1975-76, our members were just screaming for jobs.

GIANTURCO: Well, it was interesting. There was kind of a delayed effect there. The actual moratorium on advertising and the halt to the highway program happened in, I guess late '74. But I don't think that people in the construction industry had really realized how bad it was until about seven or eight months after. In fact the situation (moratorium) had ended. But because of the fact that there is a lag in getting the contracts out to bid and awarded after you decided to go forward—it was at the period where we started letting contracts, in fact there was a flow going through the pipeline again, that labor and the contractors came unglued and said, "Gee, this is terrible and we ought to do something about it."

It was interesting, because about three months later, we said listen, the contracts are going out and we do have a construction program going out now. As a matter of fact, it's a larger program now than we had before the embargo. We were able to—through this more careful scheduling of resources and this policy of maximizing federal aid—stretch the dollars further than we had been accustomed to doing. So the level of advertising that was happening was higher than before we had the crisis, but people didn't believe us, because the contracts, although they were

being advertised, a great deal of them had not yet been awarded and very few of them were under construction. And construction itself, as you know takes years.

ENGINEERS NEWS: This is one of the things I am concerned about. You've got higher gas prices. People are conserving fuel. The gas consumption is going down. The gasoline tax has been fixed for years and there's a commitment by the current administration to keep it that way. There's a constant inflation rate of 18 to 20 percent in construction. No matter how you look at it, the construction dollar is eroding rapidly. We are reaching the point where the interstate system is being completed, but there is a lot of rehab and maintenance work that needs to be done. A lot of reports are coming out saying we are not doing it fast enough. It seems to me that we are approaching some kind of a funding crisis.

GIANTURCO: Well, I don't have a crystal ball too far out in the future. All I can deal with in any realistic way is the next four or five years. I think there is a crunch, no doubt about it. But that's not a new situation. Transportation has been through this now since 1974. We're not facing any new crisis that we haven't been trying to deal with for the last five years and we have restructured our operation so that we can deal with this problem with constant or diminishing resources and keep things going.

In terms of actual projected revenues to our program, it is true that people are driving less and we think that's great. That's how we are going to conserve energy and get this country on some kind of a solid economic footing. Consolidating trips, carpooling, all that type of thing we are 100 percent in favor of and have been pushing for years. So we are delighted to see that happening.

In terms of the effect that is going to have on our revenues, although we project slightly declining revenues from slightly declining driving—even though the population will increase—we think the miles traveled will stay more or less the same because of less driving and more fuel efficient engines. At the same time though, we are projecting an increase in use of diesel fuel and that is also taxed and a source of revenue to us. When you add the two together, we think our revenues are going to be fairly stable.

On the side of inflation, it is happening, there's no doubt about it. But again, that's not a new problem for us. The way we're going to try to handle that is the way we have in the past—finding cheaper ways of doing things, better work methods, less expensive materials and the scope of the projects themselves, which is something we have been doing ever since that McKinsey effort.

There is another factor here which I think is very important. As people drive less, it decreases the need to expand the system. Most of these projects that were planned 20 years ago were based on the assumption that driving would increase at five or six percent a year and you could project out and say: "in 1995 we're going to have twice as much travel in this particular corridor as we do now, therefore we need the highway facility."

Well, if you don't have twice as much travel, maybe you don't need the facility or maybe you need a smaller scale facility as opposed to the giant one that was planned before. So there's various ways of approaching this and I think they all lead in the same direction about being more careful with our resources and trying to stretch them as far as they will go.

ENGINEERS NEWS: I've heard rumors that the federal government may push for reduced ratios for matching funds—in other words, the states will have to come up with more of the money for any given highway project. Have you been involved in any discussions of this nature?

GIANTURCO: I haven't heard that, and we've got a full time lobbyist in Washington and that's not what we've been hearing. What they are talking about is equalizing the matching ratios.

The big issue with the last Surface Transportation Act was, does it make any sense to have an 80 percent match on transit projects but an 83 to 92 percent match on highway projects? Because that biases what a state or local government is likely to do. They want to leverage their dollars as much as possible.

So they (federal government) want to bring those matching fund ratios more in line. That could mean in some categories, the matching ratio could go down and in other categories it would go up, but the idea was to not bias decisions by having these discrepancies in the ratios.

In terms of what's eligible for match, of course all of the rehab work we do is eligible for match, which is an important point. It's a point that we used to try to make to the construction industry and I think the point was finally understood and we haven't heard complaints about this. But people seemed to be under the impression for a while that if we weren't using the bulk of our funds on building new highways, there would be no contracts. Similarly, labor thought they weren't going to get jobs because we weren't going to contract, but that's not true.

The rehab work that we do is equally eligible for federal funds, as is the new construction and its done by contract. Whether a contractor is digging up an old road and laying down one to replace it, or building a new one doesn't make any difference. The one issue in that area has been whether or not interstate funds, which are now limited to new construction and very limited maintenance—not rehab but maintenance—whether that could be eligible for federal funding. If anything, the mood in Washington seems to be going in the direction that it should be eligible, which would mean that we would be getting more federal funds.

Also, rehab type jobs are more labor intensive than new construction jobs, so as our program becomes more and more heavily oriented towards rehab, that may overcome the effects of a slightly declining program, because you get more jobs per dollar spent.



"If push comes to shove and we are in a situation where taxpayers are saying government has got to cut back... there's some very hard choices that are going to have to be made."



"Does it make any sense to have an 80 percent match on transit projects, but an 83 to 92 percent match on highway projects? Because that biases what a state or local government is likely to do."

ENGINEERS NEWS: Several years ago, Governor Brown said something that was fairly well publicized. He said, "Those who wish to pour cement are in direct competition for public dollars in my judgment with those who wish to build child care centers, take care of the aged or protect the environment." Is he still serious about merging the highway fund into the general fund?

GIANTURCO: Well that's a hard question to answer. He has proposed that Article 19 of the Constitution be eliminated, and that is the provision of the Constitution that protects highway funds and says they can only be used for highway purposes. However, the Constitution was amended at the time of the last energy crisis to allow some of these funds to go into construction to fix guideways for transit purposes. So (these funds) are not entirely protected as it is right now.

The issue is, in amending Article 19, do you open up highway funds for other transportation purposes... or do you totally eliminate all restrictions on highway funds, so that highway funds could go for hospitals, say. And that really hasn't sorted out and I think the answer to that question, the fork in the road there, really depends on Jarvis II, I believe.

If there is a drastic cut in the state income tax, which of course that would accomplish obviously over a period of time, that kind of cut is going to have some effect on the amount of things the state government can do. It seems to me that then there will be a great amount of pressure to open it up. I mean if you are living in a town where there's a prison that's going to close down and the rapists and murderers are going to be out on the streets, and your choice is, does the state keep that prison open or forego constructing a bypass road around the town, I think most people would say, let's keep that prison open.

I think that's what the Governor was basically saying. If push comes to shove and we are in a situation where the taxpayers are saying government has got to cut back—I think that is the mood—there's some very hard choices that are going to have to be made. And most people, given that kind of a choice, will probably say, "Let's keep the hospital open," or whatever.

ENGINEERS NEWS: What's your feeling about the construction industry. Do you think we're all a bunch of neanderthals out to pave the world?

GIANTURCO: I think the construction industry is sometimes kind of shortsighted. I don't think there's any-

thing unique to the construction industry there. Any segment of society or special interest group tends to see things in terms of its immediate direct impacts on whatever that group is, as opposed to taking a long ranged view and saying, "Gee, although this may have some negative effects immediately, whatever this situation is over a period of time is actually going to work to our advantage."

When I first became director, I kept hearing from construction people that if we didn't spend all our money on building new highways, there wouldn't be any new jobs for the construction industry. We had a number of meetings in my office with some contractor types. These are not dumb people. They realize when they thought about it that they could be getting just as much work out of small rehab contracts. And in a way its better, because it's more flexible.

If our program is limited to just a few big contracts as opposed to a variety of small contracts, most of the people in the industry can't compete for those big projects. It means you really cut down the market so that only the giants can get in there and get the work. If we have medium and small sized jobs, there's a lot more work that can be spread around. I think that the attitude towards that has changed dramatically since when I first became director.

ENGINEERS NEWS: You seem to have had a difficult time with the Legislature over the years. What's the conflict there?

GIANTURCO: Well, I think it's human nature to tend to blame the messenger for the bad news. I haven't minced my words with the Legislature. I mean, if they want some project that's not in the cards because we don't have the money to build it or it just doesn't stack up against competing projects, I tell them that.

And also I've been consistently talking about energy and air quality and the various problems we're facing and I think a lot of people would prefer not to hear the problems discussed, figuring that if they aren't discussed, they'll go away. I think it's clear they're not going away, and it's better to discuss things and try to deal with them than to just sweep them under the rug and act as though there were no tomorrow.

I think it's a human tendency to try to personalize what's going on. If you see a situation where everything isn't working out just the way you want it to work out, then you try to look for an individual to blame.

People have sat here and in effect accused me of being responsible for inflation! Now, I have nothing to do with inflation.

ENGINEERS NEWS: In 1976, the Brown administration proposed the California Transportation Plan, which had a lot of controversial ideas, and as a result it eventually was shelved. What's your feeling about that plan?

GIANTURCO: A lot of (those controversial ideas) are coming true. A lot of them are happening on their own. I think in a way that document was a forecast that's turning out to be pretty accurate. What is happening in a large degree now is exactly what the plan said should happen.

Like the issue of better use of facilities by higher occupancy of vehicles, which was a key element of that plan. Well, with gasoline prices doing what they are, carpooling and bus ridership are going way up on their own in the absence of any kind of government policy to stimulate that.

Things that they mentioned in there about regulation in the transportation industry. They were generally in favor of letting the market operate, deregulating things. Well, the move is afoot to do that in practically every sector of transportation.

ENGINEERS NEWS: What do you think is the future of Mass Transit in

this state?

GIANTURCO: I think it's a growth industry. This assumes of course that the financial base for transit isn't eliminated, but I think the demand there on the part of people exists. If you look at what's happened with bus ridership or transit ridership in general in California in the last nine months, people are demanding transit services. They're using them where they weren't using them before.

For the time being, anyway, we're putting more money into transit. We plan to continue to do that. If the federal windfall profits tax passes, at least some portion of that will be used to fund energy-efficient transportation, which means transit, basically. So I think in the long term, we're going to see much heavier transit usage. The choice that we have is more transit systems, better transit service or less mobility. I think most people want to maintain their mobility.

If gasoline costs \$5 per gallon, there are not too many people who are going to be able to afford to be mobile by driving the way we have in the past. They are going to insist that there be some other ways of getting around that they can afford.

I would stress that that means good news for the construction industry, too, because a lot of this will be actual construction, rail systems and so on.

ENGINEER NEWS: Last question. You've been in this position about four years. In the time you've filled this position, have your ideas about the transportation needs of California changed much?

GIANTURCO: If anything, my basic views have been reinforced by what's been going on. I came in here con-



"People have sat there and in effect accused me of being responsible for inflation! Now, I have nothing to do with inflation."

cerned about energy for example and talked incessantly about it for four years. A lot of people were saying it's no problem. I've been talking about transit and trying to make more cost effective use of resources.

Proposition 13 was as far as I am concerned a complete vindication of the type of thing that we've been saying in the department. When the Legislature was talking about raising taxes, we were saying people don't want taxes raised, and they were saying, "you're crazy, they do want taxes raised." And the next thing you know we got Prop. 13. The Legislature never thought that would happen.

In terms about my views on specific projects, of course they have changed. As you find out more about any specific situation, unless you went in with some very heavy biases—the more you learn about something, the more you shift your views.

A highway system of dead ends

(Continued from page 1)

program will be \$435 million in the red by July 1983.

And that's not all. An examination of the highway program also reveals that:

- If Jarvis II is approved by the voters, the shortage of funds may come even sooner, because there are administrative plans by Governor Brown to raid the highway trust fund to pay for school programs and other programs that have traditionally been funded through the General Fund.

- The Motor Vehicle Sales Tax Initiative being pushed by service station owners for the November ballot would remove motor vehicle fuels from the sales tax, wiping out money for rapid transit programs.

- The department's inflation predictions for the construction industry have been far too low over the last several years, causing project bids to come in consistently higher than budgeted. Caltrans finally raised its inflation factor to 14 percent for the 1980-81 fiscal year, while recent figures indicate that construction costs actually increased 33.1 percent during calendar 1979.

- Because of a refusal to raise gasoline taxes to reflect economic trends, the administration has made a funding shortage inevitable.

- The \$800 million increase in the state's updated five-year transportation plan will probably not result in any additional new construction, but will be eaten up by inflation and the 14.5 percent increase in state employee salaries and benefits that were won in 1979.

Bitter critics of Gianturco and the highway program, such as State Assemblyman Walt Ingalls and State Senator Al Alquist have for the last several years decried the salting away of highway funds into the reserve amount. It is their contention that these funds should be committed for projects that are needed now, rather than letting the money suffer the constant erosion of inflation.

On the other hand, if the auditing report by Arthur Young & Co. is accurate, the lack of a reserve fund could only hasten the bankruptcy of the highway fund. Either way you look at it, the only answer is to inject additional funds into the system.

Yet, Gianturco and Brown refuse to consider any increase in the state gas tax or in driver's license or vehicle registration fees. "Proposition 13 was, as far as I am concerned, a complete vindication of the type of thing we've been saying in the department," Gianturco told *Engineers News*. "When the Legislature was talking about raising taxes, we were saying people don't want taxes raised. The next thing you know, we got Prop. 13."

CALIFORNIA HAS HISTORICALLY had one of the most progressive transportation programs in the nation. Indeed, the "California Dream" itself seems to have been predicated on the ability of the state's residents to travel freely about on the most beautiful and extensive set of expressways in the country. Massive amounts of money have gone into the system. Political futures have been built and destroyed on the success or failure of legislators to obtain funding for local freeway projects.

Although a few of the roadways date back to the Spanish mission period, the highway system itself was begun no more than 70 years ago, and nearly all of the state's elaborate 5,000-mile freeway system has been constructed since 1950. It has been a striking demonstration of what can be achieved through the combi-

nation of modern technology, careful planning, ample funding and determination.

The construction of streets, roads and highways is financed from user taxes: primarily the state and federal gasoline taxes, but also from vehicle registration fees, truck use fees, driver's license registrations, sales tax on gasoline (an additional tax separate from the gas taxes) and miscellaneous fees from toll bridges, the aviation industry, etc.

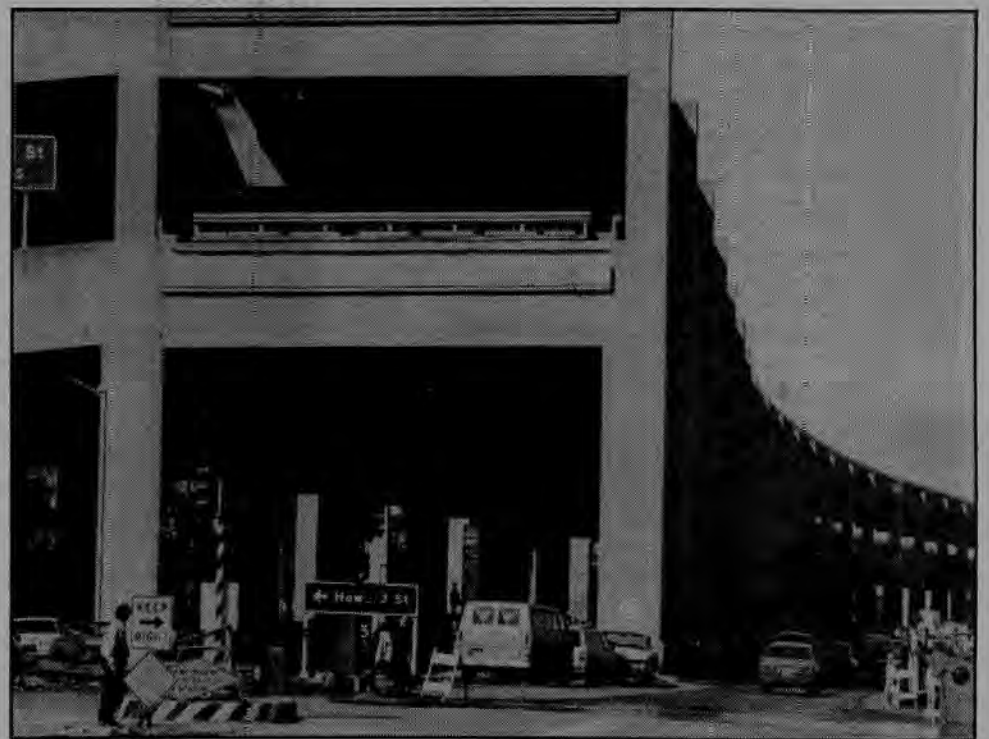
Under the terms of Article XXVI of the state constitution, these funds are dedicated solely for the development of highway projects, mass transit and other transportation programs.

There has always been a bitter rivalry as to how those funds are dispersed. In 1927 the Legislature adopted a complicated allocation formula dividing the state between the northern and southern counties and classifying state highways as freeways, primary routes and secondary routes. As a result, that part of the state south of the Tehachapi Mountains receives 60 percent of the highway fund and that part to the north receives 40 percent.

In 1959 the Legislature adopted the Collier Masterplan for Freeways (named for Senator Randolph Collier, the "father" of the California freeway system). This plan incorporated nearly all of the major highways into the freeway system as we know it today.

The federal government is a major contributor of road and highway construction funds, through its collection of the four-cent gasoline tax. A portion of federal funds is returned to the states through a matching formula, but the largest part of the revenue goes into the Federal Highway Trust Fund which is reserved for construction of the National System of Interstate and Defense Highways, more commonly known as the Interstate Highway System. For most projects that fit into the Interstate category, the federal government foots 83 to 92 percent of the bill.

There has been considerable pressure from special interest groups and



Embarcadero South This section of freeway was originally intended to relieve city congestion by connecting up to I-280 and the Bay Bridge. Nothing has been done and a major move is now underway to tear down this entire section.

environmentalists to alter this formula to provide more for mass transit programs. Some officials, such as Brown have even advocated changing the state constitution to abolish a special fund for highways.

In 1970, Senator James Mills was successful in winning approval from the Legislature for placing before the voters a constitutional amendment to permit the use of up to 25 percent of gas tax revenues for local transportation purposes. The measure, which went on the November 1970 ballot as Proposition 18, was defeated.

In 1971 Senator Mills tried a different approach, this time with a bill to levy a sales tax on gasoline with the revenue to go to local mass transit systems. That measure, SB 325, was approved by the Legislature and signed by the governor, and for the last nine years has been a key

source of funding for such programs as the operation of BART, MUNI, Golden Gate Transit and other mass transit systems throughout the state.

This source of funding is now being threatened with the circulation of a petition by service station owners to put a proposition on the November ballot that would abolish this sales tax. According to Gianturco, the passage of this initiative would put an end to mass transit in the state.

"The bottom line is, if the sales tax is eliminated, it would wipe out everything the state is doing in transit and it would have a significant effect on what local government is doing in the transit area," Gianturco told *Engineers News*. "It could also conceivably affect streets and roads at the local level, because a portion of this tax ends up . . . back in the counties where it's used for county and city street construction."

As California entered the seventies, the transportation program began to suffer the strain of new controversies. By that time, a large portion of the freeway system had been built. Planners could foresee that larger and larger amounts of money would have to be spent on maintaining and rehabilitating these roadways.

In addition, the environmental movement had created a strong "regional government" attitude among many legislators and planners. People were demanding public hearings to decide the priority of highway projects. Many environmentalists and no-growthers opposed the construction of new highway projects altogether. There was an increasing cry to put more money into mass transit and less on the freeway system.

Then the Arab Oil embargo and OPEC price hikes hit in 1973 and 1974. Almost overnight, the state highway system was thrown into chaos. Gas tax revenues plummeted. Funds for highways projects dried up. Many projects were left in mid air, without connectors and with no promise that they would ever be finished. Several thousand employees of Caltrans were laid off and a moratorium on construction was imposed while the department attempted to get itself back on an even keel.

It was during this period that Cali-



Embarcadero North Originally intended to skirt the north end of San Francisco and connect up to the Golden Gate Bridge, this freeway has remained unfinished for over a decade, and San Francisco officials vow it will never be completed. A move is now underway to tear down the entire stretch of Embarcadero Freeway and turn it into a street level, four-lane roadway.

California's transportation program evolved into the system we have today. Under AB 39, which was passed in 1973, the old Dept. of Public Works was abolished and the Department of Transportation (Caltrans) was created. The bill also provided that planning for highway projects should begin at the local and regional levels.

In forming the Department of Transportation, the bill also merged all other modes with highways, making the department responsible for aviation, waterways and mass transit as well.

Another piece of legislation—AB 402 (Ingalls)—was passed in 1978. This bill put Caltrans under the same budgeting procedures as all other departments in state government by requiring the Legislature to review the budget and make necessary changes before legislation. It also eliminated the old Highway Commission and created the Transportation Commission, and gave this board the authority to approve or reject specific highway projects and transportation programs as proposed by Caltrans.

The net effect of these changes was to open up transportation in the state to the public. On the positive side, it has included the average citizen more on the planning process by giving them the opportunity to participate in public hearings. But in reality, the program is now more susceptible to the ravages of special interest groups like the Sierra Club, who have become very adept at using the public hearing process to achieve their goals.

PARTLY OUT OF PRESSURE from environmentalists and partly because of the attitudes of Governor Brown and Adriana Gianturco, the emphasis of the highway program has shifted in recent years. Big, massive freeway projects are no longer being planned, with the exception of a few survivors like the \$1.5 billion Century Freeway in Los Angeles.

More and more money is being devoted to environmentally oriented projects like bikeways, noise abatement barriers, metering systems, and smaller construction projects designed to close existing gaps. Indeed, Gianturco claims that this downscaling of the program is one reason the transportation program is not in as bad a shape today as it was after the Arab Oil embargo.

Furthermore, she maintains that the employment picture will not suffer substantially because of the energy crisis. "Rehab type jobs are more labor inten-



sive than new construction jobs," she told *Engineers News*. "So, as our program becomes more and more heavily oriented towards rehab, that may overcome the effects of a slightly declining (construction) program, because you get more jobs per dollar spent."

Despite Gianturco's positive outlook, the specter of a bankrupt highway program is haunting. Any reasonable person can see that when you try to run a program on the same amount or less money than you have for the last 10 years, you are bound to encounter serious funding problems sooner or later. And there are still a significant number of major highway projects still to be completed.

Even with the emphasis on rehab and maintenance projects, Caltrans in the next couple of years intends to build:

- a \$17 million Redwood Park Bypass on Route 101 in Humboldt County;
- a \$32 million project to widen Route 80 near Auburn;
- an \$86 million project to widen Route 580 near Hayward, including a high occupancy vehicle lane and connection to Route 238;
- an additional \$27.6 million for the Grove Shafter Freeway in Oakland;
- a \$10.5 million project to construct the northbound high occupancy vehicle lane on Route 101 in Marin County;
- a \$17.2 million to reconstruct the Route 380/101 interchange in San Mateo County;

I-280 San Francisco

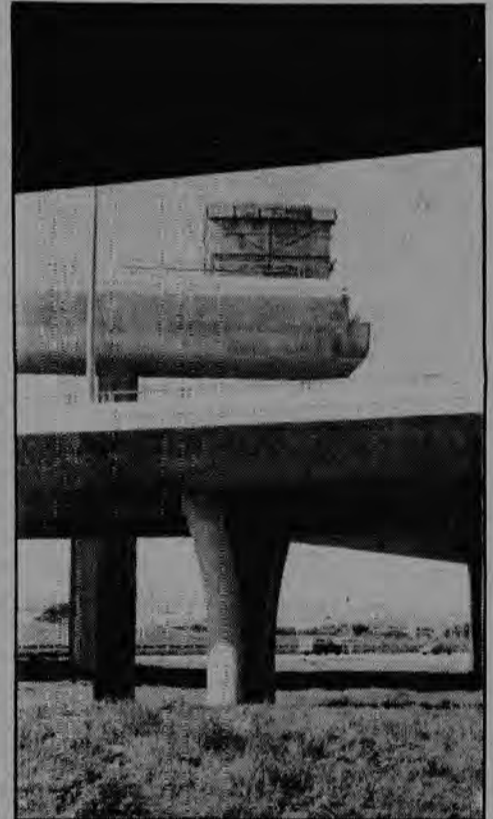
Built originally to provide an alternate route to the city's financial district and to relieve congestion on the central Freeway to the Bay Bridge, this section of freeway dumps abruptly into the south of Market area. Federal funds allocated for its completion have sat unused for years and the deadline for using those funds is fast approaching. San Francisco officials are now considering a proposal to transfer the funds towards the demolition of the Embarcadero Freeway on the waterfront.

- \$7.5 million to construct two additional lanes, median barrier and truck ramps on Route 152 in Santa Clara County, and

- \$18 million to construct the Cloverdale Bypass on Route 101 in Sonoma County.

These projects are not peanuts. While it is safe to say that they are now in the current five-year plan, it is also a fact of life that the plan is only considered a "guide" in the eyes of Gianturco. Therefore there is no guarantee that any of these projects will be built.

No one likes the idea of increasing taxes, but few people can live with the idea of a California transportation program so broke it is reduced to filling potholes. The gasoline tax system must be updated to meet the demands of our economy today, or the highway program will self destruct. It is as simple as that. And that is something every operating engineer has a reason to be concerned about.



I-280/680/101 This infamous "Freeway to Nowhere" sits conspicuously south of San Jose. It has a stormy history, the center of protests from residents and legislators who have used the structure as a symbol of Caltrans' poor planning and inability to maintain its commitments. Work will finally begin this spring as bids for an estimated \$37.7 million go out this month.



I-380/101 This huge, sweeping interchange south of San Francisco is riddled with unfinished ramps, a victim of poor planning and an overzealous highway program. The dead end section was originally intended to provide additional access to the United Airways terminal and other points on the north end of SFO International Airport. It appears now that this project will finally be completed on a \$17 million project scheduled for 1983.

Local 3 health plans help contain medical costs

Operating Engineers Local 3 Health Plans can be instrumental in containing rising health care costs. Although the plans have been structured by Local 3 leadership to provide in-hospital coverage at 90% or more for members and their families, the plans also include other features which lessen the likelihood of a hospital confinement. This is extremely important today with inflation and rising health care costs. Welfare plans such as Operating Engineers must spearhead the drive for health care cost containment.

In 1978, health care cost Americans over 169 billion dollars and the 1979 bill could easily top 190 billion. Health care is riding on a new wave of technology in the fields of electronics, medicine and science. Health care services have increased so rapidly that today it is the second fastest growing industry in our economy. Considering the size of the stakes, it is no wonder that the 7,000 hospitals in this country are experiencing a change in their images. What used to be considered the hallmark of the community is shifting into open competition in the market place.

In Glenbrook, Ill., a hospital ran an \$18,000 newspaper advertising campaign with a full page ad boasting that the hospital's emergency-room was equipped with a "superb staff and the very latest equipment." The results of the advertising were staggering; within one month, emergency-room visits shot up one-third.

In Dallas, Baylor University Medical Center constructed a 12.5 million dollar professional building adjacent to their medical facilities. The new building offered doctors low-cost office space, a fully equipped exercise club, a Post Office, a dry cleaners, three restaurants and a hotel. The results: within four short years, the hospital's medical staff expanded from 700 to 800, and 230 physicians in the new office building accounted for more than half of the medical center's patients.

In Phoenix, a major hospital medical center set up a poison-control hot line, as a public service. Brochures and television commer-

cials for the hot line prominently displayed a picture of the hospital with its address. The results: A survey showed that four months after the start, 30% more of the local residents knew what the hospital looked like and its address—needless to say that admissions had increased.

In Las Vegas, a large hospital changed its admitting practice by luring patients directly. In 1976, the hospital was faced with a low occupancy rate on weekends caused by doctor's reluctance to work then. In a move that would be typical of Las Vegas gaming houses, the hospital discounted its charges for weekend admissions by 5.25% and gave all weekenders a chance for a drawing on a \$4,000 cruise. The results: 68 weekly cruise drawings cost the hospital \$280,000, but a 50% increase in the number of weekend hospital admissions boosted their net income \$600,000.

New Trend Has New Problems

These are examples of the bold new marketing approach being used by many hospitals today. Hospitals are finding themselves under tremendous competitive pressure to attract patients to their facilities. They are turning to a host of "Madison Avenue" techniques which range from low-key professional image advertising to high-pressure hustling. Of the country's 7,000 major medical facilities, about 10% have hired marketing directors to increase their revenue.

While appealing directly to the public and the potential patient is important, most hospital marketers acknowledge that physicians are their main source of patients. Aggressive hospitals are even recruiting physicians who habitually admit large numbers of patients. Hospitals are devising an array of bonuses as rewards to these heavy admitters.

In Southern California, one health planner has charged that some "over-bedded" hospitals are taking extreme measures to recruit such doctors. They are offering leased luxury cars, paid vacations, free office space and even cash

bounties for maintaining a high volume of admissions to their facilities.

Name of Game is Money

Hospitals used to look very conservatively at the idea of advertising and marketing their services. However, they can no longer afford to because of their increasing financial commitments for newer and more advanced health care equipment. With this kind of investment, staying in business has become the hospitals' top priority.

On the other hand, the Federal Government estimates that the country has some 130,000 excess hospital beds costing \$2 billion a year. Why, so many extra beds? The answer is simple: overbuilding of facilities, shorter hospital stays, more out-patient surgery and a lower birth rate. And what happens is the law of supply and demand; as the supply of potential patients decreases, the demand for them by hospitals increases. The result is open competition for patients to fill

empty beds.

Lower Costs?

Hospital marketing advocates suggest that as the aggressive hospitals lure business away from others, rival institutions will be forced into competition, and therefore, the price of hospital services should drop. However, many health planners are very skeptical that this will be the case, as hospital marketers are spending more money in order to make money. The problem they see with the current trend is that the third party insurance companies, and eventually the consumer, will have to foot the bill for the advertising and marketing costs.


Experts are predicting that between 1,000 and 1,500 of the country's 7,000 medical centers will fold in the next 5 years. Health Maintenance Agencies will do a better job of checking unneeded hospital growth and improve medical technology will account for some of the closings. However, the

main reason a decrease in the number of facilities is expected by 1985 is that some hospitals simply will not survive the current advertising and marketing trends. And, as the supply of hospital beds decreases, the price of each bed will probably increase.

What Can Be Done

There are several ways health care consumers can openly combat these new trends. First, find a physician who keeps his patients well informed. A good physician works for his patients and always responds to any of their questions. Consumers should get into the habit of asking doctors more questions about their health and recommended treatments. Whenever elective surgery is recommended by a physician, the patient should obtain a second opinion to ensure the necessity and severity of the surgery. Medicine is not an exact science and there may be several alternate methods of treatment. Fi-

(Continued on page 14)



Outlook VOL. 7, NO. 3
MARCH 1980

Operating Engineers Trust Funds

'Fringe Action' Question

QUESTION: Please explain how the vision care benefits are paid.

ANSWER: For Operating Engineers in the Northern California and Nevada Health and Welfare plans, vision care benefits are provided through Vision Service Plan. Simply fill out the Request For Vision Care form and mail. Within a few days a Benefit Form will be sent to you along with a list of panel doctors in your area. Make an appointment with any panel

doctor and present the Benefit Form at that time and all you will pay is \$7.50 for services and materials.

If you receive vision care services from a non-panel doctor, you will be reimbursed in accordance with the following schedule:

PROFESSIONAL FEES
Vision Examination . . . \$30.00

MATERIALS
Single Vision Lens,
up to \$20.00

Bifocal Lenses,
up to 30.00
Trifocal Lenses,
up to 35.00
Lenticular Lenses,
up to 75.00
Contact Lenses,
up to 200.00
Frames and Case,
up to 21.00

The Hawaii and Utah Health and Welfare Plans provide for vision care benefits in accordance with their own individual schedule of allowances.

Fringe Benefits Forum

By MIKE KRAYNICK,
Director of Fringe Benefits



"THROW AWAY ALL OF YOUR CREDIT CARDS!"

"PAY OFF ALL OF YOUR BILLS!"

"PLAN YOUR RETIREMENT EARLY!"

Sound like good advice? It should because it is coming from Operating Engineers Local 3 Retirees. Their comments on retirement were recently solicited and these are typical responses. The strongest advice they offered to active Engineers considering retirement is to plan for retirement carefully and as early as possible.

This does not mean to RETIRE as early as possible; it means to PLAN for retirement early. The earlier an active Engineer wants to retire, the earlier he should plan for it. Last month we mentioned that a recent study showed that over one half of the people who do not plan for their retirement are dissatisfied when they finally do

retire compared to only 10% of those who do plan. It is obvious that a successful and enjoyable retirement takes some careful preparation.

We estimate that over 6,600 Engineers will retire during this decade. In order to better prepare our members and their wives for retirement, Local 3 started Pre-Retirement Counselling sessions in 1978. Our original program was designed to inform members about the Pension Plan before they retired. Last year the sessions were expanded to include more information about retirement and a photographic slide presentation about the Pension and Welfare plans. To date, we estimate that more than 2,000 senior members and their wives have taken this first important step in planning their future.

Retirement can be disastrous without proper preparation. According to the Department of Labor, \$1.00 in 1970 is worth about 50¢ today. It's true that wages have increased significantly over the same period offsetting this, however, most people on retirement live on fixed incomes from their pension and Social Security. A related problem is the increased cost of providing health care benefits to retirees. The older we are, the more dependent we become on medical care. The bottom line is that people on retirement are always the hardest hit by rising costs and inflation.

Here at Local 3 we are all very fortunate to have two big benefits to help us be prepared for a financially secure retirement the Pension Plan and Retiree Welfare benefits.

The Pension Plan works very simply; it provides a

monthly benefit check to all eligible members based on employment history and employer contributions made to the Plan. Each year the member receives a Pension Credit Statement which shows the amount of gross benefits he has accumulated and would receive if he retired at age 65. The total monthly benefit payments of a retiree and spouse can easily exceed \$80,000 in their lifetimes. Retiree Welfare benefits are provided at no cost to eligible members and their wives. The Plan provides a broad range of coverages and is designed to pick up 80% of covered changes. Many unions simply can not afford to provide Retiree Welfare benefits.

As you can see much has already been done to prepare us, however, the biggest difficulty we all face is the decision when to retire. The most opportune time to retire varies from member to member depending on their own personal circumstances. One of the functions of the Pre-Retirement Counseling sessions is to provide members and their wives with the knowledge they need to best decide when and how to retire.

There is no argument that retirement is a big change. As one member put it "Retirement is having double the time with only half the money." If you are over age 50 and are going to retire in the next several years, you need to be planning your retirement now. Pre-Retirement Counseling sessions are now being organized for each Local 3 district. A complete schedule of the meetings will be published here as soon as possible and individual announcement letters will be mailed as reminders. Start your retirement planning today by planning to attend.

IMPORTANT NOTICE: ERISA EXEMPTION

[Application No. D-1467] Proposed Exemption for Certain Transactions Involving the Pension Trust Fund for Operating Engineers

AGENCY: Department of Labor.

ACTION: Notice of Proposed Exemption.

SUMMARY: This document contains a notice of pendency before the Department of Labor (the Department) of a proposed exemption from certain of the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 (the Act) and from certain taxes imposed by the Internal Revenue Code of 1954 (the Code). The proposed exemption would exempt the issuance by the Pension Trust Fund for Operating Engineers (the Plan) of commitments obligating the Plan to purchase mortgage loans on single-family dwelling units from financial institutions, when construction of such dwelling units is by persons who are parties in interest or disqualified persons with respect to the Plan. The proposed exemption, if granted, would affect participants and beneficiaries of the Plan, the financial institutions involved, contributing employers, and other persons participating in the proposed transactions.

DATES: Written comments must be received by the Department of Labor on or before January 31, 1980.

ADDRESS: All written comments (at least three copies) should be sent to the Office of Fiduciary Standards, Pension and Welfare Benefit Programs, Room C-4526, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20216, Attention: Application No. D-1467. The application for exemption and the comments received will be available for public inspection in the Public Documents Room of Pension and Welfare Benefit Programs, U.S. Department of Labor, Room N-4677, 200 Constitution Avenue, N.W., Washington, D.C. 20216.

FOR FURTHER INFORMATION CONTACT: Richard Small, of the Department of Labor, telephone (202) 523-7222. (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: Notice is hereby given of the pendency before the Department of an application for exemption from the restrictions of section 406(a) of the Act and from the taxes imposed by section 4975(a) and (b) of the Code, by reason of section 4975(c)(1) (A) through (D) of the Code. The proposed exemption was requested in an application filed by McMorgan & Company, the investment manager of the Plan, pursuant to section 408(a) of the Act and section 4975(c)(2) of the Code, and in accordance with procedures set forth in ERISA Procedure 75-1 (40 FR 18471, April 28, 1975).

Effective December 31, 1978, section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978) transferred the authority of the Secretary of the Treasury to issue exemptions of the type requested to the Secretary of Labor. Therefore, this notice of pendency is issued solely by the Department.

Summary of Facts and Representations

The application contains facts and representations with regard to the proposed exemption which are summarized below. Interested persons are referred to the application on file with the Department for the complete representations of the applicants.

(1) The Plan is a multiemployer pension plan which covers operating engineers who are employed by contractors and home builders in Northern California. In order to obtain construction loans, builders frequently must have a commitment from a mortgage banking firm or other financial institution to provide financing for the purchasers of the dwelling units which the builder proposed to build and sell. Such mortgage banking firms and other financial institutions often do not hold for their

DEPARTMENT OF LABOR Pension and Welfare Benefit Programs

(Application No. D-1467) Proposed Exemption for Certain Transactions Involving the Pension Trust Fund for Operating Engineers Local 3 of Northern California

In 44 FR 70600 of the Federal Register dated December 7, 1979, the Department of Labor (the Department) published a notice of pendency of a proposed exemption from the prohibited transaction restrictions of the Employee Retirement Income Security Act of 1974 and from certain taxes imposed by the Internal Revenue Code of 1954. The notice of pendency concerned an application filed by the trustees of the Pension Trust Fund for Operating Engineers Local 3 of Northern California (the Plan).

Extension of Time for Comments and Hearing Requests

In the paragraph headed "Notice to Interested Parties," page 70601, it was specified that notice of the proposed exemption would be made available to all interested parties including the trustee of the Plan and all active and retired participants or their beneficiaries, within 60 days of the publication of the notice of pendency in the Federal Register.

By letter dated January 25, 1980, the Plan notified the Department

own investment all the mortgage loans they make to purchasers of the homes but instead sell the loans to long-term investors, pursuant to a written commitment made by such an investor. In many instances the mortgage banker or financial institution relies on the commitment of the long-term investor in giving its financing commitment to the builder to provide financing for the purchasers of the dwelling units. The Plan has for over five years issued written commitments to independent mortgage banking firms, which are typically state and federally chartered banks and savings and loan associations, or other corporations which have a mortgage banking business. Such commitments obligate the Plan to purchase from the mortgage banking firms a specified amount of mortgage loans made by the firm, and secured by first deeds of trust on single-family dwelling units. Such units are detached single-family homes in subdivisions, are condominiums created under applicable state law, or are planned unit developments which are multi-unit subdivisions restricted by recorded documents limiting the use of property to residential purposes and providing a plan for maintenance of common facilities. Commitments are made on behalf of the Plan by McMorgan & Company, the Plan's investment manager, for the purchase of mortgage loans which conform to certain written guidelines, regarding the type and quality of the property and the credit worthiness of the buyer, established by the trustees of the Plan. In considering whether to issue a commitment on behalf of the Plan for a particular project, McMorgan & Company considers, among other things, who the builder of the project will be. McMorgan & Company is, and is required to remain while serving as investment manager for the Plan, registered as an investment advisor under the Invest-

ment Advisor's Act of 1940, and was appointed the Plan's investment manager under section 402(c)(3) of the Act.

that it was unable to comply with its representation to notify all interested persons within the time period specified in the notice of pendency. Therefore, the time period for receipt of comments and/or requests for a public hearing on the proposed exemption is hereby extended until May 15, 1980, so that participants and beneficiaries may have the opportunity to comment on the proposed exemption. The Plan represented, in its December 7, 1979 letter, that (1) a copy of the October 19, 1979 notice of pendency and (2) a copy of this notice will be provided to all interested parties on or before April 15, 1980 by publication of this material in the monthly newspaper of Local 3 of the Operating Engineers which is distributed to both Plan participants and beneficiaries.

All written comments and requests for a public hearing should be sent to the Office of Fiduciary Standards, Pension and Welfare Benefit Programs, Room C-4526, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20216. Attention: Application No. D-1467.

Dates: March 7, 1980.

Ian D. Lanoff
Administrator for
Pension and
Welfare Benefit
Programs
Labor-Management
Services
Administration
U.S. Department of
Labor

ment Advisor's Act of 1940, and was appointed the Plan's investment manager under section 402(c)(3) of the Act.

(2) Following purchase by the Plan of any such mortgage loans, the note and deed of trust are assigned by the mortgage banking firm to the Plan. The Plan normally charges a loan fee for issuing the commitment to purchase such loans, part of which is refundable if the loans are tendered and purchased by the Plan. Terms of the commitments prohibit sale to the Plan of any loan which is an obligation of a party in interest or disqualified person with respect to the Plan. In addition, mortgage banking firms from which the Plan purchases mortgages service the loans under separate servicing contracts with the Plan. The servicing includes collecting payments and remitting them to the Plan, sending late notice and handling foreclosures. The Plan's commitment must conform to the written guidelines which the Plan trustees have provided to the Plan's investment manager. The guidelines are in two sets, one for conventional residential, mortgages, including planned unit developments and condominium units, and the other for one-family dwellings, FHA-insured or VA guaranteed mortgages. Each set of guidelines contains requirements regarding the dwelling, the plot, water supply and sewage disposal, the area, the mortgage loan (including the borrower's income and credit) and other requirements or considerations. Some of the requirements are that the dwelling unit not be more than one year old (although) justifiable exceptions may be considered, that the loan mature in not more than 30 years (in the case of conventional loans) or 35 years (in the case of FHA-insured or VA-guaranteed loans), that conventional loans not exceed 80% of appraised value except loans of 90% of appraised value will be considered where private mortgage insur-

ance covers the top 20%, and that title insurance and other forms of insurance be provided. These requirements are specified in the written commitment. In addition, the commitment contains the fee charged by the Plan for issuing the commitment and the interest rate required on the loans which are to be purchased by the Plan.

(3) The terms of the commitment are similar to commitments made by other lenders, for example, insurance companies, banks and savings and loan associations. The interest rate charged is determined by the rate then prevailing in the market place.

Notice to Interested Persons

Within sixty days following publication in the Federal Register, the notice of the proposed exemption will be published in the monthly newspaper of Local 3 of the Operating Engineers which is distributed to both Plan participants and beneficiaries.

General Information

The attention of interested persons is directed to the following:

(1) The fact that a transaction is the subject of an exemption under section 408(a) of the Act and section 4975(c)(2) of the Code does not relieve a fiduciary or other party in interest or disqualified person from certain other provisions of the Act and the Code, including any prohibited transaction provisions to which the exemption does not apply and the general fiduciary responsibility provisions of section 404 of the Act, which among other things require a fiduciary to discharge his duties respecting the plan solely in the interest of the participants and beneficiaries of the Plan and in a prudent fashion in accordance with section 404(a)(1)(B) of the Act; nor does it affect the requirement of section 401(a) of the Code that the Plan must operate for the exclusive benefit of the employees of the employer maintaining the Plan and their beneficiaries;

(2) The proposed exemption, if granted, will not extend to transactions prohibited under section 406(b) of the Act and section 4975(c)(1) (E) and (F) of the Code;

(3) Before an exemption may be granted under section 408(a) of the Act and section 4975(c)(2) of the Code, the Department must find that the exemption is administratively feasible, in the interests of the Plan and of its participants and beneficiaries and protective of the rights of participants and beneficiaries of the Plan; and

(4) The proposed exemption, if granted, will be supplemental to, and not in derogation of, any other provisions of the Act and the Code, including statutory or administrative exemptions and transitional rules. Furthermore, the fact that a transaction is subject to an administrative or statutory exemption is not dispositive of whether the transaction is in fact a prohibited transaction.

Written Comments

All interested persons are invited to submit written comments on the pending exemption to the address above, within the time period set forth above. All comments will be made a part of the record. Comments should state the reasons for the writer's interest in the pending exemption. Comments received will be available for public inspection with the application for exemption at the address set forth above.

Proposed Exemption

Based on the facts and representations set forth in the application, the Department is considering granting the requested exemption under the authority of section 408(a) of the Act and section 4975(c)(2) of the Code and in accordance with the procedures set forth in ERISA Procedure 75-1 (40 FR 18471, April 28, 1975). If the exemption is granted, the restrictions of section 406(a) of the Act and the taxes imposed by section 4975(a) and (b) of the

(Continued on page 15)



WITH SAFETY IN MIND

By JACK SHORT, Director of Safety

Special rules and regulations now in effect for drilling

Feds approve additional funds for San Felipe

President Carter has approved \$18.5 million additional funds for the San Felipe Project, reports District Representative Tom Carter. About \$15 million is allocated for the Pacheco Tunnel and the remainder for the Hollister Conduit.

Construction of the first phase which is the Pacheco Tunnel was started last spring and is scheduled for completion in 1983. The total cost of the project will be about 200 million.

When the project is completed, it will bring water from the Delta which is stored at the San Luis Reservoir to Santa Clara and San Benito Counties. The water for Santa Clara County will be pumped into Anderson Reservoir in Southern Santa Clara County and will then flow through a distribution system to the Northern end of the County.

Business Rep. Robert Delaney reports that work in the area has slowed down considerably due to the heavy rains we've had these past 2 months, and contractors are waiting before they open up any new work. There's still some activity going on some of the work that was already started before the rains came, which the contractors are trying to finish up whenever the rains allow them to do so.

While I'm on the subject of work slowing down, I would like to take this opportunity to remind all you brothers out there who have signed up on the out of work list and go back to work, to please give us a call so we can take your names off the list. It only takes a few minutes of your time and it saves our dispatchers valuable time when running off the list when the work gets going again.

The San Jose District will be holding its District meeting on March 20th, 8 p.m. at the Labor Temple located at 2102 Almaden Rd. San Jose. "This is an important meeting because we'll be having the election of our Grievance Committee," commented Delaney. "You can also hear what your officers have to say on what is happening throughout Local No. 3's jurisdiction. In addition, the Master Agreement for construction is up this year and they might have something to say on that important matter. Hope to see you out there."

On January 17, 1980, the Safety and Health Rules and Regulations pertaining to the oil, gas, geothermal drilling, and related services industry in the State of Utah, became law.

A need for such regulations has been evident since the surge in oil exploration in Utah during the early 1970's. It also became apparent, after a significant number of inspections by compliance officers, that there were many issues unique to the industry that could not be adequately addressed under the existing OSHA General and Construction Standards. So, in

February, 1979, the Utah Occupational Safety and Health Administrator, Mr. Ron Joseph, directed his staff to prepare vertical standards to apply to this industry. By the

end of February, 1979, a rough draft of proposed standards was ready and was sent to all drilling contractors and service com-

panies known to be working in the State of Utah, requesting input, assistance and advice. Copies were also sent to state regulatory agencies.

On May 3, 1979, a meeting was held with representatives of the oil and gas industry, as well as some state legislators and members of the Industrial Commission. The major testimony received was in relation to the National Electrical Code. Some revisions were made in this area and draft copies were submitted for comment to the Utah Occupational Safety and Health Advisory Council meeting on May 25. Vance Abbott, Safety Representative for Local No. 3, Utah District had just been appointed to the Council by Governor Scott Matheson, and shortly thereafter, he was elected by the members of the Council to serve as Chairman. The Council is comprised of two representatives from management, two from organized labor and three from the public sector. All are appointed by the Governor and approved by the Legislature.

After a thorough review, the Council determined that the proposed regulations did not provide adequate protection for workmen in several areas. For instance, no provision was made for limiting devices, sodium

dioxide monitoring was felt to be inadequate and chains were allowed to be used indiscriminately for hoisting purposes.

Accordingly, such changes and additions were made and copies of the new draft, with notice of intent to adopt, were mailed to all interested parties along with published dates for public hearings.

The more stringent proposed regulations created a great amount of interest and participation by the oil industry at the public hearings (something that had been lacking in previous meetings). As a result, another meeting to revise the Standards was arranged and several professional advisors were invited to give expert testimony. This resulted in a final draft being presented to the Advisory Council for comment on December 6, 1979. The draft was reviewed and unanimously recommended for adoption as per State Statute.

The process is lengthy and demands many hours of involvement by interested parties. However, it is necessary if responsible regulations are promulgated to protect our members. Your representatives are constantly involving themselves in state and federal regulatory processes to serve you in the field of safety.

Work is good for cranes, but safety problems rise

Business Rep. Bill Dorresteyn reports that truck cranes are doing fair to very good at this time. Rented cranes are doing good and on site rigs are going with the weather.

The Davenport job is doing well. This is a Bigge, Rigging International job. It's a little behind, but will pick up as spring commences. The Permanente job also is doing well at this time.

"I recently signed up a new crane company, North Bay Equipment Company," Dorresteyn reports. "The owner is a long time member in and out of crane rental work. He'll be mostly north of the Bay Area."

Sheedy is fairly busy in the San Francisco area and is doing some work on maintenance agreements in refineries. They also had an accident. It seems they turned a rig over and did some damage.

"As far as I know, this accident was never reported to the Union," Dorresteyn commented. "Please report accidents to one of the offices in the area as it may prove beneficial along the way. Most of you will report a problem in re-

gards to money at some times manning, but are a little reluctant to report an accident except to your employer."

Accidents are currently on the increase. "I guess my bragging about a good crane rental safety record put the jinx on us," Dorresteyn commented. "Well, you'll hear no more bragging from me, as we have had six fairly serious accidents. It was lucky that only a small injury occurred, but it could have been much worse. Some of this equipment had a lot of boom at the time."

Dorresteyn reports that he is still in the process of working with Jack Short on the problem of suicide tilt up panels. These types of lifts are getting bigger and bigger, and along with some of those quick release type lifting devices they are getting out of hand safety wise. If you get a panel which is a suicide lift (this means the load you are handling is hanging over your head), call Dorresteyn. Don't leave the job, and wait on job and work, if safe, as directed. Also, call the Local 3 Safety Department, but don't go home. This is very impor-

tant. We will respond as soon as possible. This is a very critical problem safety wise. Be sure of the crane's capability at the time of the problem.

Please work safe in this type of work, as it is very demanding at times for both the Operator and Oler, and you are both put in very tough positions, and do make hard decisions on lifts, so use good safe judgments and it will be beneficial to all concerned.

Job Stewards

Activated From 11/26/79 to 2/14/80

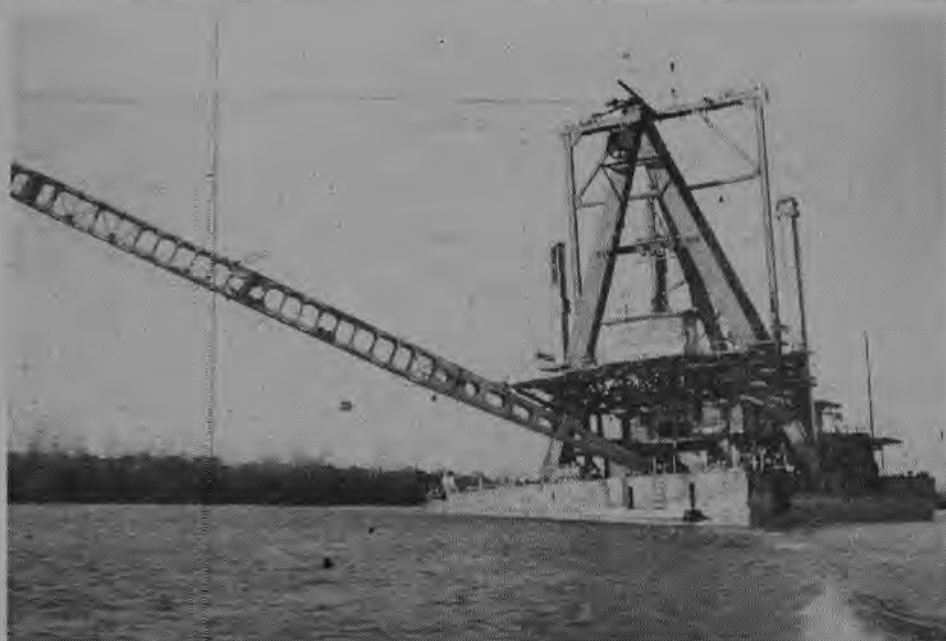
Dist. Member	Agent
01 Chas. E. Nunemaker II	R. M. Helmick
01 Lester C. Brandon	R. M. Helmick
10 John A. Blum	Charles Snyder
10 O. P. Smith	Patrick O'Connell
10 Ronald G. Schultz	Patrick O'Connell
10 Gordon P. Gebhardt	Patrick O'Connell
11 George R. Mock	Mickey Yarbro
11 Bradley Lee Paige	Mickey Yarbro
12 Floyd Alvey	James Bogle
12 Frank McCourt	James Bogle
12 Donald Jensen	James Bogle
12 John Cornwell	Dennis Wright
12 John R. Ferrin	Kay Leshman
12 Rodney K. Bosch	Kay Leshman
17 Raymond Santiago	Harold Lewis, Jr.
20 Mitch Gauthier	Chuck Ivie
20 Mark August	Norris Casey
30 Henry Swan	Gordon MacDonald
30 John Cummings	Gordon MacDonald
40 Fred Barber	Jim Johnson
80 Dave Sunderland	Ken Allen

Grievance Committee Elections

At its regular quarterly district meeting the membership of District 3 re-elected the following brothers to serve on its Grievance Committee for the ensuing year: Larry Chapman, Noah Howard and Lee DuBois.

At its regular quarterly meeting on January 31st, the District 2 membership re-elected the following brothers to serve on its Grievance Committee for the ensuing year: Hale Mason, Donald Robertson and Raymond Royer.

At the regular quarterly membership meeting of District 17/Honolulu held on January 23, 1980, the members re-elected the following brothers to serve on its Grievance Committee for the ensuing year: John Hoopii, William Kapiko and Richard Lacar.



Local 3 dredgemen continue to put in long hours on Delta levees following record heavy rains last month.

Sonoma County planning board hits quarries

"We have no more than just straightened out the Warm Springs Dam issue and here come the no growthers again with another weird plan to put the gravel producers out of business," reports District Representative Bob Wagon.

"We have a real battle coming up in the very near future, in fact the first hearings have already started. The Planning Commission's plan is to phase out all gravel production from the river over the next three years. All gravel then would have to come from quarry operations, which is hard rock mining.

The real catch is how the Planning Commission did a beautiful study on how to put the gravel dealers out of business but spent practically no time at all on how to assist them in future development, Wagon said. From all studies that have been made on all quarry operations in Sonoma County the rock is too soft for concrete and most of the time for road base.

Also, it is not known if permits would be given for quarry operations, but the real impact on this proposal of the Planning Commission is that the price of gravel would no doubt be doubled. Altogether the Operating Engineers, the Teamsters and the Laborers would lose about 400 jobs.

In the political arena, the Santa Rosa office will be busy this year on three seats for supervisor open this year, two for municipal judge and the assembly seat for the eighth district. "We will be supporting those we feel are in tune with our

points of view and again we urge the members to be sure to register and vote at election time.

With the recent spring like weather that came before the last rainstorms, there were many contractors back to work with quite a few engineers on the job, reports Business Representative Charlie Snyder. A few of the contractors are continuing to work on last year's projects and the forecast is for another very good year in spite of a predicted recession.

Farmers Insurance has let a contract on an addition to its present facilities in Rohnert Park, with Williams & Burrows coming in as low bidder at \$4.57 million. Berglund, Inc., in Napa has had one of the best winters ever, keeping quite a few of the brothers working.

Bus. Rep. Pat O'Connell reports that the Warm Springs Project has one shift of mechanics working and will be back in full swing as soon as

the weather permits. The sewer project in Guerneville with Caputo-Wagner, JV, S H Construction and Tri Valley Engineers has slowed down due to the rain but they do have a few brothers working.

Work in the Northern Sonoma and Mendocino County area has been picking up some, reports Business Representative Chuck Smith. Ladd Construction is doing some extra work on Hwy 101, just North of Willits in Mendocino County. Parnum Paving, Inc. also keeping several Brothers busy

around the county.

McGuire & Hester just about finished on their job at Ukiah. Over in Lake County Kirkwood-Bly going full bore on their job at Kelseyville, keeping quite a few people busy. Joe Ramos losing very little time on the underground work at Clearlake Highlands. Peter Kiewit Sons' Co. also keeping some of the brothers working on the sewer treatment plant, also at the Highlands.

Unit No. 17, at the Geysers Project, should be starting any day now. Unit No. 18 also scheduled to start in late spring or early summer.

More from 'Rigging Lines'

month for at least three other local unions, and maybe even four, to have joined us in this endeavor. I'm certain if this large group all signed in short order, the Western Conference as an ultimate goal might adopt the document in its entirety and perhaps this would induce, in a year or two, an International Union Agreement covering transfer of key men and benefits to come home where it will do the most good for the rank and file members.

TALKING TO TECHS BY PAUL SCHISSLER, DIRECTOR TECH. DEPT., GENE MACHADO, FRANK MORALES AND GENE WARD

INEERS TECH ENGINEERS TECH ENGINEERS T

TEACHING TECHS BY ART PENNEBAKER, ADMINISTRATOR, SURVEYORS JAC

Teaching Techs

Way back in early 1970 a Federal Court imposed a responsibility on the NCSJAC to accept new entrants into the First (1st) through Fourth (4th) period of Apprenticeship at a ratio of 30% Black; 30% Hispanic; 10% Asian, Filipino or American Indian; leaving 30% of the entrance slots for the non-minority persons.



More recently, State regulations have mandated input of females at 15% to 16%. Even more recently, Public Law concerns itself with the employment of the physically handicapped.

While all of this has been going on, historically, two thirds (2/3) to three quarters (3/4) of the First (1st) through Eighth (8th) period Apprentices have been members of the on going work pool who have been striving to better their position in the work pool through the educational process of the Apprenticeship Program on their own time and at their own expense.

These Journeymen came into the educational program for various reasons: the boss indicated do it or don't work for me, the individual felt that as a countable apprentice the odds were better to keep a job when work became lax, but most are persons who simply want a better place in the world and are willing to expend a little effort toward making a few more dollars by the end of the work season. The JAC has taken a positive position for that person who is expending individual effort and taken a negative position for that person who is just diddling around in order to become a head count.

Several Apprentices have been suspended from work opportunities and several have been removed from the Apprenticeship Program for one year because of deficiencies. The JAC has been quite liberal in its position. The initial match of Related Training Progress and First Aid Certificate on February 1, 1980 were equated with hours worked in October, 1979—a three (3) month moratorium that provided for 13 extra weeks to obtain a First Aid Certificate and extended time for completion of about 13 topics of Related Training that should have been completed to meet the standards of progress. November hours worked were ignored. When December hours worked are reported to the JAC another evaluation will take place and each reporting month thereafter. It is kind of like getting to work in the morning—if you allocate only enough time to get there at one (1) minute to eight and something goes wrong, then the rest of the crew is screwed up. If you start off in the morning a little earlier, then the flat tire or whatever can be accommodated and starting time is starting time.

The same logic can be applied to the Apprenticeship Related Training Progress. Minimum progress is required—why not go beyond that and leave a little elbow room for the tougher topics or when the head just turns off for a couple of weeks.

Let us ignore for a moment the desire to learn or be the best and just talk about the dollars it costs to commute to a Related Training Class. It is simple arithmetic to equate extra study at home to the dollar value of gas expended for the commute to Related Training Classes. Every three hours extra study at home saves the price of one commute to the Related Training Class.

There is nothing Holy about coming to a Related Train-

ing Class and studying for 3 hours, once a week. An extra hour here or there after work or on the weekends can accelerate the process and provide for a bit of leeway.

Back to those newcomers, the First (1st) period Apprentice just coming aboard. The Federal Court mandates 27% plus Journeyman ethnic minority participation as members of the work pool. It appears from several years of experience, that there are not that many minority individuals with the pre-requisite skills ready and willing to become Technical Engineer members.

The only other alternative left is to arrange input into the Apprentice Program so that the Court Ordered Mandate can be accommodated as competent Journeymen are produced.

It is expected that every Technical Engineer will do his best to bring the new member along. Some will be successful and some will fail and we will recruit some more. When you get a person that appears to really want to do the job but simply doesn't know how, then spend a little time. The next one might be worse. We are going to have 27% one way or another so let's get going to get this done and behind us.

Talking to Techs

Union busting, the Open-Shop Movement, High Priced Employer Consultants, and now another group, calling themselves "Employer Emergency Support Services."

Employers facing a labor dispute, hire these people to support their supervisory personnel, attempting to maintain operations during a strike, or other labor disputes. These support services are generally in refineries, factories, processing plants, etc., etc.

These employer support services consist of beds, linens, laundry, kitchens, bathrooms, recreation (television included) to name but a few. This may seem like a bizarre comedy, but we can assure you, it is a serious reality that cannot be taken lightly!

For these support service groups to be successful, the employer must also be successful! When this happens, the worker loses. When the worker loses, his family loses. The time to bow our backs is here. We must oppose the professional strike breakers, the open-shop movement, the so-called professional employer consultants!!!

"The Labor Movement, more than any other single political or social force, has given the worker a measurable stake in today's America. It has been successful because it has had a practical philosophy, calling for attainable goals."

PRODUCTIVITY

When economists talk about increasing productivity, they are usually referring to labor productivity, or output per worker-hour! Labor productivity is simply the amount of output produced . . . be it goods or services . . . divided by the number of hours worked. When productivity increases and more is produced for each hour of work, there is an increase in the total amount of goods and services in the economy.

Who gets these additional goods and services depends on how productivity gains are divided. If productivity increases by three percent and workers get a three percent wage increase, then their share of what is now a larger pie has stayed the same. But that's not all! Employers now have

an extra three percent to pay profits, materials, rent, and other expenses. This means that if productivity is increasing, employers can pay for rising costs without having to raise prices or reduce their profits.

If wages don't go up as much as productivity, profits will rise disproportionately. Consumer buying power will then be growing more slowly than the economy's ability to produce. Sales may fall, inventories may pile up, and the economy would then be in a recession.

Increases in productivity can come from a variety of sources: Better educated workers and managers, new inventions, and investments made by business and government. Increases in productivity can occur at all times, although productivity rises more rapidly when the economy is growing and expanding.

The latest technology is brought "on-line" more quickly when the economy is growing at a healthy clip. Training Programs are stepped up, and workers with a variety of skills are able to find jobs in which they may utilize those skills!

TESTING AND INSPECTION

Even with the rains we've had in January and February, the work picture for testing and inspection has been pretty fair. Most inspectors have been working forty-hours plus. By the first of February we had fifteen to twenty job opportunities in the following classifications: Soils, concrete, steel inspection, ultrasonic and visual weld inspectors, radiographic technicians, and construction inspectors. If you know of any qualified inspectors out of work, have them contact the Tech Engineers Center.

This year looks like another busy one! We are running short of qualified inspectors to fill the positions that are being created by the heavy work load and organizing efforts. Inspectors are not becoming available fast enough through the public school system or through company on the job training programs. A substantial amount of the inspectors are reaching retirement age or will within the next few years.

Without a qualified training program set up to replace these inspectors as they retire, the shortage of inspectors could become critical. Everyone likes working overtime on an occasional basis, but to have to work overtime on a constant basis leaves little time for the wife and family or other outside activities. The Tech Engineers Department is still actively discussing a training program with the Employers. When we get a definite answer from the Employers, we will keep you informed!

TECHNICAL ENGINEERS PRE-NEGOTIATION MEETINGS

- Tuesday, March 4, 1980 7:00 P.M.
Holiday Inn—500 Hegenberger Road
and Nimitz Freeway **OAKLAND**
 - Tuesday, March 11, 1980 7:00 P.M.
Labor Temple—2102 Almaden Road,
Rooms A & B **SAN JOSE**
 - Tuesday, March 18, 1980 7:00 P.M.
Woodlake Quality Inn, Cedar Room—
Hwy. 160 & Canterbury Road . . . **SACRAMENTO**
 - Tuesday, March 25, 1980 7:00 P.M.
El Rancho—2200 Santa Rosa
Avenue **SANTA ROSA**
 - Tuesday, April 1, 1980 7:00 P.M.
Hilton Hotel—Van Ness Avenue
and Fresno **FRESNO**
- YOUR PARTICIPATION AT THESE MEETINGS
IS EXTREMELY CRITICAL!**

More from 'Outlook' *Eureka report continued*

(Continued from page 10)

nally, health care consumers need to become more responsible for their own health. The real key to lower health care costs is a healthy and fit population.

The Operating Engineers Health and Welfare Plans are geared for providing members and their families with these and other effective cost savings methods. The plans provide a freedom of choice in selecting a physician and other providers of health care. The plans encourage the use of Second Surgical Opinions for elective surgery and cover the costs at 85% of usual, customary and reasonable charges for such consultations. Active eligible Operating Engineers can receive a physical examination annually to check up on their health. And finally, there are special benefits within the Plans promoting good health.

(Continued from page 4)
Don H. Clausen reported this month.

A total of \$1.6 million has been earmarked for harbor dredging and maintenance and \$220,000 has been funded to investigate the causes of shoaling, or gradual filling in with sand, of the harbor which threatens future use of the port.

"Not only will there be a full examination of the causes of the problem," Clausen said, "but the Corps of Engineers will be asked to come up with specific solutions to this difficulty."

The budget also contains \$200,000 for deepening the channel in the harbor, Clausen reported.

Meanwhile, the Del Norte Fishermen's Marketing Association has announced its support of a resolution by the Pacific Coast Federation of Fishermen's Associations favoring the local harbor dis-

trict's plans to build an additional boat basin and related shore facilities.

However, support was made conditional that expansion "in no way financially impedes necessary and regular maintenance dredging nor increases the financial burden to existing users of the harbor."

M.C.M. Const Co. of Sacramento have begun their \$2 million bridge project on the Samoa Road out of Arcata with Earl Nally of Rio Dell doing the excavation and approach work. From all indications this project will keep these hands busy through all of this season.

Stimpel-Baker and Assoc. out of Redding, Calif. have gotten off to a very good start on their \$3 million plus storm damage repair job near Petrolia, south of Eureka.

The Eureka Office would like to thank all of the brothers, their families and friends who made our 19th Annual Crab Feed success.



Member awarded 'Officer of Year'

District Representative Jay Victor (left) congratulates Harvey Edwards, Stockton office dispatcher for a job well done on being named the Reserve Officer of the Year for the Stockton Police Dept. Edwards, a 10-year veteran of the volunteer police program, was named at the annual awards banquet of the Stockton Reserve Police Assoc. During his tenure with the reserve, Edwards has served as squad sergeant and squad lieutenant and as the organization's senior firearm instructor.

DEPARTED BROTHERS

Business Manager Dale Marr and the Officers of Local Union No. 3 offer their sympathy and condolences to the families and friends of the following deceased:

NAME/ADDRESS	DECEASED
Adams, Edwin H. (Gladys—Wife) 788 Hilmar St., Santa Clara, California	12-22-79
Bell, George (Laurina—Wife) Rt 3 Box 3810, Red Bluff, California	12-7-79
Brooks, Clayton (Doris—Wife) P.O. Box 1731, Clearlake Highlands, Ca.	12-11-79
Callaway, Elaine (Earle—Husband) 39 Via Grande, Marysville, California	12-22-79
Colby, Cleo (Bernice—Wife) 1903 S 14th E, Salt Lake City, Utah	12-6-79
Crawford, Robert E. (Gladys—Wife) 1425 Rene Ave., Sacramento, California	12-17-79
Davis, Marvin (Jerry & Donald Davis—Sons) 19641 Peaceful Oak, Sonora, California	12-5-79
Duarte, Arthur (Clara—Wife) 891 Old Canyon, Fremont, California	12-5-79
Duckett, Levi (Anna—Wife) 2702 Meadowvale, Sacramento, Calif.	12-14-79
Elder, David (Donna—Wife) P.O. Box 147, Fall River Mills, Cal.	12-15-79
Galloway, Lewis G. (Lewis Jr.—Son) 251-28th St. #808, Oakland, California	11-23-79
Heenan, Victor (Susan—Wife) 2245 Capuuro Way, Sparks, Nevada	12-26-79
Higginbotham, Earl E. (Bonnie—Wife) 8585 Ously Dr., Gilroy, California	12-23-79
Hoggatt, Clifford (Lina—Wife) 365 E Louise #28, Lathrop, California	12-17-79
Icardo, Peter (Grace—Wife) 904 Carmel Ave., Albany, California	12-21-79
Johnston, Claude (Lola—Wife) P.O. Box 191, Dobbins, California	12-8-79
Jones, Jack L. (Blanche—Wife) 2911 Union School, Redding, California	12-9-79
Jordan, Knoal (Darlene—Wife) 206 S Ham Lane, Lodi, California	12-17-79
Kamai, Leroy (Julie—Wife) 85-1164 Kumaipo St., Waianae, Hawaii	11-25-79
Koyama, Iwao (Emiko—Wife) 482 Iwalani St., Hilo, Hawaii	9-30-79
Leone, John (Margherita—Wife) Strada Della Chiara, Torino, Italy	11-11-79
Miller, Chris (Vera—Wife) 155-1200 W #118, Orem, Utah	11-28-79
Perkins, Thomas (Marie—Wife) 5100 Kirk Lane #3, San Pablo, California	12-27-79
Ritchie, Elden (Elizabeth—Wife) 517 E 100 N, Heber City, Utah	12-5-79
Rivas, Tony (Romona—Wife) P.O. Box 302, Jamestown, California	12-3-79
Roper, Ervin (Helen—Wife) 11 Clinton St., Yuba City, California	12-21-79
Sahlman, Armas F. (Margaret—Wife) 1516 Scenic Dr., Modesto, California	12-12-79
Sakata, Tsukumo (George—Son) 66-931 Lupenui Pl, Waialua, Hawaii	12-19-79
Schulte, Richard (Ruth—Wife) 41 Hastie Way, Oroville, California	12-13-79

Seaton, Curtis (Neoma—Wife) 1805 E 8th St., Olivehurst, California	12-10-79
Slade, Jack W. (Howard Sloop—Nephew) 820 Nichols Lane, Marysville, California	12-29-79
Smith, Elmer E. (Barbara—Wife) 568 E 2nd St., Sonoma, California	11-9-79
Switzler, Lester (Iva—Wife) P.O. Box 58, Orland, California	12-6-79
Walker, Sam N. (Mary Lou—Wife) 11821 Whippoorwill, Bakersfield, California	12-16-79
Wheless, Justice C. (Sally—Wife) 6130 Monterey #191, San Jose, California	12-16-79
Worster, Dola (Ada—Wife) 29141 De La Cruz, Hayward, California	12-23-79

DECEASED DEPENDENTS December 1979

Adams, Adrie—Deceased December 9, 1979 Wife of Bill Adams	12-9-79
Brooks, Lucille—Deceased December 20, 1979 Wife of Larry Brooks	12-20-79
Halbach, Dorothy—Deceased July 31, 1979 Wife of Herb Halbach	7-31-79
Kashka, Maria—Deceased November 25, 1979 Wife of Louis Kashka	11-25-79
Klein, Mae Marie—Deceased December 5, 1979 Wife of Louis Klein	12-5-79
Redd, Mary H.—Deceased December 10, 1979 Wife of James Redd	12-10-79
Salonius, Emily B.—Deceased December 18, 1979 Wife of Eric H. Salonius	12-18-79
Schissler, Eleanor E.—Deceased December 14, 1979 Wife of Henry Schissler	12-14-79
Wells, Nada—Deceased September 20, 1979 Wife of James Wells	9-20-79

NAME/ADDRESS	DECEASED
Adams, Phillip D. (Hazel—Wife) P.O. Box 155, Bogue, Kansas	1-6-80
Anderson, Harold (Harold Jr.—Son) 417 W. Acres Rd. #2, W. Sacramento, Calif.	1-6-80
August, Tony (Wife—Marie) 2527 Jefferson St., Martinez, Calif.	1-29-80
Bailey, Lewis (Thelma—Wife) 633 Gunnerson Lane, Rio Dell, California	1-8-80
Baker, Roy W. (Orval South—Brother) P.O. Box 351, Calera, Oklahoma	1-31-80
Ballam, Willard P. (Gwendolyn—Wife) 2399 East 14th St., San Leandro, Calif.	1-25-80
Cabeal, Albert (Muriel—Wife) 7912 Wachtel Way, Citrus Heights, Calif.	1-4-80
Clark, Anita (Tom—Husband) 2409 B Coughts Ct., Modesto, Calif.	1-5-80
Cowperthwaite, Gilbert (Marjorie—Wife) 3570 Savage Avenue, Pinole, Calif.	1-5-80
de la Montanya, Wayne (Elfeda—Wife) 839 Old Grass Vly., Colfax, Calif.	1-22-80
Dickey, James C. (Catherine, Jennie & Regina—Daughters) 2720 Leland, Redding, California	1-21-80
Gomes, Antonio (Clarice—Wife) 24837 Canyon View, Hayward, California	12-27-79
Goodman, Clifford (Judy—Wife) P.O. Box 122, Whitmore, California	1-8-80
Hernandez, Santos (Mary—Wife) 672 Vendome, San Jose, California	1-26-80

Herring, Chloma E. (Dessie A.—Wife) 4040 Clark Drive, Stockton, California	1-16-80
Hicok, Delbert (Sherri & Steven—Dtr. & Son) Rt 1 Box 300, Wilton, California	1-29-80
Hogadone, J. Fred (Helen—Wife) 2545 E Alluvial Ave., Clovis, California	1-24-80
Kavanaugh, Rupert (Betty Rath—Dtr.) P.O. Box 453, Broderick, California	1-8-80
Kendall, Devear (Lorraine—Wife) 50-10th Street, Colusa, California	1-12-80
Kirch, Jesse (Elizabeth—Wife) 3515 Metropolitan, Kansas City, Kansas	1-1-80
Lawley, J.C. (Ethel—Wife) P.O. Box 662, Happy Camp, California	1-22-80
Malone, John R. (Leo Jean—Daughter) 203 S Rowe St., Pryor, Oklahoma	1-6-80
McNeil, Harvey (Phyllis—Ex-wife) P.O. Box 665, Los Banos, California	1-21-80
Mitsuda, James M. (Matsuno—Wife) 3320 Herbert St., Honolulu, Hawaii	12-30-79
Newell, Henry W. (Norma—Wife) P.O. Box 377, Lockeford, Calif.	1-7-80
Nolasco, Peter (Lois—Wife) 4255 Teakwood Ct., Concord, California	1-26-80
Oliver, R.B. (Leoline Lutz—mother) P.O. Box 398, Paradise, California	1-14-80
O'Mara, Geraldine (Morris Bennett—Son) 4043 N. Palm, Fresno, California	1-8-80
Orlandi, William (Mary—Wife) 36236 Coronado Dr., Fremont, California	1-30-80
Quint, Lloyd (California B.—Wife) 2235 Shasta St., Redding, California	1-22-80
Selig, Joseph (Luella—Ex-wife) P.O. Box 543, San Andreas, Calif.	1-29-80
Spencer, George L. (Scharleene—Wife) P.O. Box 309, Elverta, California	1-24-80
Stoncipher, Clyde (Genevieve—Wife) 8213 Wildfire Lane, Sacramento, Calif.	1-9-80
Tank, Fred A. (Judy & Edward—Daughter & Son) 3721 Ulloa St., San Francisco, Calif.	1-15-80
Thiemann, Guy R. (Genevieve—Wife) 4906 Dubois Dr., San Diego, Calif.	1-21-80
Walker, Ray (Nancy Brough—Niece) P.O. Box 180, Duchesne, Utah	1-14-80
Ware, Max L. (Larada—Wife) 21923 Ottawa Rd. #7, Apple Valley, Calif.	1-1-80
Wilson, Wayne (Warren—Son) 902 N. University, Spokane, Washington	1-17-80

DECEASED DEPENDENTS January 1980

BRAWLEY, Pauline M.—Deceased December 5, 1979 Wife of Robert Brawley—SS# 553-42-5859	12-5-79
FLORES, Rachel Marie—Deceased December 29, 1979 Wife of Alex G. Flores—SS# 565-54-0387	12-29-79
LAWRENCE, Lois—Deceased January 20, 1980 Wife of A.P. Lawrence—SS# 562-46-1251	1-20-80
ROSS, Shirley—Deceased January 6, 1980 Wife of Keith W. Ross—SS# 530-14-5579	1-6-80
TONN, Bertha—Deceased January 21, 1980 Wife of Henry Tonn—SS# 475-09-0688	1-21-80
WALLACE, Florence—Deceased December 31, 1979 Wife of Robert Wallace—SS# 547-44-8839	12-31-79

Swap Shop: Free Want Ads for Engineers

FOR SALE: 1/4 DRIVE, 12 pt. socket set, 3/8-2 1/2, 22 sockets 3 extension 3" 8" 16", 1 elect. tie handle, 1 flex handle, 1 ratchet 18" Proto set #5500A in heavy metal box, most socket never used \$250. 58" long w/ sliding tray \$75.; 1 French Provincial Fruit wood drop side table w/ 2 leaves goes from 2'6" to 8' long 40" wide 3250. or best offer; 1 1967 4 dr. hard top Chev caprice all power, 396 eng. large trem. radio, heater, dark blue all original, never wrecked mint cond. 62000 mi. \$750. W.L.D. Sorensen, 7028 Thornhill Dr., Oakland, Ca. 94611 339-1040 Reg. #238823 1-80

FOR SALE: KNESKILL self-contained camp trailer very clean \$2,275.; 1951 Chev tractor w/20' dumptailer \$5,250.; Lincoln, portable welder \$1,250. W.L. Maddox, 17311 Mercy Spgs, Los Banos, Ca. 93635 209/826-0684 Reg. #1043556 1-80

FOR SALE: 79' PONTIAC FIREBIRD, V6, low mileage, AM/FM 8 track, A/C, ext. cond. \$5,900. or best offer, call eve. 245-3838 1-80

FOR SALE: 1977 CADILLAC ELDO, 38,000 mi. one owner, all extras, new tire & brakes, die hard battery, firemist rust color, make offer, before 10 AM or after 6 PM, Donald Kiemle, 1908 Chelwood Way, Modesto, Ca. 95355 Reg. #1070947 2-80

FOR SALE: 1 set 3/4 dr. SOCKET SET, OTC, extra socket & ext., G.H. Teeslink, 945 Via Mariposa, San Lorenzo, Ca. 94580 276-8893 Reg. #360835 2-80

FOR SALE: 77 DIPLOMAT MOTOR HOME, 16,500 mi, R/B rust interior, new cond. \$16,950. L. D. McKinney, 30,000-8 Kasson Rd., Tracy, Ca. 95376 209/835-4272 Reg. #0689219 2-80

FOR SALE: 30 ton AMERICAN TRUCK CRANE, 4 axles, good working cond., comp. w/drag bucket, 2 clam shells, cement bucket 95' of boom & 30' jib, comp. rigging, cummin downstairs, G.M.C. diesel upstairs. Hope to retire. Maurice W. Batt, 598 Meridian St., Crescent City, Ca. 95531 707/464-3994 eve. Reg. #0814756 2-80

FOR SALE: TRUCK BED 8x14x4' head board, very good cond. \$795.; Int garden tractor, 12 hr. w/mower, plow, rotor tiller & scraper, good cond. \$1,795. Joe C. Haslouer, 12964 E. Tikay Colony Rd., Lodi, Ca. 95240 931-0781 Reg. #0921408 2-80

FOR SALE: 1967 1/2-ton CHEVY PICKUP, V8 350, ps pb A/T, radio & heater, small utility box, wired to pull trailer, excel cond.

26,000 mi, best offer. Duane Knize, 2014 Beach Street, Concord, Ca. 94519 689-4775 Reg. #0620295 2-80

FOR SALE: NEW Heat King Wood & Coal stove \$800.; still in wrapper. kitchen range, lappen (Butane) clean, like new; NEW 2 bdrm. home, Spring City, Utah, on 4 1/2 ac. 1133 sq', full basement, large fireplace, in city. \$75,000. near coal mines. Norman Clemens, P.O. Box 62, Lockeford, Ca. 209/369-1397 Reg. #1238702 2-80

FOR SALE: 1962 INTERNATIONAL BUS, 5 sp., v/8, 4 wheel dr., low mileage, good rubber, make a nice motor home.; 1963 Ford Bus, 6 cyl, 4 sp., conventional dr., good cond. & good tires; 1972 AMC Motador, v/8 AT, PS PB & A/C. sacrifice \$695. Albert F. Panlazzo, 915 W. Miner St. #16, Yreka, Ca. 96097 916/842-2181 Reg. #0603448 2-80

FOR SALE: CATAPILLAR 28 gas tractor, good tracks, sprockets & idlers, rollers, parting out or \$350 for all. Lee Manaker, 11330 Fardon Ave. Los Altos, Ca. 94022 Reg. #1067423 2-80

FOR SALE: Retired Mechanic's tools, all kinds & sizes, including 600' Lb Forgue wrench, 1" & 3/4" socket set, chain falls come-a-long reasonable. Norman Clemens, 14346 E Collier Rd., Acampo, Ca. 209/369-1397 Reg. #1238702 2-80

FOR SALE: AFRICAN pygmy goats, born in Dec., black & white bucks, will wether gray & white Doe. Make wonderful pets. \$50 & 100 also guinea \$5 ea. John F. Meyer, P.O. Box 308, Valley Springs, Ca. 95252 Reg. #0409005 2-80

FOR SALE: 21' Fibreglass, fish or ski boat, 1/0 drive, Ford V8, tandem trailer, excel. cond. \$5,500.; Volkswagen engine, one w/transaxel, \$225. for all. Jared Byrd, 415/344-6541 Reg. #1216125 2-80

FOR SALE: 550 HOPTO truck mounted, various buckets, 5' extension, 45 degree swivel bucket, engines & pump recently overhauled, extras. \$28,900.; 1972 Vacationer 19' mini-home, Dodge Chassis, 3 gas tanks, reinforced bumper, dual wheels, A/C, sleeps 6, 34,000 mi. gets good gas mileage. \$6,500. 415/223-4674 Don Brown, 4339 Santa Rita Rd., El Sobrante, Ca. 94803 Reg. #1025346 2-80

FOR SALE: 1978 CHEVY PICKUP, 4 wheel drive, A/T. low mileage, site step w/roll bar, chrome wheels 350 cu.". \$9,500. or best offer. Call eve. 6-8 pm. 415/756-7429 or write Jamie A. Ramos, 86 Carmel Ave., Daly City, Ca. 94015. Reg. No. 1800619. 3-80

FOR SALE: 1974 CJ 5 mag wheels, headers 304 V8, new top \$3,500. T.A. Clay, P.O. Box 2202, Carson City, Nev. 89701. 702/882-4696. Reg. No. 1324928. 3-80

FOR SALE: 8' CAMPER, 6/6 pack, cabover, stove, icebox, potty, 3 yrs. old good cond. 1,300 lbs. asking \$1,100. eve. or weekends. 408/724-8118. Jack Jackson. Reg. No. 1071079. 3-80

FOR SALE: 2 ACRES, fenced, cross-fenced, 4 bdrm, 2 bath, fireplace, family orchard, beautiful view, guesthouse, outbuildings, 2 miles from Orland, 20 from Chico, \$85,000. James D. Sanders, 916/865-9500. Reg. No. 0820664. 3-80

FOR SALE: IN MOUNTAINAIR, New Mexico, 3 bdrm, 2-1/2 bath, extra large yard, view, fruit trees, small friendly town, pleasant summers, mild winters, high altitude, low taxes \$65,000. James D. Sanders. 916/865-9500. Reg. No. 0820664. 3-80

FOR SALE: TOWING MACHINE 1971 3/4 T. international travelall in excel. cond. \$1,400. Mas Tsuda, 16 Loma Rd., Redwood City, 415/369-3569. Reg. No. 1238649. 3-80

FOR SALE: 65 FORD PICKUP, \$900. new brakes, water pump, battery 30,000 mi on motor; 1970 W/B 22' boat, good shape \$7,200. Welbur Marshall, Rt Box 444A, Welton, Ca. 95693. 687-6796 or 687-6494. Reg. No. 0892694. 3-80

FOR SALE: 1977 LAYTON 27' 5th wheel, A/C, ex. cond. \$8,000. George White, 141 Inner Circle, Davis, Ca. 95616. Reg. No. 0324042. 3-80

FOR SALE: 1977 FIREBALL 5th wheel trailer, 32' A/C, rollout, awning, large rear bath used very little, ex-cond. \$9,500. Wm. Conner, 92 Hancock Rd., Roseville, Ca. 95678. 916/782-9160. Reg. No. 0292565. 3-80

FOR SALE: 1964 RANCHERO, chrome wheels, radial tires, custom paint, padded roll bar, 260 V8, elect. seat & antenna,

stereo, alarm, A/C. great m.p.g. sacrifice \$2,800. Dave Reed, 3539 Ashley Ave., Oroville, Ca. 95965, 916/534-6423. Reg. No. 1130324. 3-80

FOR SALE: BOLES AERO TRAVEL TRAILER, 32' fully self. cont., awning, A/C, tinted windows, like new, pulled very little \$13,000. tel. 532-5842. Homer Wynn, 15394 Buttercup Lane, Sonora, Ca. 95370. Reg. No. 1123517. 3-80

FOR SALE: 1974 CHEV. SUPER CHEYENNE, A/C. P.S., P.B., A/T, 350 engine, transmission collar, dual exhaust, dual tanks, 35' canopy, equipped for trailer towing; 1975 Road Ranger 18' travel trailer comp. S.C. \$6,000 both or will separate. Art Lance 209/299-7339. Reg. No. 0698389. 3-80

FOR SALE: LIBERTY S.A. 22 L.R. & Maguam, hand tooled buskadarro belt holster left hand. \$125., sake 30' B6 w/leupold 3x9 scope \$300. Art Lance, 209/299-7339. Reg. No. 0698389. 3-80

FOR SALE: '73 Winnebago mileage 25,186. 9 mpg. \$9,500; '77 Pinto 23,000 mi fully loaded \$4,500; Camper, telescope top \$350. Edd Goforth, 9679 Walnut Ave., Elk Grove, Ca. 95624. 916/685-4756. Reg. No. 1494172. 3-80

FOR SALE: GARDNERVILLE, NE. 4 bdrm, 2 bath, extra large master bd., sunken dining rm. 1670 sq.' living space plus 624 sq.' 2 car gar. w/pit approx 1 ac, fenced, ok for livestock \$64,950. Phil Houston, P.O. Box 1240 Minden, Nev. 89423 tele. 702/782-3085. Reg. No. 1171933. 3-80

FOR SALE: 1 FRENCH PROVINCIA fruit wood, drop side table 40' wide, extends from 2'6" to 8' long \$150. W. D. Sorensen, 7028 Thornhill Dr., Oakland, Ca. 94611 tele 339-1041. Reg. No. 238823. 3-80

FOR SALE: GRASSER, roll around \$15., V8 555 block, all parts except crankshaft; Eaton-Hendrickson walking beams \$50. ea. for late model trucks; used tires 8.25x20, 9.00x20, 10.00x20, 11.00x20 - \$50 & \$10. ea. good clean international diamond dump trucks, 8-10 yd. dump boxes w/Garwood Hoists. \$1,750. L. Mulhair, 97 Southridge Way, Daly City, Ca. 94014. 415/333-9006. Reg. 154371. 3-80

FOR SALE: 1978 DODGE Pv, radio, heater, C.B., d200, 400c id. engine, 950 robber trailer tow package, low mileage \$4,500. or will trade on soil sampling rig. Paul Hayden, P.O. Box 5243, Reno, Nev. 89503. 329-7463. Reg. No. 0685675. 3-80

FOR SALE: 1966 CB160 HONDA motorcycle, can be used for parts or fixed to run, asking \$100. 916/459-3137 after 5:30 p.m., Dan Williams, RT1 Box 116, Montague, Ca. 96064. Reg. No. 1634984. 3-80

FOR SALE: 5 ACRES adjacent fish lake national forest in Utah, Elk, deer & trout, 2 cabin sites or 4 trailer pads, acceptable, 6 mi. to I-70 freeway \$10,000. to total or \$4,000 equity. L.R. Johnson, 131 Rose Ct. No. 8, Campbell, Ca. 95008. 408/379-2704. Reg. No. 0660970. 3-80

FOR SALE or TRADE: 30' Conversion 56 Ford sleeps 6, self "292" V8, 4 sp., 2 sp. rear end, perfect for person work away from home, asking \$6,200. 916/482-9280. Pedro Perez, 10605 Chardony, Rancho Cordova, Ca. Reg. 1225597. 3-80

WANTED: JIM BEAM CERAMIC BOTTLES, send list & price. Harry Horn, 2565 La Cumbra. Rancho Cordova, Ca. 95670. Reg. No. 0738743. 3-80

RULES FOR SUBMITTING ADS

- * Any Operating Engineer may advertise in
- * PRINT OR TYPE the wording you want in your advertising on a separate sheet of paper, limiting yourself to 30 words or less, including your NAME, complete ADDRESS and REGISTER NUMBER.

these columns without charge any PERSONAL PROPERTY he wishes to sell, swap, or purchase Ads will not be accepted for rentals, personal services or sidelines.

- * Allow for a time lapse of several weeks between the posting of letters and receipts of your ad by our readers.

- * Please notify Engineers Swap Shop as soon as the property you have advertised is sold.

- * Because the purpose should be served within the period, ads henceforth will be dropped from the newspaper after three months.

- * Address all ads to Engineers Swap Shop, DALE MARR, Editor, 474 Valencia Street, San Francisco, Calif. 94103. Be sure to include your register number. No ad will be published without this information.

Down zoning issue beat back in Sacramento area

The politicians and other people in power are beginning to overrule the no-growthers and rule on issues that would benefit the entire community, reports Sacramento District Rep. Clem Hoover. "We recently were involved, along with other unions, in defeating a recommendation from the City Planning Commission to down zone a large portion of the downtown area. This would have resulted in a moratorium on building in the downtown area."

The Sacramento District was also involved in a long and bitter fight regarding a mining permit for A. Teichert & Son that was vital to the construction industry in Sacramento County. Without this per-

mit, Teichert would have been out of aggregate by September 1980. "We are still involved with the rezoning of property owned by Granite Construction for mining," Hoover said. "We got the rezoning but will have another battle when the time comes for the permit. These permits mean jobs for many of the brothers, not only those that work for these two companies, but anyone that works in the construction industry, especially those in subdivisions."

There are several contracts coming up for underground work in connection with the County Sewer Project. These will be interceptor lines and will be in the 48" and 36" size rather than the 108" and 120"

that have been built in the past few years. These projects should improve the work for the brothers in the pipe making plants, which have slowed down to a standstill.

This year there are several important elections coming up in the Sacramento area and it is important that every member get to the polls, Hoover said. Supervisor Fred Wade is not running for re-election so that leaves that race wide open. The Grievance Committee will have the job of screening candidates in an attempt to pick not only a winner, but one that will protect the interests of the members.

Senator Al Rodda is being challenged as well as Assemblyman Leroy Greene. Assemblyman

Eugene Chappie is not seeking re-election, which leaves that race open. He is going to challenge U. S. Congressman Harold "Bizz" Johnson, who has been a tremendous friend to Local 3.

Supervisor Arlene Todd of El Dorado County and Supervisor Terry Cook of Placer County are also running for re-election. "We urge your support for these candidates, as they are friends of Local 3," Hoover said. Supervisor Ted Sheedy is going to challenge Assemblywoman Jean Moorehead. "We wish Ted luck and will support him all the way," Hoover continued. Politics are so important to our very existence; therefore, it is important that every member

votes.

Business Rep. Bill Marshall reports that Auburn Constructors at Sugar Pine Dam project has started calling the members back to work. If the weather stays like it is, at this writing, they say they will be pouring some concrete. This means the Company will be hiring some new employees, which will be really good for this particular time of the year.

H. M. Byars on their job in Foresthill is still plugging away with the eight miles of pipeline starting at Foresthill and going into the Sugar Pine Dam. They are also keeping some of the Brothers busy clearing the trees off of the steep slope on Shirttail Canyon.

IMPORTANT NOTICE: ERISA EXEMPTION

(Continued from page 11)

Code, by reason of section 4975(c) (1)(A) through (D) of the Code shall not apply to issuance by the Plan of commitments, in accordance with the guidelines and procedures set forth in the application, obligating the Plan to purchase mortgage loans on single-family dwelling units from financial institutions, when construction of such dwelling units is by persons who are parties in interest or disqualified persons with respect to the Plan, and shall not apply to the purchase of mortgage loans which meet the criteria of the guidelines and procedures set forth in the application, from financial institutions which are parties in interest or disqualified persons with respect to the Plan solely by reasons of servicing mortgages which they previously have sold to the Plan. The foregoing exemption will be applicable only if the

following conditions are met.

(a) At the time the transaction is entered into, the terms of the transaction are not less favorable to the Plan than the terms generally available in arm's-length transactions between unrelated parties.

(b) The Plan maintains for a period of six years from the date of the transaction the records necessary to enable the persons described in paragraph (c) of this section to determine whether the conditions of this exemption have been met, except that (1) a prohibited transaction will not be deemed to have occurred if, due to circumstances beyond the control of the fiduciaries of the Plan records are lost or destroyed prior to the end of the six-year period, (2) no party in interest shall be subject to the civil penalty which may be assessed under section 502(f) of the Act, or to the taxes imposed by section 4975(a) and (b) of the Code, if

the records are not maintained, or are not available for examination as required by paragraph (c) below.

(c) Notwithstanding any provisions of subsections (a)(2) and (b) of section 504 of the Act, the records referred to in paragraph (b) of this section are unconditionally available at their customary location for examination during normal business hours by:

- Any duly authorized employee or representative of the Department of Labor or the Internal Revenue Service;
- Any trustee of the Plan or any duly authorized employee or representative of such trustee;
- The Plan's investment manager or any duly authorized employee or representative of the investment manager; and
- Any participant or beneficiary of the Plan or any duly authorized employee

or representative of such participant or beneficiary.

In addition, the proposed exemption, if granted, will be subject to the express conditions that the material facts and representations contained in the application are true and complete, and that the application accurately describes all material terms of the transaction to be consummated pursuant to the exemption.

Signed at Washington, D.C., this 30th day of November, 1979.

Ian D. Lanoff,
Administrator, Pension and Welfare Benefit Programs, Labor-Management Services Administration, U.S. Department of Labor.
[FR Doc. 79-37427 Filed 12-6-79; 8:45 am]
BILLING CODE 4510-29-M

Attend Your Union Meetings

All District and subdistrict meetings convene at 8 p.m., with the exception of Honolulu (7 p.m.) and Hilo and Maui (7:30 p.m.).

March

- 5th** Salt Lake City: Engineers Bldg., 1958 W. N. Temple
6th Reno: Musicians Hall, 124 West Taylor
13th Santa Rosa: Veterans Bldg, 1351 Maple St.
20th San Jose: Labor Temple, 2102 Almaden Rd.

April

- 1st** Eureka: Engineers Bldg., 2806 Broadway
2nd Redding: Engineers Bldg., 100 Lake Blvd.
3rd Marysville: Yuba-Sutter Fairgrounds, Arts/Crafts Bldg., Franklin Ave.
8th Honolulu: United Public Worker Union Mtg. Hall, 1426 No. School Street
22nd Hilo: Kapiolani School, 966 Kilauea Ave.
24th Maui: Kahului Elementary School, So. Hina Ave., Kahului.

Semi-Annual Meetings

Location: Marine Cooks and Stewards Auditorium, 350 Fremont St., San Francisco, CA.
Date: Saturday, July 12, 1980, 1 p.m.

DUES SCHEDULE FOR PERIOD 10/1/79—9/30/80

Local 3	\$102.	(Per Qtr.)	vance of an increase at the
Local 3A	\$99.	(Per Qtr.)	"old" rate (the rate in effect
Local 3B	\$99.	(Per Qtr.)	prior to the effective date of
Local 3C	\$99.	(Per Qtr.)	such increase). Therefore, the
Local 3E	\$99.	(Per Qtr.)	dues rates for the periods as
Local 3R	\$99.	(Per Qtr.)	indicated above apply regard-
Local 3D	*Variable by Unit		less of when payment is made.

Please Note: An amendment to Article VI—Dues of the Local Union By-Laws adopted by the members at the semi-annual meeting held on July 9, 1977 deletes the provision that a member can pay dues in ad-

*Due to the variation in the wage structures of the 3D and Industrial Units, the members will be notified of applicable dues for their respective units.

ANNOUNCEMENT

YOUR CREDIT UNION NOW OFFERS
A SPECIAL INVESTMENT CERTIFICATE
 THAT PAYS YOU:
T-BILL RATE PLUS 1/4%
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 26-WEEK MATURITY
 CALL: (415) 829-4400.

OR WRITE:
 OPERATING ENGINEERS LOCAL
 UNION NO. 3
 CREDIT UNION
 P.O. BOX 2082
 DUBLIN, CA. 94566

IMPORTANT

Detailed completion of this form will not only assure you of receiving your ENGINEERS NEWS each month, it will also assure you of receiving other important mail from your Local Union. Please fill out carefully and check closely before mailing.

REG. NO. _____
 LOCAL UNION NO. _____
 SOC. SECURITY NO. _____
 NAME _____
 NEW ADDRESS _____
 CITY & STATE _____ ZIP _____

Clip and mail to Engineers News, 474 Valencia St., San Francisco, CA 94103
 Incomplete forms will not be processed

Former PR Director Ken Erwin Dies

On the evening of March 10, Ken Erwin who recently retired as Director of Public Relations of Local 3, died. An employee of the union for 12 years, he conceived and operated the public relations department, was managing editor of Engineers News, generated other publications such as Vote Views, JAS News, Public Employee News and Pensioners Progress.

He was a member of the California Democratic Party Executive Committee, served as Governor Brown's labor consultant during his first campaign for governor, served as a director of the Coro Foundation, was actively involved in Frontlash and helped to organize Local 3's Retiree program.

A former publication editor, post historian and public relations officer for the U.S. Sixth Army at Presidio, editor of the Camp Roberts Parade during the Korean War and the Navy's first rated journalist following World War II, Ken's accomplishments were innumerable and too varied and rich to do justice in a few inches of newspaper space.

Rather than try to do the impossible task of summarizing the life of such an influential individual, Engineers News in the few short hours between the announcement of his death and press time, notified some of his close friends in all walks of life. Their brief comments are printed below:

Dale Marr,
 Local 3 Business Manager

Even though we all knew Ken's health had been suffering, it still came as a shock to learn of his death. He was a close and dear friend of mine, whose influence, advice and ideas will remain with me for the rest of my life. A man who was not afraid to speak as he saw it, a man who worked unceasingly for the benefit of this union and the entire labor movement, Ken Erwin has left his invaluable mark on the operations of this organization. I and the officers and members of Local 3 will deeply feel his loss.

Governor Edmund G. Brown Jr.

"As my liaison to the trade union movement in the early days of my administration, Ken Erwin demonstrated a unique gift to project the needs and aspirations of working people into the day to day operation of government. That gift is reflected in the effectiveness of his efforts on behalf of trade unionists.

"Ken Erwin occupies a special place in the hearts of those who worked with him. His loss will be deeply felt, but his work and vision of a strong, prestigious trade union movement will continue to influence state government for many years to come."

Jay C. Turner,
 IUOE General President

"When I returned to the office this morning, I was shocked and saddened to learn of the passing of our dear friend, Ken Erwin. He was a man of vaulting imagination, great dedication and tremendous ability. I had many meetings and conversations with Ken and always found that he had valuable ideas and a well thought out approach to the problems of our American society.

"A man of great integrity, deep sensitivity and intellectual depth comparable to Ken's does not come along often. I consider it a privilege to have been his friend."

Leo McCarthy,
 Speaker of the Assembly

"Ken Erwin's death is a great loss to me personally and to the

whole community. I valued Ken as a close personal friend and as a knowledgeable advisor on legislative matters affecting his own union and all working people."

Congressman Phil Burton

"I was truly saddened to learn of the death of my good friend, Ken Erwin. Ken was a champion of the rights of working men and women. He worked tirelessly within the political process to right injustice and to make that process more responsive to the needs of all people.

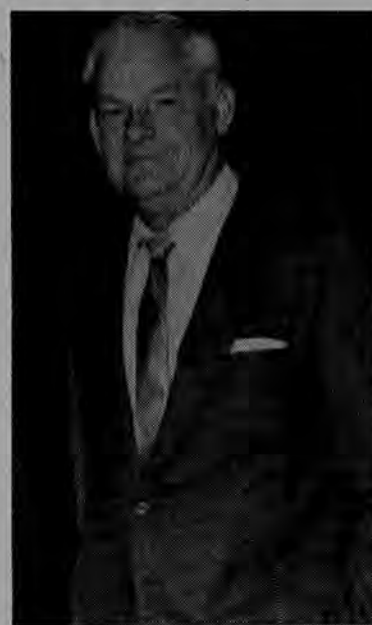
"It was said by the ancient Greeks, 'When good men die, their goodness does not perish but lives on though they are gone.' Ken Erwin was just that, a good man. The lives of countless people are richer because of his concerns and his efforts. His contribution lives on."

Sydney Nickerson,
 Vice President, Executive Director
 Coro Foundation

"Public affairs leadership was not just some theory to Ken. It was a vital, motivating force in his own life. He made it come alive for all whom he touched. One could not escape being infected by his enthusiasm, his straightforwardness, his courage and his ability. That is the essence of leadership. Ken's leadership offered each one of us the opportunity to better ourselves as well as our communities. We shall dearly miss this special director of the Coro Foundation."

Mary Kelly, PR Dept.

Working as Ken's secretary since March, 1968, I saw him use his seemingly endless energy and highly developed intelligence to better the lives of countless thousands of people known to him only



Ken Erwin

by their needs for what he always called "social justice." He dearly loved his wife and children, and included the world as his family. He especially watched over the innocent and helpless.

Day after day he received people who needed his ideas and care. I saw them satisfied. People of all possible descriptions talked with him by phone, at conferences and informal meetings ranging from speedy, high level exchanges with his peers to soft spoken, sympathetically patient talks with others. He shared his abundant creativity extravagantly and was loved for that generosity.

Ken was loved for his awareness of our individual potential, and for his insistence that we all make full use of our abilities.

What I liked best about Ken was his humor. I miss the fun of him.

1980 Grievance Committee Elections

Recording-Corresponding Secretary James R. Ivy has announced that in accordance with Local 3 By-Laws, Article X, Section 10, the election of Grievance Committeemen shall take place at the first regular quarterly district or sub-district meeting of 1980. The schedule of such meetings at which the Grievance Committee members will be elected is as follows:

District	Date	Meeting Place
12 Salt Lake	Mar. 5th	Engineers Bldg., 1958 W.N. Temple, Salt Lake City
11 Reno	Mar. 6th 7:30 p.m.	Musicians Hall, 124 West Taylor, Reno
10 Santa Rosa	Mar. 13th	Veterans Bldg., 1351 Maple St., Santa Rosa
9 San Jose	Mar. 20th	Labor Temple, 2102 Almaden Rd., San Jose

Pertinent excerpts from Article X of the Local Union By-Laws, Grievance Committees:

Section 1

District and Sub-district Grievance Committee.
 (a) There shall be a Grievance Committee in each District and Sub-district. It shall consist of five (5) Members—
 one (1) District Executive Board Member, or Sub-district Advisor, if a Sub-district;
 one (1) District Representative or Sub-district Representative; and
 three (3) Delegates, who shall be registered voters in the District or Sub-district, elected by the Members.

Section 4

No Member shall be eligible for election, be elected or hold the position of Grievance Committee Delegate:
 (a) unless he is a Member in good standing in the Parent Local Union and a registered voter in the District or Sub-district in which he is a candidate when nominated;
 (b) unless he was continuously a Member of the Parent Local Union for not less than two (2) years next preceding his nomination;
 (c) if he is an officer of, or is on the full-time payroll of the Local Union, and
 (d) if he is an owner-operator or a contractor.

No Member shall be nominated unless he is present at the meeting, or unless he has filed with the Recording-Corresponding Secretary a statement in writing, signed by him, to the effect that he is eligible to be a Grievance Committee Delegate and will accept the nomination if nominated.

Section 10

The term of office for the three (3) Delegates of the Grievance Committee shall be for one (1) year, and the election shall take place at the first District or Sub-district Meeting of the year in each respective District or Sub-district.