



**For Immediate Release**

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## **State Agency Confirms Milpitas Library Construction Project Violated Contractors' Labor Law**

*State Notifies Contractors of Violations Associated with \$39 Million Public Works Project*

**(Milpitas, CA, January 8, 2010)** – Responding to the findings of a labor compliance audit conducted by the Taxpayer Accountability Project of Associated Builders and Contractors, California Cooperation Committee (ABC-CCC), the California Department of Industrial Relations has officially notified eight contractors that they violated state labor laws during construction of the \$39 million Milpitas City Library Project. See the letters issued by the state at this link: [Milpitas Library Labor Violations](#).

“Staff for the City of Milpitas reacted angrily and defensively when the Taxpayer Accountability Project submitted its findings to the Labor Commissioner in September,” Kevin D. Korenthal, executive director of Associated Builders and Contractors, California Cooperation Committee said. “The results of the independent audit were validated by the State and we are pleased that action has been taken to protect the public trust and ensure accountability by contractors on public works projects.”

Confirmed violations by contractors on the Milpitas Library Project include lack of proper ratios of journeymen to apprentices and improper use of apprentices. These infractions are significant as they could have contributed to project quality and worker safety issues. Furthermore, many contractors working on the project failed to provide records as required by law until after the audit and subsequent state inquiry.

Contractors confirmed in violation include five based in the South Bay, two others based in the Bay Area, and one based in the state of New York: [Milpitas Library Labor Violations](#).

“Additionally, based upon the findings of ABC-CCC’s independent audit, we have reason to believe that our conclusions only scratched the surface of how labor laws were violated on this project,” Korenthal added. “Clearly, City of Milpitas officials neglected to scrutinize the project following the City Council’s vote to give construction unions a monopoly by virtue of a Project Labor Agreement.”

In October 2008, the Public Works Director for the City of Milpitas sent a [letter](#) to Neil Struthers, head of the Santa Clara and San Benito Counties Building and Construction Trades Council, boasting of the success of the library project and advocating for another union agreement to be enacted in the construction of a proposed Senior Center. These assertions are effectively disproved as a result of ABC-CCC’s audit and today’s announcement.

**For more information about the Taxpayer Accountability Project or to obtain the results of a specific audit, please contact Kevin D. Korenthal at (818) 217-0453 or by email at [contact@abc-ccc.org](mailto:contact@abc-ccc.org).**

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