

New Ft. Madison Prison is First Project Labor Agreement

In Governor Culver's Executive Order Number 22, he asked state agencies to consider using project labor agreements when undertaking large-scale construction projects. The replacement of Iowa's maximum security prison in Fort Madison is the first large-scale construction project to use a PLA (project labor agreement), and cost savings are already being seen.

The first phase of the project is the Site Package Work, which involves excavation, leveling of the ground, and preparing for infrastructure features. A total of \$6.1 million was budgeted for this phase, and the amount that will be spent on this phase is \$4.2 million, and the work will last through September. That represents a savings of almost \$2 million.

Why Does the PLA Save Money?

The PLA is encouraged to provide structure and stability, promote efficient, on-time completion and ensure the highest standards and most reasonable costs on the projects. PLA's are contracts agreed to by labor unions and businesses in private and public sector, in which the terms of completing construction projects are enforced. In exchange for these certainties, there are guarantees against strikes, lockouts, and similar disruptions that could delay a job.

The cost of labor is one of the biggest factors for any business, so knowing the exact cost of labor enables a business to make an efficient bid on projects. PLA's are particularly useful on large, complex construction projects, and have been used in federal projects back to the 1930's.

General Facts About Ft. Madison Prison

The Iowa State Penitentiary in Ft. Madison was originally built in 1839, and in 2008 the Legislature approved bonding to pay for construction of a new state penitentiary. Money to pay for the bonds comes from fines, fees, costs and forfeited bail collected by clerks of district court in criminal cases.

The new prison is expected to be completed by 2014 and will house an additional 250 inmates. The modern construction and technology will enhance safety for the public, staff, and inmates, as well as save on utility costs. The new prison will be constructed to handle the general mental and health needs in Iowa's prison population, but not the extreme cases.

No decisions have been made when the current state penitentiary is unoccupied. Some of the building is on the National Register of Historic Places, which makes those parts of the building unlikely to be torn down.