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Contractor Must Fork Over \$3M In Union Fund Contributions

By [Morgan Conley](#)

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Law360 (May 27, 2020, 7:12 PM EDT) -- A Manhattan federal court affirmed a \$3 million arbitration award against a highway and bridge contractor for making deficient payments to various carpenters union benefit funds.

In a one-page order Tuesday, U.S. District Judge Lewis J. Liman backed a November arbitration win for the New York City District Council of Carpenters and trustees of related benefit funds that awarded them over \$3 million for unpaid contributions from New Jersey-based J.H. Reid General Contractor.

The court affirmed the arbitrator's finding that the contractor violated their agreement when it failed to hand its books over to the funds to be audited. In their March petition to confirm the arbitration award, the union and the benefit funds said the contractor had yet to pay any portion of the award.

In addition to the award, the union and funds can also collect interest dating to the rendering of the award and are entitled to hundreds of dollars in legal costs for the federal court proceedings.

According to its website, J.H. Reid General Contractor works predominantly on projects involving government agencies, including the [New Jersey Department of Transportation](#), [New Jersey Transit](#) and the [Port Authority of New York & New Jersey](#). It specializes in large highway and bridge projects. It was not immediately clear from the available filings what type of work the union workers did for the contractor.

The arbitration award filed as an exhibit with the New York district court filings says that the contractor failed to appear in the underlying arbitration proceedings. According to court filings, the dispute began after the contractor refused to present its books as required by the agreement with the union. The union said an estimated audit then revealed contributions to the funds had been withheld.

Representatives for the parties didn't immediately respond to requests for comment Wednesday.

The union and the benefit funds are represented by Nicole Marimon of [Virginia & Ambinder LLP](#).

The contractor did not have legal representation for the district court proceedings.

The case is Trustees of the New York City District Council of Carpenters Pension Fund, Welfare Fund, Annuity Fund, and Apprenticeship, Journeyman Retraining, Educational and Industry Fund et al. v. J.H. Reid General Contractor, case number [1:20-cv-02230](#), in the [U.S. District Court for the Southern District of New York](#).

--Editing by Orlando Lorenzo.

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