

TO: BOARD OF SUPERVISORS
FROM: JOHN SWEETEN, COUNTY ADMINISTRATOR
DATE: August 5, 2003
SUBJECT: Project Labor Agreements



Contra
Costa
County

C.145

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATIONS:

1. ADOPT minor modification of Board policy regarding use of project labor agreements (PLA's) including adoption of a standard form PLA agreement and clarification of threshold project cost, as previously directed by Board.

CONTINUED ON ATTACHMENT: YES SIGNATURE: _____ RECOMMENDATION
OF COUNTY ADMINISTRATOR _____ RECOMMENDATION OF BOARD COMMITTEE
 APPROVE OTHER

SIGNATURE(S): _____ ACTION OF BOARD
ON AUGUST 5, 2003 APPROVE AS RECOMMENDED OTHER _____

VOTE OF SUPERVISORS

UNANIMOUS (ABSENT NONE)

AYES: _____ NOES: _____ SHOWN.
ABSENT: _____ ABSTAIN: _____

I HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF AN ACTION TAKEN
AND ENTERED ON THE MINUTES OF THE
BOARD OF SUPERVISORS ON THE DATE

CONTACT: Laura Lockwood. 335-1093

ATTESTED AUGUST 5, 2003
JOHN SWEETEN, CLERK OF THE
BOARD OF SUPERVISORS AND
COUNTY ADMINISTRATOR

CC: County Counsel
General Services

BY _____, DEPUTY

Policy Regarding the Use of Project Labor Agreements on County Construction Projects

I. Summary and Background

- A. Certain large, complex County construction projects involve numerous contractors and employees in different trades, have critical timelines for completion, and require a skilled and properly trained workforce to successfully complete the work in a proper and timely manner. In order to avoid costly delays and additional expense to the County, it is essential that construction on such projects proceed without the labor disruptions that can occur on long-term projects both from external labor relations problems and from the frictions that often arise when a large number of contractors and their employees work in proximity to one another on a job site.
- B. In the private sector, project labor agreement have been used for years on large, complex construction projects to achieve satisfactory performance and the economic benefits that result from having a guaranteed source of skilled workers and from avoiding disruptions in work.
- C. In the public sector, project labor agreements have been used successfully by the County and other public entities in Contra Costa County for hospital, reservoir, wastewater, and other large, complex construction projects. Such agreements have been a major factor in producing quality construction work and projects completed on time, within budget, and without labor strife or disruptions.
- D. As a result of the County's successful experience with project labor agreements, the Board of Supervisors has requested that a uniform policy be developed to cover the use of such agreements for construction contracts awarded by the Board. This policy is intended to provide general guidance for County construction projects, subject to any modifications or exemptions that may be approved by the Board.

II. Application of Policy

This policy applies to all construction projects with an ~~estimated~~actual cost of \$1 million or more awarded by the Board of Supervisors.

III. Required Provisions

Unless the Board of Supervisors by majority vote determines otherwise, for construction projects that are subject to this policy, as a condition of contract award, the successful bidder (contractor) shall be required to ~~negotiate and sign~~ a project labor agreement (PLA) with the Contra Costa Building and Construction Trades Council or other labor organization(s) or labor union(s) approved by the County. In general, the PLA shall ~~contain the following provisions~~follow the following format:

- (a)~~For the duration of the project, the unions and their members, agents, representatives, and employees shall not incite, encourage, condone, or participate in any strike, walkout, sitdown, stay in, boycott, sympathy strike, picketing, handbilling, work stoppage, work slowdown, or other labor disruption or unrest.~~
- (b)~~Violation of the no strike clause may be enjoined by the contractor or subcontractor(s) in state or federal court at the election of the contractor or subcontractor(s).~~

- (c) During the term of the PLA, the contractor shall endeavor to facilitate harmonious relations between the subcontractors and the unions.
- (d) The unions and their members shall continue work on the project despite the expiration of applicable collective bargaining agreements.
- (e) The contractor, the subcontractors, and the unions agree to use a final and binding grievance and arbitration procedure to prevent disruptions and delays of the project arising from internal/external labor relations disputes, including jurisdictional disputes.
- (f) The PLA shall be effective only for the project in question.
- (g) The PLA covers all new construction work awarded to and performed by the contractor during the term of the project at the project site.
- (h) The contractor shall require all subcontractors, as condition of working on the project, to become parties to the PLA.
- (i) The contractor and subcontractors agree to use the union hiring hall for any new hires beyond their own core work force (defined as persons on the contractor's or subcontractor's active payroll for 60 of the preceding 100 days) >
- (j) The contract and subcontractors are allowed to use their own work force before resorting to the union hiring hall.
- (k) The PLA does not affect the contractor's or subcontractor's parent companies, subsidiaries, or affiliates.
- (l) The PLA does not apply to the contractor's or subcontractor's managerial, supervisory, executive, or clerical employees.
- (m) The contractor and subcontractors are acting on their own behalf and have no authority, whether express, implied, actual, apparent, or ostensible, to bind the County.
- (n) The County has the right at all times to perform and/or subcontract any portions of the construction and related work on the project not contracted to the signatory contractor.
- (o) The County, the contractor, and the subcontractors have the right to purchase materials and equipment from any source, and the craftsmen will handle and install such material and equipment.
- (p) The PLA does not apply to any work performed on or near or leading to or into the project site by federal, state, city, district, or other governmental entities or their contractor(s), or by utilities or their contractor(s), and/or by the County or its contractor(s) for work which is not part of the project nor the fabrication or manufacture of any component, equipment, or materials offsite, for use or installation at the project site.
- (q) The PLA does not limit or restrict the choice of materials or the full use and installation of equipment, machinery, package units, factory pre-coat, prefabricated or preassembled materials, tools, or other labor-saving devices.
- (r) After the installation is completed by the contractor or subcontractor(s), the County, the contractor, and the subcontractor(s) reserve the right to perform start up, operation, repair, maintenance,

or revision of equipment or systems with persons of the County's the contractor's or the subcontractor's(s) choice.

- (s) If required the service representative may make a final check to protect the terms of a manufacturer's guarantee or warranty prior to start-up of a piece of equipment.
- (t) The PLA is binding only on the signatory parties (the contractor, the subcontractors, and the unions).
- (u) The contractor alone is liable and responsible for the contractor's own individual acts and conduct and for any breach of or alleged breach of the PLA.
- (v) The contractor, the subcontractors, and the unions shall abide by a substance abuse policy as may be required by the County or the contractor.
- (w) All employees shall comply with the security procedures established by the contractor and the County.
- (x) The PLA shall be subject to approval as to form by the County Counsel.

IV. Miscellaneous

For individual projects, the PLA requirements will be set forth in detail in the project specifications and may vary from the provisions listed above, as determined by the County Administrator. The requirement for a PLA does not exclude any contractor (union or non-union) from bidding on the project. The PLA must be negotiated within 14 days after the apparent lowest, responsible bidder is notified by the County. If the contractor and the unions are unable to agree upon the terms of the PLA within that time, the matter shall be submitted to final, binding arbitration within 10 days.