Michelle Lopes Caldwell
Chief Administrative Services Officer
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952

Dear Ms. Caldwell:

Thank you for your January 5, 2012 letter soliciting the views of the Federal Transit Administration (FTA) on a proposed Project Labor Agreement (PLA) between the Los Angeles County Metropolitan Transportation Authority (LACMTA) and the Los Angeles/Orange Counties Building and Construction Trades Council. It is my understanding that the PLA will be used for both Federal and non-Federal projects and that the purpose of the PLA is to provide "an ample and qualified labor force" for the projects undertaken by LACMTA.

My staff has reviewed both the draft PLA as well as LACMTA’s draft Construction Careers Policy. We note that both documents correctly distinguish federally funded projects from locally funded projects and provide for appropriate treatment for each type of project. The provisions of the PLA covering federally-funded projects set forth hiring preferences that are based on income and other factors, but are not geographically based. As you know, federal regulations explicitly "prohibits the use of . . . local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographical preferences." 49 C.F.R. § 18.36(c)(2). We believe that the approach set forth in the draft PLA meets the requirement that grantees conduct federally assisted procurements using full and open competition.

We at FTA share your organization’s goal of using federally funded projects, such as the upcoming rail car procurement, to increase job opportunities for low income or unemployed individuals and look forward to working with you in this regard.

Sincerely,

Dorval R. Carter, Jr.