



# Project Labor Agreement

## Long Beach City Council

**February 2, 2021**

## City of Long Beach Project Labor Agreement (PLA)

On April 7, 2015, the City Council authorized the City Manager to execute a Citywide PLA with the Los Angeles/Orange Counties Building & Construction Trades Council, including:

- ✓ City-funded projects over \$500,000;
- ✓ 5-year Agreement;
- ✓ Executed May 2015;
- ✓ Expired May 2020; and
- ✓ Job Coordinator required for all projects over \$10 million.

Extended by City Council thru December 31<sup>st</sup> on September 1, 2020.

## Study Session (October 13, 2020)

- Require an Independent Jobs Coordinator for all PLA projects;
- Define “Disadvantaged” worker using a more comprehensive definition, which targets the most economically and socially disadvantaged populations;
- Report “Disadvantaged” work hours by city or tier, so that we know if Long Beach residents are benefiting;
- Implement a process for holding contractors liable for Local and Disadvantaged hiring goals; and
- Incorporate goals from Framework for Racial Reconciliation Report to include local hiring and job coordination, and include an economic development component in the report back to the City Council on the status of the PLA.

# New Agreement

## Major Accomplishments

New PLA accomplishes the following priorities of City Council and the community:

- ✓ Accomplishes everything from Study Session and the four requests.
- ✓ Establishes 10-year agreement that prioritizes Long Beach residents.
- ✓ Adds Independent Job Coordinators for all projects.
- ✓ Adds substantially more eligible projects including streets and gas lines.
- ✓ Expands definition of disadvantaged workers and accountability.
- ✓ Slightly increases thresholds to increase projects, address bidding issues, and provide quality projects for local workers.

# New Agreement

## Terms & Conditions

- Term: 10-years effective upon execution by both parties.
- Covered Projects: covers all projects over \$750,000, and all street-related right-of-way projects over \$1,000,000, with an annual cost-escalation factor beginning after year five of the PLA.
- Referrals: agree to place referrals from City in their apprenticeship programs or on their referral roles.
- Priority: local workers will be prioritized for local jobs no matter their place on the priority hiring list.
- Independent Jobs Coordinator: required for all projects.

## Terms & Conditions Continued...

- Union Membership: not required.
- Disadvantaged Workers: updated definition to include at least two barriers to employment (e.g. veteran, chronic employment, homeless, single parent, criminal record, lacking GED or high school, receiving public assistance, foster care, etc.).
- Reporting: disadvantaged work hours by city or tier to identify if local workers are benefiting from the program.
- Enforcement: implements a process for holding contractors liable for local and disadvantaged hiring goals.

## Anticipated Costs: (5-Year Period)

- CIP Projects: 40-50 projects
- CIP Budget: \$266 million estimated budget
- PLA Project Cost: 1% to 2% of total project cost
- PLA Program Cost: \$2.6 million to \$5.3 million over 5 years

# Recommendation

Approve all recommendations as written with the following amendment (in red):

“The work covered by the Proposed PLA must be limited to any and all demolition, construction, and rehabilitation work pursuant to prime multi-trade and specialty contracts and all subcontracts, of whatever tier, that flow from these contracts entered into by the City (excluding City Charter-commissioned departments, except for the Public Works Department, which must be covered) for all covered projects over \$750,000, and all street-related right-of-way projects over \$1,000,000 for a period of ten years. *Beginning after five (5) years from the effective date of this Agreement, the parties shall meet and discuss potential changes to these thresholds, with any agreement reached to be put in writing and signed by the City and the Building Trades Council.*”



Thank you

