



Legislation Text

File #: 19-0554, **Version:** 1

Recommendation to authorize City Manager, or designee, to hire an Independent Jobs Coordinator to work with contractors for all eligible projects under the remaining term of the Project Labor Agreement (PLA) and provide any recommendations to the Joint Administrative Committee (JAC); and

Increase appropriations in the General Fund Group in the Economic Development Department by \$20,000, offset by revenue from qualified PLA projects. (Citywide)

On April 7, 2015, the City Council authorized the City Manager to execute a Citywide Project Labor Agreement (PLA) between the City of Long Beach (City), the Los Angeles/Orange Counties Building and Construction Trades Council (Building Trades Council), and the signatory Craft Councils and Local Unions, for all covered projects over \$500,000, for a period of five years. The PLA was fully executed as of May 22, 2015 and will conclude in May 2020.

On April 16, 2019, the City Council directed the City Manager to return to City Council within 30 days with options for having an Independent Jobs Coordinator on all eligible PLA projects and costs associated; and, to provide information, via memorandum, about additional services that can be provided and what those costs would be (Exhibit A). The motion also directed the City Manager to return to the City Council with proposed solutions so that the City Council can then make recommendations to the PLA Joint Administrative Committee (JAC), for consideration.

On May 7, 2019, the City Manager's Office met with the Chairs of the JAC to review the City Council motion, review current efforts by the Building Trades Council, identify options for having an Independent Jobs Coordinator on all eligible projects, discuss best practice models, review potential impacts to the PLA, identify potential funding sources, and to suggest next steps. The meeting also included representatives from the Building Trades Council, Pacific Gateway, and City staff. While the JAC does not recommend any revisions to the current PLA at this time, a number of options were identified and discussed to meet the stated goals of the City Council. These options include:

- Option 1: Requires contractors to hire an Independent Jobs Coordinator for all eligible projects as a condition of the PLA.
- Option 2: Requires contractors to hire an Independent Jobs Coordinator for all projects as part of a Request for Proposals (RFP) process.
- Option 3: City hires Independent Jobs Coordinator to work with contractors for all PLA-eligible projects under \$10 million.

After reviewing and discussing the options described above, members of the JAC recommend to the City Council a pilot project of Option 3 in the remaining year of the current PLA. This option would require the City to conduct a Request for Interest and Statement of Qualifications (RFIQ) process to identify and contract with one qualified Independent Jobs Coordinator.

There are a number of benefits associated with hiring one City-funded contractor to work across all eligible PLA projects regardless of size or term including: continuity of services across projects, familiarity with local workforce and community-based partners, ability to move workers across projects as they are completed, limited start-up time and costs for new projects, and consistent communication with City staff for reporting on goals and objectives of the PLA. In contrast with the other two options where each Independent Jobs Coordinator is hired by the individual contractor, Option 3 creates a simpler more consistent approach.

The Independent Jobs Coordinator would be funded by the contractors as part of their project costs on a prorated basis and would work directly with the construction contractor for eligible projects. These costs would be part of their bid, which is ultimately paid for by the City. As part of the project construction bid process, the contractor would also agree to work with the City and its Independent Jobs Coordinator to promote the local hiring goals and objectives of the PLA. This approach would provide continuity across projects and provide familiarity between the Independent Jobs Coordinator, Pacific Gateway, workers, and the community-based service partners.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on May 23, 2019 and by Budget Management Officer Rhutu Amin Gharib on May 24, 2019.

City Council action is requested on June 11, 2019, to allow City staff to immediately move forward with the pilot program in the remaining 12 months of the current PLA, and to use results of the pilot program to inform changes to the PLA when it expires next year and is open for renegotiation.

There are two remaining eligible projects in the final 12 months of the current PLA. These projects, the Irrigation Controllers Upgrade and Belmont Veterans Memorial Pier Aqualink, were included in the "Citywide PLA Report through February 2019" presented to the City Council on April 16, 2019, and total \$2 million. The estimated cost for the Independent Jobs Coordinator for the two remaining eligible projects is \$20,000 (or 1 percent of the total project costs). Costs for this pilot project are not currently budgeted and will be charged to contractors and included as an eligible cost of their project budgets (charged to the City for eligible projects). Current PLA administration costs are approximately 1 percent, so future projects would have approximately 2 percent in PLA administration costs. Therefore, an appropriation increase in the amount of \$20,000, is requested in the General Fund Group in the Economic Development Department, offset by revenue from charges to qualified PLA projects. This recommendation has no staffing impact beyond the normal budgeted scope of

duties and is consistent with existing City Council priorities. There are positive local job impacts anticipated from this recommendation, but specific numbers are unknown at this time.

Approve recommendation.

JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER