



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

# R-16

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April 9, 2019

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive and file the Project Labor Agreement (PLA) Cumulative Report through February 2019 on the progress of the City's PLA application and administration. (Citywide)

## DISCUSSION

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, and the signatory Craft Councils and Local Unions, for a period of five years. The PLA applies to all covered projects over the threshold amount of \$500,000, subject to State and Federal or other funding restrictions. At that meeting, staff was requested to return to the City Council at the three-year mark to report on progress.

Since its approval and implementation, the PLA has been applied to 25 projects totaling over \$146 million in construction value. The PLA to date is performing well, having exceeded both its 40 percent local hire goal and 10 percent disadvantaged/veteran resident goal. Based on current status, a cumulative attainment of 77 percent of total work hours are from workers with Los Angeles and Orange Counties for a total of 180,972 work hours, and 12 percent of work hours is performed by disadvantaged or veteran residents for a total of 28,565 hours of work. Additionally, PLA administration costs are within the original estimate of 1 percent of contract award.

Staff has prepared a written report (Attachment), which includes: an executive summary; overviews of the PLA provisions, covered projects, the administrative process and costs, and certain challenges encountered in the bidding process; and, reporting on compliance with PLA requirements and goals.

This year, management of the PLA will be transitioning from the Department of Financial Management to the Department of Economic Development, Workforce Development Bureau (Pacific Gateway), to enhance outreach to underrepresented workers in the Long

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Beach community. The work will be led by a Construction Programs Manager who will further integrate PLA contractor compliance monitoring with Pacific Gateway support services that promote a continued focus of outreach to underrepresented workers in the Long Beach community, vocational training, employment placement, and wrap-around support services to promote successful ongoing employment.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 27, 2018 and by Finance Director John Gross on March 26, 2019.

TIMING CONSIDERATIONS

City Council action on this matter is not time critical.

FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

**SUGGESTED ACTION:**

Approve recommendation.

Respectfully submitted,



**JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT**

JG:STP:MP  
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**APPROVED:**



**PATRICK H. WEST  
CITY MANAGER**

# CITY OF LONGBEACH

## Citywide Project Labor Agreement Cumulative Report through February 2019

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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 (Trades) Council, and the signatory Craft Councils and Local Unions signing the Agreement for all covered projects over \$500,000 for a period of five years.

This constitutes the second PLA Report and reflects progress and data through February 2019. The following sections include an executive summary, a description of the fundamental provisions of the PLA, the projects to which PLA has applied, the PLA administrative process and associated costs to the City, and compliance with PLA requirements and goals.

### EXECUTIVE SUMMARY

Since its approval and implementation, there have been 25 projects subject to the PLA. Three of these projects are actively bidding, five are in active construction, and 17 are complete as of the end of this reporting period (February 2019).

The PLA has met or exceeded its goals to date and is meeting all requirements:

- Contractors are abiding by the PLA, including submitting letters of assent, conducting pre-job conferences, requesting union workers, paying dues appropriately, and abiding by lock-out provisions;
- The unions have been referring local, disadvantaged, and veteran workers, and there have been no work stoppage activities;
- The City has established and maintained a workforce referral mechanism through Pacific Gateway;
- Local hire and disadvantaged/veteran hire goals are currently being met or exceeded, and local hiring is occurring within Long Beach; and,
- The overall cost of PLA administration is averaging 0.8 percent of the contract amount based on early results, which is well within the original estimate.

The PLA is a partnership between the Trades Council and the City with an objective to increase opportunities for local residents to work on City projects and participate in apprenticeship programs, thus supporting local residents' ability to have a career in the trades should they so choose. The PLA requires that the unions prioritize recruitment and referral of local residents, with the utilization of workers from Long Beach zip codes first, followed by Gateway Cities and then by the rest of Los Angeles and Orange Counties.

The PLA establishes a local hire goal that 40 percent of total work hours be from local workers residing within Los Angeles and Orange Counties and does not establish local hire goals at a lower level of detail. The PLA process is greatly exceeding this goal with a cumulative attainment of 77 percent of total PLA work hours performed by local hires. Through the end of this reporting period, Long Beach residents have received about 19 percent (1 in 5) of the total work hours performed on PLA projects. The PLA also establishes an overall goal that 10 percent of work hours be performed by disadvantaged workers and veterans. The PLA is exceeding this goal with 12 percent of total hours having been worked by disadvantaged or veteran workers on covered projects to date.

The overall PLA hiring goals are being met; however, staff is experiencing some challenges with respect to bidding smaller projects. While larger projects with multiple months of construction activity allow for greater numbers in local hiring, projects with a construction value of \$500,000 to \$900,000 are seeing very few bid submittals. There is interest during the pre-bid meetings, but it is not reflective of the actual bid responses. For example, improvements planned at the Downtown Garage with a value of \$700,000, six contractors attended the pre-bid, but no bid responses were received. When staff asked why they decided not to submit a bid, the contractors cited the significant PLA requirements. Further, they expressed concerns that smaller projects carry the same requirements as larger projects, so the administrative burden is proportionally greater. This has been the case with several smaller projects including the City Place Parking Garage, Pine Avenue Pier and Dock, Bayshore Lifeguard Station, and Rainbow Lagoon Pumps Replacement. Staff will continue to monitor this impact as the PLA progresses.

In 2019, management of the PLA will transfer to the Economic Development Department, Workforce Development Bureau (Pacific Gateway). Housing the administration of the PLA within the Workforce Bureau is expected to help build upon the agreement's continuing success by further integrating PLA compliance monitoring with Pacific Gateway activities. The work will be led by a Construction Programs Manager who will further integrate PLA contractor compliance monitoring with Pacific Gateway support services that promote a continued focus of outreach to underrepresented workers in the Long Beach community, vocational training, employment placement, and wrap-around support services to promote successful ongoing employment. This will support an increased programmatic focus on connecting residents with quality employment opportunities within publicly-funded construction projects, namely those made possible by Measure A. Pacific Gateway is home to a number of related employment programs that will expand the impact of the PLA to include career pathway programs and additional supportive services for residents with employment barriers. Existing data management systems will also bring about administrative efficiencies.

## PLA PROVISIONS

The PLA applies to all covered projects over the threshold amount of \$500,000 subject to State and Federal or other funding restrictions. The PLA does not apply to projects in the City right-of-way (with the exceptions of traffic signal work performed by outside contractors and work performed by the City's Department of Energy Resources, including but not limited to gas pipeline work, which are included), nor would it apply to projects typically performed by City employees. Key provisions of the PLA include the following:

- Contractors hiring for PLA projects must use labor from union groups within the Trades Council. The contractors can either be signatory to the building trades, which means that when they do work they are hiring only members of the trades, or if they have an individual that is currently a part of their workforce and is considered a non-union member, the worker has to pay monthly and working dues to the union to perform work on the project during the time that they are on the job, essentially granting the worker temporary union membership.
- If a contractor wants to use their own non-union employees on a PLA project, those workers must meet the "core employee" requirements, and the contractor must abide by what is known as the one-to-one hiring ratio. Core employees must have resided in Long Beach or Gateway Cities region for the last 100 working days prior to project award, must have been on the active payroll records for 60 out of the last 100 days, and must possess any required licenses and be able to safely perform the applicable trade. Under the one-to-one hiring ratio, contractors may employ first a member of their core workforce, then an employee through a referral from the appropriate union hiring hall, then a second core employee, then a second union referral, and so on until a maximum of five core employees are hired. Thereafter, all additional employees must be from the union hall.
- The Trades Council is required by the PLA to exert its best efforts to refer, recruit and/or utilize local residents to fulfill the requirements of the contractors. Union halls have hiring lists and normally assign workers to projects starting with those who have been on the list for the longest period of time. However, under the PLA, the signed unions must go out of order when assigning workers to ensure Long Beach workers are hired first. The unions prioritize workers residing in Long Beach (referred to as Tier 1), then in the Gateway Cities region (Tier 2), and finally in all of Los Angeles and Orange Counties (Tier 3), with a goal that 40 percent of total work hours be performed by workers residing in these areas. There is no specified goal for Tier 1 or Tier 2 employees.
- The PLA includes a prohibition on work stoppages and lock-out provisions to ensure covered projects are completed without disruption.
- Through Pacific Gateway, the City provides referral mechanisms to support the hiring of disadvantaged residents and veteran residents, with a goal of 10 percent placement of disadvantaged or veteran workers, which is measured in work hours performed. The PLA follows Federal guidelines in defining "disadvantaged" as being below 70 percent of the lower living standard income level.

- Long Beach City College, in partnership with the Trades Council and Pacific Gateway, provides a pre-apprentice training program and construction courses that help local residents qualify for union apprenticeships to help those residents take advantage of the inherent training opportunities that union halls can provide.
- The City utilizes a contract PLA Administrator who works with the contractors, residents, Long Beach City College, Pacific Gateway, and the Trades Council to oversee the provisions of the PLA. Additionally, for large projects (over \$10 million), the general contractor is required to hire a project-dedicated Jobs Coordinator to provide additional outreach efforts connecting Long Beach residents to job opportunities.

## **PLA COVERED PROJECTS**

### **Completed or In Progress Projects**

Since its approval and implementation, there have been 25 projects subject to the PLA:

- 17 projects have a status of "COMPLETE." All construction is completed and final attainment towards PLA goals has been calculated.
- 5 projects have a status of "Active." These are in active construction, or they have completed the pre-construction and pre-job meetings and are ready to start.
- 3 projects have a status of "Bidding." PLA is assigned, and the procurement is currently out to bid.

The projects, along with their construction status and estimated or actual award amount (including contingency and change orders) are listed in order of project start date and bid closing date in the following table.

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**Table A: PLA Project Status**

	<b>Project</b>	<b>Status</b>	<b>Award</b>
1	Courthouse Demolition	COMPLETE	\$7,184,400
2	Fire Station Workforce Privacy	COMPLETE*	\$2,760,575
3	Seaside Pedestrian Bridge	COMPLETE	\$9,284,233
4	Drake/Chavez Soccer Field	COMPLETE	\$2,865,083
5	Low Flow Diversion Systems	COMPLETE	\$2,363,493
6	AST at West PD Substation	COMPLETE	\$779,142
7	El Dorado Nature Center	COMPLETE	\$759,938
8	Deforest Wetlands Restoration	COMPLETE*	\$5,716,980
9	55 <sup>th</sup> Way Landfill Cover	COMPLETE	\$1,183,413
10	Colorado Lagoon 2B	COMPLETE	\$3,187,369
11	CNG Fueling Station Temple Willow Yard	COMPLETE	\$3,284,010
12	Improvements to Airport Garage (Lot A)	COMPLETE	\$4,916,224
13	Willow Springs Wetlands Restoration	COMPLETE	\$1,577,715
14	Seaside Park Artificial Turf	COMPLETE	\$850,435
15	Admiral Kidd Park Artificial Turf	COMPLETE	\$1,559,949
16	Phase II Terminal Improvements at Long Beach Airport (Design-Build)	Active	\$65,259,490
17	Rainbow Harbor Sewage Evacuation System Repair and Upgrade	COMPLETE	\$1,014,500
18	Leeway Sailing Pier Gondola Dock	COMPLETE	\$2,519,831
19	Houghton Park Community Center	Active	\$5,247,723
20	Re-Roof at Stearns Park Community Center	Active	\$684,066
21	Heartwell Park Central Irrigation Renovation	Active	\$1,298,989
22	Alamitos Beach Concessions Building	Active	\$6,500,000
23	Irrigation Controllers Upgrade	Bidding	\$800,000
24	Belmont Veterans Memorial Pier Aqualink	Bidding	\$1,200,000
25	Naples Sea Wall Phase 2	Bidding	\$14,000,000

\* Deforest Wetlands Restoration and Fire Station Workforce Privacy projects are not completed, but PLA has been closed-out as current project status does not impact PLA numbers in these circumstances.

The following are project summaries for each of the 25 projects, which include the name of the prime contractor, project start date, actual or estimated completion date, and description of the project scope of work.

**1. Courthouse Demolition Project**

Prime Contractor: Environmental Construction Group Project

Start Date: December 2015

Project Status: Completed in July 2016

Project Scope of Work: Hazmat abatement (including asbestos and lead) and the demolition of an approximately 330,000 square foot, 6 story (plus basement) steel and concrete structure. Shoring of the basement, removal of all site hardscape, underground utilities, grading, chain link fencing and infill of an underground tunnel.

2. Fire Stations Workforce Privacy

Prime Contractor: World Wide Construction

Start Date: February 18, 2016

Project Status: Completed for PLA purposes

Scope of Work: Interior improvements to meet required Workforce Privacy. Removal of existing locker rooms and sleeping areas and conversion into dormitory rooms and private restrooms. Refurbishment and redecoration of existing and new restrooms with new plumbing fixtures, flooring, wall and ceiling finishes. Plumbing, HVAC and electrical systems upgrade, refurbished or added to as appropriate.

3. Seaside Way Pedestrian Bridge Project

Prime Contractor: Powell Constructors, Inc.

Start Date: March 1, 2016

Project Status: Completed in August 2017

Scope of Work: Construction of a 605-foot long pedestrian bridge along East Seaside Way, connecting the Long Beach Convention Center Promenade at the south-west corner of the Salvation Army West Building to the south-east corner of the Long Beach Convention and Entertainment Center. Also, demolition, landscape, irrigation, mechanical, electrical, plumbing, street and bridge lighting, custom architectural systems and finishes. The pedestrian bridge is designed to connect to the proposed 207 Seaside Way Development via a terrace deck.

4. Drake Chavez Soccer Field

Prime Contractor: CS Legacy

Start Date: July 18, 2016

Project Status: Completed in November 2017

Scope of Work: Demolition and grading, installation of drainage system for new park, basketball court, synthetic soccer field, constructing concrete curbs, gutters, sidewalks, curb ramps, driveways, replacing and overlaying pavement with asphalt paving, park furnishings, lighting and electrical, prefabricated restroom installation, underground water, sewer pipelines, electrical service, landscape and irrigation for an approximately 8-acre site.

5. Low Flow Diversion Systems

Prime Contractor: G.B. Cooke, Inc.

Start Date: August 8, 2016

Project Status: Completed in October 2017

Scope of Work: Design and construction of structural Best Practice Device (BPD) to storm drains discharging directly onto City beaches. This device includes Low Flow Diversion (LFD) systems and Vortex Separation Systems, to remove trash and decrease fecal indicator bacteria pollutant loading to Long Beach beaches.



6. AST at West PD Substation

Prime Contractor: Fleming Environmental, INC.

Start Date: August 18, 2016

Project Status: Completed in March 2017

Scope of Work: Construction of an above-ground storage tank (AST) fuel site the West Police Substation. The above-ground tanks are less risk to the environment and are less expensive, while providing for the fueling needs of the Long Beach Police Department.

7. EI Dorado Nature Center

Prime Contractor: Bitech Construction Company

Start Date: August 22, 2016

Project Status: Completed in March 2017

Scope of Work: Enhancement of the main entryway, signage, and the replacement of the pedestrian bridge connecting the entry to the island. Construction of an outdoor amphitheater, ADA accessible paths, entry signage and interpretive elements, grading and drainage, fencing and gates, irrigation, landscaping, site lighting, site furnishings, and related improvements.

8. Deforest Wetlands Restoration Project

Prime Contractor: CW Crosser

Start Date: August 24, 2016

Project Status: Completed for PLA purposes

Scope of Work: Ecological restoration of approximately 39 acres of the Los Angeles County Flood Control District (LACFCD) detention and storage basin at the Deforest Nature Center and a portion of the former Dominguez Gap Spreading Grounds.

9. 55<sup>th</sup> Way Landfill Cover

Prime Contractor: Road Builders, INC.

Start Date: August 29, 2016

Project Status: Completed in April 2017

Scope of Work: Landfill cover improvements consisting of demolishing and removing concrete sidewalks, foundations, and driveways; excavating subgrade; furnishing and installing Landfill Gas collection system and subgrade liner; drainage pipe constructions.

10. Colorado Lagoon 2B

Prime Contractor: Los Angeles Engineering

Start Date: September 19, 2016

Project Status: Completed in May 2017

Scope of Work: Hydraulic dredging, excavation and placement of material to create new eelgrass habitat areas within the lagoon, clearing of non-native vegetation and planting of native plants, construction of a vegetated bioswale, walking trail, pier extension, footbridge, path and all appurtenant work.

11. CNG Fueling Station Temple Willow Yard

Prime Contractor: TruStar Energy  
Start Date: September 21, 2016  
Project Status: Completed in May 2017

Scope of Work: Installation of fueling equipment and future maintenance support of the equipment to dispense Compressed Natural Gas (CNG) fuel. 24/7 fully-functional CNG Fuel Station including civil work, equipment foundations, equipment installation, safety systems, lighting systems, fuel management systems, startup and commissioning.

12. Improvements to Airport Garage - Lot A

Prime Contractor: R.J. Daum Construction  
Start Date: January 9, 2017  
Project Status: Completed in November 2017

Scope of Work: Demolition of the existing single elevator and staircase tower at the northwest corner of the structure and replacement with a new two-cab elevator tower and an outdoor staircase at the northwest corner of the structure. Construction of a new dedicated passenger two-lane exit driveway, a new attendant booth, paving, curb and gutter, ramps, islands, a dedicated taxi lane exit, and storm drain improvements. Replacement of existing lighting with LED lighting.

13. Willow Springs Wetlands Restoration

Prime Contractor: Bitech Construction  
Start Date: January 11, 2017  
Project Status: Completed in December 2017

Scope of Work: Removal of non-native trees and damaged piping, planting approximately 200 native drought-tolerant trees and approximately 6,440 native drought-tolerant plants, installing 209,000 square feet of irrigation, construction of approximately 43,000 square feet of ponding areas and 1,700 square feet of bioswales, construction of a connection to the flood basin, construction of an outdoor classroom seating area, installation of interpretive signage, and conversion of the existing dirt access road to a 2,400-foot pedestrian trail with public access via entry points at Orange and California Avenues.

14. Seaside Park Artificial Turf

Prime Contractor: LA Engineering  
Start Date: April 20, 2017  
Project Status: Completed in November 2017

Project Scope of Work: Improvement of a 0.7 acre site with the following: clearing and grubbing, grading and drainage, synthetic turf soccer field subgrade and base preparation, installation of a drainage system to support a synthetic turf soccer field, installation of a synthetic sports field shock pad, drainage and turf carpet, construction of a concrete mow curb and synthetic turf sports field curb restraints, concrete walks, metal fencing, gates and guardrails, site furnishings, electrical infrastructure for future sports field lighting, landscape, irrigation, and other incidental work necessary to complete construction.

15. Admiral Kidd Park Artificial Turf

Prime Contractor: LA Engineering  
Start Date: April 20, 2017  
Project Status: Completed in March 2018

Project Scope of Work: Improvement of a 2.0 acre site with the following: clearing and grubbing, grading and drainage, synthetic turf field subgrade and base preparation, installation of a drainage system to support a synthetic turf soccer field, installation of a synthetic sports field shock pad, drainage and turf carpet, construction of a concrete mow curb and synthetic turf sports field curb restraints, concrete walks, metal fencing, gates and guardrails, site furnishings, electrical infrastructure for future sports field lighting, landscape, irrigation, and other incidental work necessary to complete construction.

16. Phase II Terminal Improvements at the Long Beach Airport (Design Build)

Prime Contractor: Swinerton Builders  
Start Date: April 20, 2017  
Project Status: Currently Active  
Estimated Completion: December 2022

Project Scope of Work: The project components of Phase II will include the following: New relocated In-Line TSA Checked Baggage Inspection System (CBIS) facility; New open-air consolidated baggage claim area; New enclosed ticketing lobby; Historic terminal building rehabilitation; Relocation of rental car customer service transaction services into the existing historic terminal building; Pre-security concessions, restrooms, and development of the Meet and Greet Plaza; Terminal loop roadway improvements; New consolidated rental car storage and ready-return surface lot; and Ground transportation improvements.

17. Rainbow Harbor Sewage Evacuation System Repair and Upgrade

Prime Contractor: Pastusak Plumbing Company  
Start Date: August 29, 2017  
Project Status: Completed in February 2018

Project Scope of Work: Upgrade and repair the pump-out system and replace 19 corroded pump-out pedestals on Docks No. 1 through 6 and West Pine Pier Dock. Upgrade existing pipe and hoses running underneath the gangways from galvanized steel to stainless steel and replace existing flexible hoses. Assess existing PVC piping that runs underneath the dock deckboards and concrete esplanade, then repair or replace as necessary. Minor electrical work to connect the pumps to the existing on-dock marine electrical panels. Remove the existing twin tank system from the current vault and replace the metal cover. All work will be performed above and adjacent to the water.

18. Leeway Sailing Pier Gondola Dock

Prime Contractor: John S. Meek Company, Inc.

Project Start: October 25, 2017

Project Status: Completed in December 2018

Scope of Work: Demolish and rebuild the Leeway Pier, Dock, and Shed Structure in the same location, alignment, and generally the same size to meet current code requirements. Additional improvements include providing a new ADA-compliant ramp for better access to the recreational amenity and new electrical distribution for the site.

19. Houghton Park Community Center

Prime Contractor: USS Cal Builders, Inc.

Project Start Date: April 30, 2018

Project Status: Currently Active

Estimated Completion: July 2019

Project Scope of Work: Construct an approximately 6,500-square-foot building to the east of the Community Center, and partially renovate the existing Community Center building. The partial renovation to the existing building will realign the entry of the Community Center from the north end of the property to the east facing direction of the parking lot to create a prominent entrance to the Community Center.

20. Re-Roof at Stearns Park Community Center

Prime Contractor: Exbon

Project Start: October 20, 2018

Project Status: Currently Active

Estimated Completion: July 2019

Scope of Work: The project involves the installation of a replacement structural roof support system for the Stearns Park Community Center Building. Re-roofing the community center with a replacement waterproof membrane system, replacement of high level windows, replacement of all external door and adjacent window system, replacement of external siding, ADA upgrades from the parking lot to the building and miscellaneous upgrades internally.

21. Heartwell Park Central Irrigation Renovation

Prime Contractor: American Landscape, Inc

Project Estimated Start: March 2019

Project Status: Active (in pre-Job meeting phase)

Estimated Completion: October 2019

Scope of Work: The project consists primarily of clearing and grubbing, turf removal, electrical work, installation of pump station, irrigation controller, upgraded mainlines and irrigation system, new irrigation lateral lines, valves and heads, and installation of decomposed granite and mulch.

**22. Alamitos Beach Concessions Building**

Prime Contractor: Klassic Engineering & Construction Inc.

Project Estimated Start: April 2019

Project Status: Active (in pre-job meeting phase)

Estimated Completion: February 2020

Scope of Work: The project consists of the demolition of approximately 2,200 sq.ft. of existing concession/restroom building and the construction of two new buildings. Building A is a two-story core and shell café/concession building with roof deck. Building B includes public restrooms, rinse station, and recreational rental facility. Scope also includes an outdoor play area, public promenade, shade structures, wayfinding signage, improvements to the public beach parking lot, and site improvements.

**23. Irrigation Controllers Upgrade**

Prime Contractor: To be determined

Project Estimated Start: May 2019

Project Status: Bidding (in award phase)

Estimated Completion: May 2021

Scope of Work: This project consists of the removal of all existing irrigation equipment and installation and programming of new upgraded Calsense irrigation controllers, antennas, flow meters, antenna cables, conduit, wire and trenching and master valves at 49 specified parks and recreation areas throughout the City of Long Beach.

**24. Belmont Veterans Memorial Pier Aqualink**

Prime Contractor: To be determined

Project Estimated Start: June 2019

Project Status: Bidding

Estimated Completion: September 2019

Scope of Work: This project consists of storm damage repair to the aqualink, which includes the demolition of two mooring dolphins, existing lighting, gangway hoist assembly, hinges and guardrails. It also includes the construction and installation of concrete floating docks, replacement of guardrails, installation of gangway and fixed ramps, hoist assembly, signage and entry gates, lighting, and replacement of electrical power supply.

**25. Naples Seawall Phase 2**

Prime Contractor: To be determined

Project Estimated Start: July 2019

Project Status: Bidding (bids due in April 2019)

Estimated Completion: April 2020

Scope of Work: The project consists primarily of the installation of a 2,184 lineal feet of new steel sheet-pile seawall on the water side of the existing vertical concrete seawalls. Work also includes the installation of a new pile cap, guardrails, landscape and irrigation, sidewalks, pipe mooring, concrete piles, ladders, drainage system, modified access platforms, light poles, and storage of docks.

### Proposed Projects

Additional proposed projects are in development that are expected to fall within the PLA requirements. Projects anticipated for approximately the next three years include:

**Table B: Proposed Projects**

Proposed Project*	Estimated Construction Value
Belmont Beach Aquatic Center	\$70,000,000
Colorado Lagoon Open Channel	\$20,000,000
Police Department Garage	\$10,000,000
Police Department Training Center Administrative Building	\$10,000,000
Fire Department Training Center Administrative Building	\$4,000,000
North Health Facility Improvements	\$4,000,000
Davenport Park Phase II	\$2,000,000
Junipero Concession	\$1,500,000
Wrigley Greenbelt	\$1,000,000
Granada Concession	\$1,000,000
Fuel Tank Replacement at Water Department Maintenance Yard	\$800,000
El Dorado Turf Improvements	\$600,000
Bayshore Library Improvement	\$500,000

\*Proposed projects are contingent on City Council approval, available funding, and other factors.

### PLA ADMINISTRATION

Administration of the PLA is a collaborative effort involving management and project staff from the City’s operating departments, staff from the Purchasing and Labor Compliance Divisions in Financial Management, Parsons (the City’s contracted PLA Administrator), Pacific Gateway, the Long Beach City College pre-apprenticeship program, and the local unions.

#### Administrative Process

The following outlines some of the major components of PLA administration:

- Project Managers in operating departments collaborate with the Labor Compliance Division in Financial Management to confirm which projects are subject to the PLA.
- Covered projects are bid with PLA requirements. City staff from the Labor Compliance Division present the requirements at a mandatory pre-bid meeting in order to inform and educate prospective contractors.
- Once the contract is awarded, a pre-construction meeting is held, during which the City’s contract PLA Administrator presents the requirements and paperwork requiring signatures and assists the contractor with completing the project work assignments in preparation for the pre-job conference.

- The PLA Administrator ensures that a pre-job conference is held and the appropriate unions are invited to assist the prime contractor in presenting the project work assignments to the unions at the pre-job conference.
- The PLA Administrator assists the contractors and subcontractors to complete required one-time submittals (including the union letter of assent and the core employee form) before work can begin.
- The contractors send Craft Request Forms to the unions, Pacific Gateway and the PLA Administrator requesting workers to fulfill the hiring requirements for the project.
- The local unions recruit and refer skilled craft workers to fulfill the labor requirements of the contract, prioritizing first any workers residing in Long Beach, then those in Gateway Cities, and finally those in Los Angeles/Orange Counties.
- The PLA Administrator also reaches out to Pacific Gateway on behalf of the contractor to request and attain workers to meet the disadvantaged/veteran hire goal and local hire goal. The PLA Administrator calculates goal attainment and provides monthly reports to both the City and contractors.
- Pacific Gateway administers the Workforce Pipeline, including determining whether Long Beach City College pre-apprenticeship program graduates and other local residents are qualified as disadvantaged or veteran, referring eligible workers to support attainment of hiring goals, and working with other organizations to ensure that workers have the tools for their trade that they need to begin work on a construction project.
- The PLA Administrator reviews all certified payroll records and PLA monthly submittals to ensure that workers are being requested to meet the hiring goals, payments are made to the unions and workers, the correct fringe benefits are paid in accordance with the prevailing wage, and the workers meet the core employee requirements. PLA Administrator representatives also visit the job sites to talk to the contractors on a monthly basis.
- Should a contractor fall behind on PLA contractor requirements or hiring goals, the PLA Administrator sends emails and may meet with contractors in person or over the phone to provide follow-up and suggestions to help the contractors get back on track.
- The PLA Administrator prepares quarterly reports and project close-out reports at project completion.

In 2019, management of the PLA will be transitioning to the Department of Economic Development, and the above-described administrative process will be evaluated and retained or updated as appropriate.

### **PLA Administrative Costs**

The PLA administrative costs vary depending on the size of the project. When projecting costs for PLA administration, the City typically estimates a cost of one percent of the contract award for the PLA Administrator to provide instruction and technical assistance to the contractor prior to construction, monitor the contractors' adherence to the PLA requirements, assist the contractors in connecting to the entities that provide the local hires and disadvantaged/veteran workers, and report to the City on a monthly basis.

The "hard costs" of PLA administration incurred by the City and discussed in this report consist of billing for work performed by the PLA Administrator. These costs do not include the administrative costs associated with other regulatory compliance requirements that also apply to these projects. Additional "soft costs" of PLA administration are not tracked. The "soft costs" consist of staff time in the operating departments, as well as the Department of Financial Management, to ensure PLA requirements are added to the appropriate projects, educational efforts are provided during each pre-bid meeting for PLA projects, research to questions posed during the bidding process, and coordination of efforts to ensure that the bidding community and awarded contractors have the tools and information required to prior to construction.

Based on 17 completed projects, the cost of PLA administration is running about 0.8 percent of the actual contract costs incurred, which is well below the originally estimated one percent. However, the cost varies with each project. Smaller projects tend to have higher administrative costs when expressed as a percent of the project cost.

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The following table details the actual administrative costs for all completed projects.

**Table C: PLA Administrative Costs for Completed Projects**

Completed Project	Contract Costs (Actual)	PLA Admin Costs	% of Award
Courthouse Demolition	\$7,184,400	\$36,206	0.5%
Seaside Pedestrian Bridge	\$9,284,233	\$70,749	0.8%
Drake/Chavez Soccer Field	\$2,865,083	\$17,625	0.6%
Low Flow Diversion Systems	\$2,363,493	\$17,359	0.7%
AST at West PD Substation	\$779,142	\$7,973	1.0%
El Dorado Nature Center	\$759,938	\$11,146	1.5%
Deforest Wetlands Restoration	\$5,716,980	\$58,403	1.0%
55 <sup>th</sup> Way Landfill Cover	\$1,183,413	\$7,141	0.6%
Colorado Lagoon 2B	\$3,187,369	\$19,419	0.6%
CNG Fueling Station Temple Willow Yard	\$3,284,010	\$11,018	0.3%
Improvements to Airport Garage (Lot A)	\$4,916,224	\$49,040	1.0%
Willow Springs Wetlands Restoration	\$1,577,715	\$10,825	0.7%
Seaside Park Artificial Turf	\$850,435	\$12,757	1.5%
Admiral Kidd Park Artificial Turf	\$1,559,949	\$15,564	1.0%
Rainbow Harbor sewage Evac System	\$1,014,500	\$9,437	0.9%
Fire Station Workforce Privacy	\$2,760,575	\$40,083	1.5%
Leeway Sailing Pier Gondola Dock	\$2,519,831	\$25,519	1.0%
<b>Total</b>	<b>\$49,050,890</b>	<b>\$409,036</b>	<b>0.8%</b>

## PLA COMPLIANCE

Goals of the PLA include ensuring that the contractors meet union requirements, make union payments, hire union labor, and avoid work disruption through work stoppages and lock-outs. The PLA also establishes a local hire goal and a disadvantaged/veteran hire goal. The following sections describe the PLA goals and progress to date.

### Contractor Requirements

The PLA specifies that all covered projects shall be contracted exclusively to contractors who agree to execute and be bound by the terms of the PLA. Key terms that apply to contractors include the requirement to request and utilize labor from the union groups, either by being signatory to the building trades or by requiring their non-union workers to pay monthly and working dues to the union to perform work on the project while they are on the job; that if a contractor on a project wants to use their own non-union employees on a PLA project, they must abide by the core employee and the one-to-one core/union employee hiring ratio requirements; and, that contractors must not be in any way involved in lock-out of employees to ensure PLA projects are completed without disruption.

For all PLA projects, the following compliance actions are consistently implemented and enforced to ensure contractor requirements are met:

- Contractors and all subcontractors awarded a contract on PLA projects are required to sign a letter of assent stating their agreement to execute and be bound to the terms of the PLA before any construction work can begin.
- The prime contractor is required to conduct a pre-job conference with the appropriate affected unions prior to commencing work to make public work assignments of the work that is to be performed on the PLA project.
- The PLA Administrator reviews the certified payroll records and monthly trustee reports to track and verify that union employees are appropriately utilized and the proper union dues are being paid. Upon union request, the PLA Administrator obtains proof of core employee qualification from the contractor.

During this reporting period, all contractors have submitted letters of assent and conducted pre-job conferences. Contractors have consistently requested union workers and have paid dues appropriately, and there have been no employee lock-outs.

### **Union Requirements**

The PLA prohibits any union involvement in work stoppages, ensuring covered projects are completed without disruption.

The Building Trades Council is required by the PLA to exert its best efforts to refer, recruit and/or utilize local residents to fulfill the requirements of the contractors. The PLA also requires unions to use their best efforts to integrate with referral mechanisms of disadvantaged and veteran workers for acceptance and entry into their apprenticeship programs. Additionally, the unions must refer local, disadvantaged, and veteran workers regardless of their place in the unions' hiring list and normal referral procedures.

During this reporting period, there have been no work stoppages on covered projects.

The results of union efforts related to referral, recruitment, and/or utilization of local, disadvantaged, and veteran workers are demonstrated and discussed in the following section in the context of attaining PLA hiring goals.

### **Local Hire Goal**

Section 3.5(b) of the PLA establishes a local hire goal that 40 percent of total work hours be from local workers residing within Los Angeles and Orange Counties. The PLA process is greatly exceeding this overall goal with cumulative attainment of 77 percent of total PLA work hours performed by local hires.

The 40 percent local hire goal is not for any individual project, but rather is for the overall PLA. 19 out of the 20 currently measurable projects are exceeding this 40 percent goal. Individual characteristics of a project, such as requiring specialists or not, can cause great variations in project-specific attainment depending on the union's availability and provision of appropriate local workers.

Project-specific performance by Tier can be viewed in the following table. Greyed out projects are incomplete and therefore data for these projects is not yet finalized. The three projects in the bidding phase are excluded from the table. Also excluded are Heartwell Park Central Irrigation Renovation and Alamitos Beach Concessions Building, as they have recently become active projects and initial numbers have not been reported as of the date of this report.

**Table D: Local Hire Attainment**

PLA Project	Total Hours	Tier 1 Long Beach		Tier 2 Gateway Cities		Tier 3* LA/Orange Counties	
		Hours	%	Hours	%	Hours	%
		1 Courthouse Demolition	47,159	8,207	17%	16,056	34%
2 <i>Fire Station Workforce Privacy</i>	10,013	1,777	18%	3,020	30%	8,501	85%
3 Seaside Pedestrian Bridge	46,508	7,350	16%	9,109	20%	32,742	70%
4 Drake/Chavez Soccer Field	16,866	1,311	8%	2,446	15%	10,033	59%
5 Low Flow Diversion Systems	6,920	808	12%	481	7%	2,531	37%
6 AST at West PD Substation	2,400	1,003	42%	123	5%	2,020	84%
7 El Dorado Nature Center	2,843	200	7%	457	16%	1,572	55%
8 Deforest Wetlands Restoration	31,932	9,923	31%	5,894	18%	27,881	87%
9 55 <sup>th</sup> Way Landfill Cover	4,358	1,490	34%	1,684	39%	3,387	78%
10 Colorado Lagoon 2B	14,197	2,272	16%	647	5%	8,429	59%
11 CNG Fueling Station Temple Willow Yard	7,106	2,930	41%	1,019	14%	6,114	86%
12 Improvements to Airport Garage - Lot A	19,564	951	5%	3,283	17%	13,575	69%
13 Willow Springs Wetlands Restoration	5,907	1,556	26%	372	6%	4,353	74%
14 Seaside Park Artificial Turf Field	1,961	486	25%	64	3%	1,752	89%
15 Admiral Kidd Artificial Turf Field	4,708	1,106	23%	94	2%	4,332	92%
16 <i>Phase II Airport Terminal Improvements</i>							
17 Rainbow Harbor Evacuation System Repair and Upgrade	2,149	780	36%	926	43%	2,107	98%
18 Leeway Sailing Pier Gondola Deck	10,424	2,146	21%	1,480	14%	7,463	72%
19 <i>Houghton Park Community Center</i>							
20 <i>Re-roof at Stearns Park Community Center</i>							
<b>Cumulative attainment to date:</b>	<b>235,015</b>	<b>44,296</b>	<b>19%</b>	<b>47,155</b>	<b>20%</b>	<b>180,972</b>	<b>77%</b>

\* Tier 3 is inclusive of Tiers 1 and 2.

Although the PLA negotiated with the unions specifically did not include a goal for Tier 1 (Long Beach) or Tier 2 (Gateway Cities) workers, the PLA specifies that the unions must prioritize recruitment and referral of local residents to support the hiring of local residents and fulfill contractor requirements on projects covered under this PLA. The unions are required to exert their best efforts to encourage and provide referrals and utilization of workers first from Long Beach (Tier 1 zip codes), then from Gateway Cities (Tier 2 zip codes; excludes Long Beach), and finally from all of Los Angeles and Orange Counties (Tier 3 zip codes). Since the last report, the City convened a joint administrative review between City management and representatives from the Trades Council on May 23, 2018. The meeting focused on the continued importance of the unions' recruitment and referral of Long Beach workers for Long Beach projects. Through the end of this reporting period, Long Beach residents have received about 19 percent (1 in 5) of the total work hours performed on PLA projects.

### Disadvantaged/Veteran Hire Goal

The PLA establishes an overall goal that 10 percent of work hours be performed by disadvantaged/veteran workers. As with local hire, this is an overall PLA goal and not a project-specific goal. The PLA is exceeding this goal with 12 percent of total hours worked by disadvantaged or veteran workers on covered projects to date.

Notwithstanding strong performance on this goal, challenges in attainment have been encountered on an individual project basis. The PLA calls for the unions and contractors to exert their best efforts in working with Pacific Gateway to establish referral mechanisms to projects often involve high demands for experienced workers and specialized trades who typically will not qualify under our disadvantaged/veteran criteria. Larger projects such as the Courthouse Demolition create more opportunities, but even in those cases, there are typically only a few spots for new apprenticeships. To qualify as a disadvantaged worker, an individual's household income must be below the applicable 70 percent LLSIL (Lower Living Standard Income Level) as published by the Secretary of Labor.

Project-specific performance can be viewed in the following table. It excludes the three projects in the bidding phase. Also excluded are Heartwell Park Central Irrigation Renovation and Alamitos Beach Concessions Building, as they have recently become active projects and initial numbers have not been reported as of the date of this report.

**Table E: Disadvantaged/Veteran Hire Goal**

PLA Project	Total Hours	Disadvantaged/Veteran		
		Hours	%	
1 Courthouse Demolition	47,159	16,814	36%	
2 Fire Station Workforce Privacy	10,013	155	2%	
3 Seaside Pedestrian Bridge	46,508	3,125	7%	
4 Drake/Chavez Soccer Field	16,866	8	1%	
5 Low Flow Diversion Systems	6,920	341	5%	
6 AST at West PD Substation	2,400	390	16%	
7 El Dorado Nature Center	2,843	176	6%	
8 Deforest Wetlands Restoration	31,932	2,421	8%	
9 55 <sup>th</sup> Way Landfill Cover	4,358	94	2%	
10 Colorado Lagoon 2B	14,197	660	5%	
11 CNG Fueling Station Temple Willow Yard	7,106	249	4%	
12 Improvements to Airport Garage - Lot A	19,564	700	4%	
13 Willow Springs Wetlands Restoration	5,907	831	14%	
14 Seaside Park Artificial Turf Field	1,961	93	5%	
15 Admiral Kidd Artificial Turf Field	4,708	160	3%	
16 Phase II Airport Terminal Improvements				
17 Rainbow Harbor Evacuation System Repair & Upgrade	2,149	352	16%	
18 Leeway Sailing Pier Gondola Deck	10,424	1,996	19%	
19 Houghton Park Community Center				
20 Re-roof at Stearns Park Community Center				
<b>Cumulative attainment to date:</b>		<b>235,015</b>	<b>28,565</b>	<b>12%</b>