

Construction Labor Relations Briefing on Proposed Policy Resolution

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Draft Resolution Purpose

- Commitment to evaluate the use of Project Labor Agreements (PLA) on Port major construction contracts
- Commitment to encourage the use of PLAs on tenant projects

Currently no Commission Resolution in place.

PLA Elements

- Agreement between Owner and/or contractor and building trades unions
 - Prevailing Wages
 - Hiring Goals
 - Apprenticeship utilization
 - Economically under-represented communities
 - Local work forces
- Policy benefits
 - Ensure labor harmony
 - Promote access to jobs
 - Ensure fair treatment
 - Leverage existing safety practices

Areas of interest for a Construction Labor Relations policy.

PLA Implementation History

- 1999 Original program-wide PLA
- 2010 PLA Use Policy and Procedures
 - Individual project specific PLAs
 - 28 of 109 Port major construction contracts
 - 80% of dollars and 66% of jobs
 - Apprenticeship and diversity goals on all contracts

Practice on Port-administered contracts.

PLA Decision Criteria

- Project needs for labor continuity and stability
- Project complexity, cost and duration
- Value of having uniform working conditions
- Potential impact of PLA on small businesses
- Past labor disputes or issues
- Potential impact on project cost
- Specific public safety concerns
- Value of PLA processes to resolve disputes

Commission acts on staff recommendation.

Three Construction Types

- A. Port directed contracts for construction
- B. Port reimbursed tenant-administered construction
- C. Construction on Port property no reimbursement (e.g. ground lease)

Policy addresses extending Port practice to other types.

Policy Proposal – Port Contracts

- Largely continues per recent practice
- Add presumption of using PLA for contracts exceeding \$10M
- Continue apprenticeship goals and consider locality hiring

Continue successful policy on Port contracts.

Policy Proposal – Port Reimbursed

- Encourage employing PLA per Port practice
- Require paying and reporting prevailing wages
- Encourage hiring goals

Prevailing wages already a requirement at the airport.

Policy Proposal – Tenant Funded

- Encourage employing PLA per Port practice
- Make construction labor measures an element of lease competitions and incorporate proposed measures into leases
- Encourage hiring goals

Balancing labor measures with legal and commercial considerations.