Item No: 9a\_Attach 1 Meeting Date: April 16, 2019



## **Port of Seattle Commission**

# Policy Directive on Construction Labor Practices for Projects Located on Port of Seattle Property

As Amended April 24, 2018

Document last updated July 17, 2018<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Typographical error related to the adoption date of Resolution 3725 corrected.

#### SECTION 1.

For major construction contracts (excluding small works executed per RCW 39.04.155):

A. The Port shall evaluate the applicability of a project labor agreement (PLA) for each contract according to the following criteria:

- (1) The assumption will be in favor of employing a PLA for construction contracts that are anticipated to be in excess of \$5 million at the time of bid or, if absent a bid, at the time of the contract award.
- (2) Project needs for labor continuity and stability, including analysis of labor needs by trade
- (3) Project complexity, including cost and duration
- (4) Value of having uniform working conditions
- (5) Potential impact of PLA on small business opportunities
- (6) Past labor disputes or issues indicating risk of delay
- (7) Potential PLA impact on project cost
- (8) Project presents specific safety concerns to the public
- (9) Value of an established PLA grievance process to resolve labor-management or jurisdictional disputes
- (10) Other considerations particular to individual projects

(Res. 3746, §1, 2018; Res. 3725, §1, 2016)

B. The Port shall require the payment and reporting of prevailing wages per RCW and State Department of Labor and Industries requirements. (*Res. 3725, §1, 2016*)

C. Commission approval is needed to employ a PLA. (Res. 3725, §1, 2016)

- D. For contracts \$1 million in value or greater, the Port shall establish:
  - (1) Appropriate apprentice hiring goals.

- (2) Appropriate aspirational women and minority apprentice hiring goals. (Res. 3736, §1, 2017; Res. 3725, §1, 2016)
- E. For contracts under a PLA, the Port shall establish priority hire goals. (Res. 3746, §1, 2018; Res. 3736, §1, 2017)

#### SECTION 2.

For tenant-administered construction contracts paid for entirely or in part by the Port through tenant reimbursement or other means, the Port shall:

A. Encourage tenants to examine the applicability of a PLA for each contract according to the criteria in Section 1(A) above. *(Res. 3725, §1, 2016)* 

B. As a condition of cost reimbursement, require the payment and reporting of prevailing wages as per RCW and State Department of Labor and Industries requirements. *(Res. 3725, §1, 2016)* 

- C. For contracts \$1 million in value or greater:
  - (1) Require the establishment of appropriate apprentice hiring goals.
  - (2) Encourage the establishment of appropriate aspirational women and minority apprentice hiring goals. (*Res. 3736, §1, 2017; Res. 3725, §1, 2016*)
- D. For contracts under a PLA, the Port shall establish priority hire goals. (Res. 3746, §1, 2018; Res. 3736, §1, 2017)

#### SECTION 3.

For construction contracts performed on Port property at the full cost of tenants, the Port shall:

A. Encourage tenants to examine the applicability of a PLA for each contract according to the criteria in Section I(A) above. (*Res. 3725, §1, 2016*)

B. As a provision of initial requests for proposal or opening negotiations, as appropriate:

- (1) As a lease provision, require the payment and reporting of prevailing wages as per RCW and State Department of Labor and Industries requirements.
- (2) For contracts \$1 million in value or greater:
  - (a) Require the establishment of appropriate apprentice hiring goals.

- (b) Encourage the establishment of appropriate aspirational women and minority apprentice hiring goals. (*Res. 3736, §1, 2017; Res. 3725, §1, 2016*)
- (3) For contracts under a PLA, the Port shall establish priority hire goals. (Res. 3746, §1, 2018; Res. 3736, §1, 2017)

C. If an advertised or negotiated development opportunity featuring the above provisions fails to advance staff:

- (1) Shall investigate the circumstances, to include discussions with potential proposers and labor.
- (2) Is authorized to incorporate modified construction labor provisions for scoring the solicitation and incorporation in the eventual agreement. (*Res. 3725, §1, 2016*)

#### SECTION 4.

The Projects and Procurements Committee is hereby chartered to work with staff and stakeholders to develop standard language to be included in Port PLAs unless otherwise authorized by the Commission. (*Res. 3725, §1, 2016*)

#### SECTION 5.

In each case above, the Port will establish reliable, auditable, and disclosable measures to ensure compliance. (*Res. 3725, §1, 2016*)

#### **SECTION 6.**

The Port staff will seek in cooperation with regional government agencies, construction trade unions, contractors and training institutions to develop cooperative programs to advance the training and placement of apprentices, with emphasis on expanding opportunity for underrepresented groups. (*Res. 3725, §1, 2016*)

### **Revision History**

- April 24, 2018 Resolution 3746 amended the policy directive to remove applicability references to construction labor costs at or above \$5 million and instead identified applicability based on construction contracts in excess of \$5 million.
- November 28, 2017 Resolution 3736 amended the policy directive to alter contract thresholds for the purposes of applying priority hire goals.

October 25, 2016 Resolution 3725, establishing the Policy Directive on Construction Labor Practices for Projects Located on Port of Seattle Property, was adopted.