REQUEST FOR AN EXTENSION: PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)

AND

LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn) (copies attached). Both motions contained multiple recommendations related to Project Labor Agreements (PLA). As directed by the motions, the Chief Executive Office (CEO), in concert with various County departments, has begun to engage with outside stakeholders in developing responses and policy recommendations related to the individual recommendations included in the motions. Because of the commonality of the issues contained within the motions, for the purposes of simplicity and clarity, we are providing a consolidated update.

Local Hire and Business Assistance Requirements for Major Capital Projects

The CEO, along with County Counsel and the Department of Public Works (Public Works), has initiated discussions with representatives of the Building Trades regarding possible terms for a possible PLA for major capital projects; including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King, Jr. Medical Center...
Re-use Project, and Mira Loma Detention Center (the Projects). The Building Trades have provided a preliminary draft agreement similar to the existing PLA that was recently renewed by Metro, and likewise similar to the Community Workforce Agreement (CWA) approved by the Board for the Martin Luther King, Jr. Medical Center Outpatient Center Project (MLK Outpatient Center) in 2011.

Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in negotiating an agreement for the Projects is focused on facilitating Board priority programs, such as the hiring goals of the Countywide Local and Targeted Worker Hire Policy, and encouraging participation in the Projects by local small business, disabled veteran-owned business, and social enterprises (collectively “Small Businesses”). Building on the successful outcomes of the MLK Outpatient Center, we are evaluating the inclusion of terms in the proposed agreement to remove barriers to participation by Small Businesses in the Projects, and to increase employment opportunities for veterans, emancipated youth, homeless or formerly homeless individuals, and others facing employment barriers. Accordingly, we plan to refer to the proposed agreement as a “Community Workforce Agreement” in keeping with these objectives.

County Counsel has identified a potential outside law firm to assist them and the team with negotiating the agreement. In addition, Public Works has conducted a solicitation to select an outside consultant with labor relations expertise to supplement the County team with specialized experience. With these services in place, we will begin formal negotiations shortly, with the intent of returning to the Board with recommended terms and conditions for a CWA for the Projects.

Project Labor Agreement for County Construction Projects

As directed in the motion, we have begun the process of engaging various stakeholders to seek input on the terms of a possible CWA that would be applicable to “all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property.” The breadth of the direction provided in the motion necessitates significant outreach because of the numerous and diverse stakeholders potentially involved.

Public Works has had initial discussions with the Associated General Contractors (AGC), and is in the process of scheduling more formal discussions with the AGC, and the Associated Builders and Contractors (ABC). These two groups were also engaged in discussions during the development of the MLK Outpatient Center CWA. In general, they collectively represent the contractor community that typically pursues public agency construction contracts. In addition, we have had initial communication with the Building Industry Association (BIA), which represents home builders and the private developer community, and we are in the process of scheduling further discussions.
The Community Development Commission (CDC) has held many meetings over the past several months with stakeholders from the affordable housing development community to discuss the impact of current and proposed Board policies related to issues like local hire and project labor agreements. The initial feedback speaks to the need to further engage the stakeholder community in the development of policies and procedures that would impact affordable housing development to ensure that these policies do not become overly burdensome or a disincentive to investment in much needed affordable housing. Given these sensitivities, we also plan to schedule a forum with the affordable housing community to further explore these issues, and your deputies will be invited.

The CEO, County Counsel, Public Works and others have met with Metro regarding their recently extended PLA.

An additional group of stakeholders with which we will begin discussions is the various entities that construct and operate various facilities on County property under leases to the County. This is a very large and diverse group that includes cultural/arts entities, various vendors and concessionaires, various non-profit organizations, and others who lease County property. Each stakeholder could have issues with the proposed requirement, which would have to be addressed individually. Because the organizations are operating under existing leases, implementing this requirement would have to be done through a lease amendment. We will continue to investigate this, but preliminarily, it would seem that implementing the PLA requirement to leases would best be done at the time that a new lease is established, or an existing lease is amended.

Workforce Development, Aging and Community Services (WDACS) has been actively engaged in coordination efforts supporting the concept of a workforce development partnership between the Building Trades and the America's Job Centers of California. Likewise, the Department of Consumer and Business Affairs has been engaged in discussions of how to support the Board's priority of developing Small Businesses in the context of a PLA. As mentioned, the CDC has been, and will continue to be, part of the outreach to the affordable housing developer community.

We will continue the outreach process with all applicable stakeholders, and we will begin to identify specific terms and conditions that could be included in a future CWA applicable to “all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property”. This analysis will also include providing recommendations of the threshold(s) for the size of projects to which this requirement could apply.
We request an extension of the deadlines contained in the two motions. Because the duration of the negotiation of the CWA for the Projects cannot be specifically forecast, nor can the length or complexity of the outreach process for the "County Construction Projects" motion, we will provide the Board with regular updates on our progress for both efforts once every 60 days.

If you have any questions or need additional information, please contact Assistant Chief Executive Officer David Howard, at (213) 893-2477.

SAH:JJ
DPH:rp

Attachments

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
Project Labor Agreement for County Construction Projects

The County Agencies and Commissions are moving full speed ahead in implementing the Local and Targeted Worker Hire policy passed by the Board of Supervisors (Board) September 6, 2016, and the official policy's procedures and guidance will be completed in the very near future. At this time, we have the opportunity to bring in partners, extend the policy's reach, and strengthen our ability to support continued career pathways and entrepreneurialism in the local construction industry. The Building and Construction Trades unions have entered into Project Labor Agreements with numerous public and private agencies across the County and the nation. The Trades recently extended their highly successful Agreement with Metro. One of the most significant benefits of these partnerships is the Trades' commitment to support Targeted Workers from their first interest in a construction job through their years of Apprenticeship training and ultimately through regular dispatch to construction projects leading to a lifelong career in the construction industry. Many of these Apprentices even go on to start their own construction firms and their entrepreneurial efforts enrich our community in multiple ways. The Trades begin by partnering with Social Enterprises, CBOs, Community Colleges, and Adult Schools to recruit Local Residents and Targeted Worker to complete the Multi-Craft Core Curriculum (MC3) recognized as best practice in the field by the US Department of Labor. Upon

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MOTION

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completion of the MC3, students can decide if the Trades are right for them and get connected with specific Apprentice programs. The Trades also work with America's Job Centers of California (AJCCs) across the County workforce development system to insure that workers are able to effectively utilize all the supportive services available to make them successful candidates for a construction job. Through this kind of lifelong commitment, the Trades are also a dependable partner for supplying highly skilled workers regardless of their background. Through a Project Labor Agreement, the Trades are able to dispatch skilled workers to construction projects based on Local Resident or Targeted Worker criteria, something they would not be able to do without an Agreement in place. A partnership with the Trades is an opportunity to strengthen our workforce development system, and increase the pool of qualified Local Residents and Targeted Workers ready to work on County and other public and private sector projects.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO), County Counsel, and the Director of Public Works to engage representatives of the Los Angeles / Orange Counties Building and Construction Trades Council (Trades), the construction contractor and private developer community, and other potentially affected community, education, Social Enterprise, and government agency stakeholders, to discuss the terms of a possible comprehensive Project Labor Agreement (Agreement) that shall be applicable to all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property;

2. Direct the CEO, County Counsel, and the Director of Public Works to work with Workforce Development, Aging, and Community Services (WDACS) in the process of developing proposed terms for such an Agreement to support workforce development partnership between the Trades and the America’s Job Centers of California (AJCCs) affiliated with the County’s Workforce Development
Board and the other Workforce Development Boards and job centers throughout the County, including:

a) Registration of Local and Targeted Workers in the regional workforce development system;

b) Partnership with certified Social Enterprises, local community-based organizations (CBOs), and local educational institutions, including but not limited to utilizing the Trades Multi-Craft Core Curriculum (MC3) in pre-apprenticeship readiness programs;

c) Partnership with Trades to expand the number of providers of these MC3 pre-apprenticeship programs to provide increased access to all Local Residents and Targeted Workers across Los Angeles County;

3. Direct the CEO, County Counsel, and the Director of Public Works to work with the Department of Consumer and Business Affairs (DCBA) in the process of developing proposed terms for such an Agreement to support the Trades to outreach and educate certified Local Small Business Enterprises (LSBEs), Disabled Veteran Business Enterprises (DVBEs), and Social Enterprises (SEs) seeking to access contracts for projects covered under the Agreement on how to work with the Trades, certify as Social Enterprises, and increase their readiness to contract on projects covered under such an Agreement;

4. Direct the CEO, County Counsel, and the Director of Public Works to work with the Community Development Commission (CDC) in the process of developing proposed terms for such an Agreement to support the Trades to outreach and educate the affordable housing developer community seeking to access contracts for projects covered under the Agreement on how to work with the Trades and increase their readiness to contract on projects covered under such an Agreement; and

5. Direct the CEO, County Counsel, and the Director of Public Works to return to the
Board within 45 days with the results of discussions with stakeholders and recommendations on the thresholds and feasibility as well as terms and conditions of a Project Labor Agreement applicable to all Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County property. Thresholds should start for projects with a budget greater than $2.5 million.

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Local Hire and Business Assistance Requirements for Major Capital Projects

On May 24, 2011, the Board of Supervisors (Board) approved a Project Labor Agreement (PLA) for the Martin Luther King, Jr. (MLK) Outpatient Center as a pilot project to demonstrate the efficacy of such agreements in meeting Board local worker hiring and small business assistance policies. Completed in 2014, the PLA for the $172 million MLK Outpatient Center required that at least 30% of the total construction hours be performed by workers that reside within a five mile radius of the project or reside in ZIP Codes experiencing 150% of the average rate of unemployment for the County of Los Angeles (County). One third of the local worker hours or ten percent of the total hours were required to be performed by workers facing barriers to employment. For small business enterprises, the design-build contractor was contractually obligated to a utilization rate of 38%.

The MLK Outpatient Center project was completed on time and on budget, and exceeded the local hire and small business assistance goals for the project. The project achieved 51% utilization for local worker participation, 19% for disadvantaged workers, and 43% for small business utilization. Given the success of the pilot project, a similar approach should be followed as the County proceeds with near-term jail and medical campus projects.

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PLAs are an effective tool for achieving public policy objectives on public works projects and private developments that receive public assistance. A PLA is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific project. PLAs may include provisions for targeted hiring, apprenticeship ratios and other requirements that further public policy objectives with the goal of re-injecting tax revenue back into local communities.

Over the next ten years, the County will undertake a significant effort to address its capital infrastructure needs. Major projects in the County pipeline include the approximate $2.1 to $2.2 billion Consolidated Correctional Treatment Facility; $1.6 to $2.6 billion Harbor-UCLA Medical Campus Master Plan Project; $173 to $208 million King-Drew Reuse Project (Phase 1); and the approximately $123 million Mira Loma Detention Center Project. This unprecedented investment by the County presents a unique opportunity for advancing the County’s economic development priorities.

The Board has adopted policies governing the expenditure of County resources that maximize opportunities for employment by local residents and support small and local businesses participation. On July 12, 2016, the Board adopted a Small Business, Disabled Veteran-Owned Business and Social Enterprise Utilization Plan with a procurement goal of 25% for certified Local Small Business Enterprises and 3% for Disabled Veteran Business Enterprises.

On September 6, 2016, the Board adopted a Local and Targeted Worker Hire Policy that requires County capital and economic development projects with a project budget greater than $2.5 million to achieve a local worker hire goal of 30% and a 10% goal for workers facing barriers to employment.

The more than $3.9 to $5.1 billion in County capital projects planned for the next ten years presents a unique opportunity to implement the goals set forth in Board adopted policies for local hire and small business assistance. The success of the MLK
Outpatient Center project demonstrated the value of PLA’s in achieving Board priorities and affirms its application to future County major capital projects. Expanding the successful pilot PLA experience from the MLK Outpatient Center to other County major capital projects will expand institutional capacity and the experience needed to ensure that future projects achieve outstanding results.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO), in consultation with County Counsel and the Directors of Public Works (DPW), Workforce Development, Aging and Community Services (WDACS), and Consumer and Business Affairs (DCBA), to engage representatives of the various building trades on the terms for a possible Project Labor Agreement (PLA) for major capital projects including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center Master Plan Project, King-Drew Reuse Project (MLK Medical Campus), and Mira Loma Detention Center. The PLA shall incorporate the hiring goals established by the County of Los Angeles (County) Countywide Local and Targeted Worker Hire Policy, and requirements for business participation consistent with the County Small Business, Disabled Veteran-Owned Business and Social Enterprise Utilization Plan; and

2. Direct the CEO to report back in writing to the Board of Supervisors no later than May 16, 2017, on the results of discussions with labor representatives and with recommendations on the terms and conditions of a PLA for major capital projects.
August 22, 2017

To: Supervisor Mark Ridley-Thomas, Chairman
   Supervisor Hilda L. Solis
   Supervisor Sheila Kuehl
   Supervisor Janice Hahn
   Supervisor Kathryn Barger

From: Sachi A. Hamai
      Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, MARCH 21, 2017 AGENDA)

AND

LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR
CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 4, MARCH 21, 2017 AGENDA)

On March 21, 2017, your Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated May 26, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), has initiated discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center (Projects). Consistent with the Board’s direction, in addition to addressing the terms and
conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses). Consistent with the County's terminology used for the MLK Outpatient Center project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

Public Works conducted a solicitation to select an outside consultant with labor relations expertise to supplement the County team in negotiating and implementing the proposed CWA. Following the initial solicitation process, a protest was received from one of the proposers. After review of the protest, it was decided that the most fair and expeditious approach was to cancel that solicitation and issue a new Request For Proposals (RFP). Therefore, on May 8, 2017, Public Works issued a new RFP. Following receipt and evaluation of the new proposals, a new protest was received from a different proposer. Public Works evaluated this protest, in consultation with County Counsel, and determined it to be without merit, and therefore, they are moving forward with a Board letter seeking approval to award a consultant services agreement to the firm determined to be the most qualified. This is scheduled for September 2017.

Following award of the consultant services agreement, we will begin formal negotiations with the intent of returning to your Board with recommended terms and conditions for a CWA for the Projects.

County Counsel has also retained an outside law firm with applicable labor law expertise to assist the team in negotiating the CWA.

**Community Work Force Agreement for County Construction Projects**

As directed in the motion, we have begun the process of engaging various stakeholders to seek input on the terms of a possible CWA that would be applicable to "all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property." The breadth of the direction provided in the motion necessitates significant outreach because of the numerous and diverse stakeholders potentially involved.

Public Works had initial discussions with the Associated General Contractors (AGC) on July 11, 2017, and the Associated Builders and Contractors (ABC) on June 29, 2017. These two groups were also engaged in discussions during the development of the CWA for the MLK Outpatient Center project. In general, they collectively represent the contractor community that typically pursues public agency construction contracts.
We will continue the outreach process with all applicable stakeholders, and we will begin to identify specific terms and conditions that could be included in a future such broad-based CWA. This analysis will also include providing recommendations of the threshold(s) for the size of projects to which this requirement could apply.

We will continue to provide your Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

SAH:JJ:DPH
ME:mda

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
Project Labor Agreement for County Construction Projects

The County Agencies and Commissions are moving full speed ahead in implementing the Local and Targeted Worker Hire policy passed by the Board of Supervisors (Board) September 6, 2016, and the official policy's procedures and guidance will be completed in the very near future. At this time, we have the opportunity to bring in partners, extend the policy's reach, and strengthen our ability to support continued career pathways and entrepreneurialism in the local construction industry. The Building and Construction Trades unions have entered into Project Labor Agreements with numerous public and private agencies across the County and the nation. The Trades recently extended their highly successful Agreement with Metro. One of the most significant benefits of these partnerships is the Trades' commitment to support Targeted Workers from their first interest in a construction job through their years of Apprenticeship training and ultimately through regular dispatch to construction projects leading to a lifelong career in the construction industry. Many of these Apprentices even go on to start their own construction firms and their entrepreneurial efforts enrich our community in multiple ways. The Trades begin by partnering with Social Enterprises, CBOs, Community Colleges, and Adult Schools to recruit Local Residents and Targeted Worker to complete the Multi-Craft Core Curriculum (MC3) recognized as best practice in the field by the US Department of Labor. Upon

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completion of the MC3, students can decide if the Trades are right for them and get connected with specific Apprentice programs. The Trades also work with America’s Job Centers of California (AJCCs) across the County workforce development system to insure that workers are able to effectively utilize all the supportive services available to make them successful candidates for a construction job. Through this kind of lifelong commitment, the Trades are also a dependable partner for supplying highly skilled workers regardless of their background. Through a Project Labor Agreement, the Trades are able to dispatch skilled workers to construction projects based on Local Resident or Targeted Worker criteria, something they would not be able to do without an Agreement in place. A partnership with the Trades is an opportunity to strengthen our workforce development system, and increase the pool of qualified Local Residents and Targeted Workers ready to work on County and other public and private sector projects.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO), County Counsel, and the Director of Public Works to engage representatives of the Los Angeles / Orange Counties Building and Construction Trades Council (Trades), the construction contractor and private developer community, and other potentially affected community, education, Social Enterprise, and government agency stakeholders, to discuss the terms of a possible comprehensive Project Labor Agreement (Agreement) that shall be applicable to all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property;

2. Direct the CEO, County Counsel, and the Director of Public Works to work with Workforce Development, Aging, and Community Services (WDACS) in the process of developing proposed terms for such an Agreement to support workforce development partnership between the Trades and the America’s Job Centers of California (AJCCs) affiliated with the County’s Workforce Development
Board and the other Workforce Development Boards and job centers throughout the County, including:

a) Registration of Local and Targeted Workers in the regional workforce development system;

b) Partnership with certified Social Enterprises, local community-based organizations (CBOs), and local educational institutions, including but not limited to utilizing the Trades Multi-Craft Core Curriculum (MC3) in pre-apprenticeship readiness programs;

c) Partnership with Trades to expand the number of providers of these MC3 pre-apprenticeship programs to provide increased access to all Local Residents and Targeted Workers across Los Angeles County;

3. Direct the CEO, County Counsel, and the Director of Public Works to work with the Department of Consumer and Business Affairs (DCBA) in the process of developing proposed terms for such an Agreement to support the Trades to outreach and educate certified Local Small Business Enterprises (LSBEs), Disabled Veteran Business Enterprises (DVBEs), and Social Enterprises (SEs) seeking to access contracts for projects covered under the Agreement on how to work with the Trades, certify as Social Enterprises, and increase their readiness to contract on projects covered under such an Agreement;

4. Direct the CEO, County Counsel, and the Director of Public Works to work with the Community Development Commission (CDC) in the process of developing proposed terms for such an Agreement to support the Trades to outreach and educate the affordable housing developer community seeking to access contracts for projects covered under the Agreement on how to work with the Trades and increase their readiness to contract on projects covered under such an Agreement; and

5. Direct the CEO, County Counsel, and the Director of Public Works to return to the
Board within 45 days with the results of discussions with stakeholders and recommendations on the thresholds and feasibility as well as terms and conditions of a Project Labor Agreement applicable to all Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County property. Thresholds should start for projects with a budget greater than $2.5 million.

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Local Hire and Business Assistance Requirements for Major Capital Projects

On May 24, 2011, the Board of Supervisors (Board) approved a Project Labor Agreement (PLA) for the Martin Luther King, Jr. (MLK) Outpatient Center as a pilot project to demonstrate the efficacy of such agreements in meeting Board local worker hiring and small business assistance policies. Completed in 2014, the PLA for the $172 million MLK Outpatient Center required that at least 30% of the total construction hours be performed by workers that reside within a five mile radius of the project or reside in ZIP Codes experiencing 150% of the average rate of unemployment for the County of Los Angeles (County). One third of the local worker hours or ten percent of the total hours were required to be performed by workers facing barriers to employment. For small business enterprises, the design-build contractor was contractually obligated to a utilization rate of 38%.

The MLK Outpatient Center project was completed on time and on budget, and exceeded the local hire and small business assistance goals for the project. The project achieved 51% utilization for local worker participation, 19% for disadvantaged workers, and 43% for small business utilization. Given the success of the pilot project, a similar approach should be followed as the County proceeds with near-term jail and medical campus projects.

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MOTION

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PLAs are an effective tool for achieving public policy objectives on public works projects and private developments that receive public assistance. A PLA is a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific project. PLAs may include provisions for targeted hiring, apprenticeship ratios and other requirements that further public policy objectives with the goal of re-injecting tax revenue back into local communities.

Over the next ten years, the County will undertake a significant effort to address its capital infrastructure needs. Major projects in the County pipeline include the approximate $2.1 to $2.2 billion Consolidated Correctional Treatment Facility; $1.6 to $2.6 billion Harbor-UCLA Medical Campus Master Plan Project; $173 to $208 million King-Drew Reuse Project (Phase 1); and the approximately $123 million Mira Loma Detention Center Project. This unprecedented investment by the County presents a unique opportunity for advancing the County's economic development priorities.

The Board has adopted policies governing the expenditure of County resources that maximize opportunities for employment by local residents and support small and local businesses participation. On July 12, 2016, the Board adopted a Small Business, Disabled Veteran-Owned Business and Social Enterprise Utilization Plan with a procurement goal of 25% for certified Local Small Business Enterprises and 3% for Disabled Veteran Business Enterprises.

On September 6, 2016, the Board adopted a Local and Targeted Worker Hire Policy that requires County capital and economic development projects with a project budget greater than $2.5 million to achieve a local worker hire goal of 30% and a 10% goal for workers facing barriers to employment.

The more than $3.9 to $5.1 billion in County capital projects planned for the next ten years presents a unique opportunity to implement the goals set forth in Board adopted policies for local hire and small business assistance. The success of the MLK
Outpatient Center project demonstrated the value of PLA’s in achieving Board priorities and affirms its application to future County major capital projects. Expanding the successful pilot PLA experience from the MLK Outpatient Center to other County major capital projects will expand institutional capacity and the experience needed to ensure that future projects achieve outstanding results.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO), in consultation with County Counsel and the Directors of Public Works (DPW), Workforce Development, Aging and Community Services (WDACS), and Consumer and Business Affairs (DCBA), to engage representatives of the various building trades on the terms for a possible Project Labor Agreement (PLA) for major capital projects including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center Master Plan Project, King-Drew Reuse Project (MLK Medical Campus), and Mira Loma Detention Center. The PLA shall incorporate the hiring goals established by the County of Los Angeles (County) Countywide Local and Targeted Worker Hire Policy, and requirements for business participation consistent with the County Small Business, Disabled Veteran-Owned Business and Social Enterprise Utilization Plan; and

2. Direct the CEO to report back in writing to the Board of Supervisors no later than May 16, 2017, on the results of discussions with labor representatives and with recommendations on the terms and conditions of a PLA for major capital projects.

###

(DR)
December 5, 2017

To: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Sachi A. Hamai
Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)

AND

LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR
CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board of Supervisors (Board) approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated August 22, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center (Projects). Consistent with the Board’s direction, in addition to addressing the

“To Enrich Lives Through Effective And Caring Service”
terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses). Consistent with the County's terminology used for the MLK Outpatient Center project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

On September 26, 2017, the Board authorized Public Works to award and execute a consultant services agreement to Parsons Constructors, Inc. (Parsons) to assist the County in outreach and negotiation services for the creation of a CWA for the four major capital projects. Public Works has engaged Parsons to begin formal negotiations. The CEO, County Counsel, Public Works, including Parsons, have begun reviewing the terms and conditions of the CWA. Our first formal negotiations meeting with the Building Trades took place on November 30, 2017. We intend to return to the Board with the recommended terms and conditions for a CWA for the four major projects in February 2018.

Community Work Force Agreement for County Construction Projects

As directed in the motion, we have begun the process of engaging various stakeholders to seek input on the terms of a possible CWA that would be applicable to "all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property." The breadth of the direction provided in the motion necessitates significant outreach because of the numerous and diverse stakeholders potentially involved.

Public Works had initial discussions with Southern California Contractor's Association (SCCA) on October 24, 2017. SCCA represents the contractor community that typically pursues public agency construction contracts. Public Works had initial discussions with the pre-apprenticeship training programs that partner with the Multi-Craft Core Curriculum (MC3) to inform them of the County's Local and Targeted Worker Hiring Policy and support of small and local businesses participation. The pre-apprenticeship training programs included the Flintridge Center Apprenticeship Preparation Program, the Los Angeles Youth Build, the Los Angeles Trade - Technical College, and the Women In Non-Traditional Employment Roles (WINTER). Public Works had initial discussions with the Workforce Development, Aging and Community Services on November 6, 2017.
We will continue the outreach process with all applicable stakeholders, and have begun to identify specific terms and conditions that could be included in a future such broad-based CWA. This analysis will also include providing recommendations of the threshold(s) for the size of projects to which this requirement could apply.

We will continue to provide your Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

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Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services

W:Administration/CWA November 28
February 5, 2018

To: Supervisor Sheila Kuehl, Chair
    Supervisor Hilda L. Solis
    Supervisor Mark Ridley-Thomas
    Supervisor Janice Hahn
    Supervisor Kathryn Barger

From: Sachi A. Hamai
      Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)

AND

LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR
CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board of Supervisors (Board) approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated December 5, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King, Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center.
Center (Projects). Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses). Consistent with the County’s terminology used for the MLK Outpatient Center Project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., commenced the negotiation meetings with the Building Trades on November 30, 2017, and continued negotiations on December 14, 2017, and January 25, 2018. The first two meetings were primarily to exchange language on the terms and conditions of the CWA. The third meeting involved discussions on the negotiation key elements that are a priority to the Board, which include support of the Local and Targeted Worker Hire Policy requirements; support of the Small Business Enterprise, Disadvantaged Veteran Business Enterprise, and social enterprise requirements; inclusion of non-union apprenticeship programs; exclusion of County contracted professional services and inspection; and exclusion of scope-of-work not covered in the primary construction contracts. Further negotiations are required, and another meeting will be scheduled.

Furthermore, at the Public Works Deputies Briefing on January 9, 2018, Public Works provided a progress update on the negotiations with the Building Trades.

Community Work Force Agreement for County Construction Projects

As directed in the motion, we have begun the process of engaging various stakeholders to seek input on the terms of a possible CWA that would be applicable to “all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property.” The breadth of the direction provided in the motion necessitates significant outreach because of the numerous and diverse stakeholders potentially involved.

Public Works had initial discussions with the Department of Consumer and Business Affairs in November 2017.

We will continue the outreach process with all applicable stakeholders, and have begun to identify specific terms and conditions that could be included in a future such broad-based CWA. This analysis will also include providing recommendations of the threshold(s) for the size of projects to which this requirement could apply.
We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works, at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:gw

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
April 17, 2018

To: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Sachi A. Hamai
Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)

AND

LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated February 5, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center (Projects). Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises.
(collectively, Small Businesses). Consistent with the County's terminology used for the MLK Outpatient Center project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., continued negotiations with the Building Trades. The fourth negotiation meeting was held on April 10, 2018. Significant progress has been made in negotiations with the Building Trades on almost all issues. However, there are a few issues on which the parties appear to be approaching an impasse. For example, the Trades are insisting that the Local and Targeted Worker Hire Program requirements include a "Tier 3", which would allow all County zip codes to be counted as compliant with the program. We anticipate that, after the next round of negotiation (scheduled for May 2, 2018), those few areas of impasse will be sufficiently defined that we will be able to discuss those issues with your offices to reach a resolution.

Community Work Force Agreement for County Construction Projects

As directed in the motion, we have begun the process of engaging various stakeholders to seek input on the terms of a possible CWA that would be applicable to "all impacted Departments, Commissions, and Agencies delivering County capital and construction projects and economic and housing development projects on County-owned property." The breadth of the direction provided in the motion necessitates significant outreach because of the numerous and diverse stakeholders potentially involved.

We will continue the outreach process with all applicable stakeholders, and have begun to identify specific terms and conditions that could be included in a future such broad-based CWA. This analysis will also include providing recommendations of the threshold(s) for the size of projects to which this requirement could apply.

We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works, at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:gw

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
June 29, 2018

To: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Sachi A. Hamai
Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)
AND
LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS
FOR MAJOR CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated April 17, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King, Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center (Projects). Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses).
Consistent with the County's terminology used for the MLK Outpatient Center Project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., continued negotiations with the Building Trades. The fifth negotiations meeting was held on May 2, 2018. On May 8, 2018, the Department of Public Works briefed the Public Works Deputies regarding the progress made in negotiations with the Building Trades. Progress has been made on the Local and Targeted Worker Hire Program, where the Building Trades are no longer requesting inclusion of “Tier 3” requirements. In addition, the Building Trades have accepted inclusion of portions of the small business enterprise, disadvantaged veteran business enterprise, and social enterprise requirements. We are continuing to work with the Building Trades to settle a small number of remaining issues, so that we can present a draft agreement for your consideration within the next 90 days.

Community Workforce Agreement for County Construction Projects

No further developments have taken place for the CWA for County construction projects. We are focusing on finalizing the CWA for the four major capital projects, and will use the terms of that CWA as a basis to negotiate the Countywide CWA for County construction projects.

We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:kb

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated June 29, 2018 (Attached).

On July 10, 2018, the Board approved a motion by Supervisor Hahn to include Rancho Los Amigos South Campus (RLASC) projects in the current PLA negotiations with the Building Trades. The RLASC projects will include the Sheriff’s Department Crime Lab Consolidation, Probation Department Headquarters, Internal Services Department Headquarters, Sports Center, and Infrastructure projects.
Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King Jr. (MLK) Medical Center Re-use Project, Mira Loma Detention Center, and the RLASC Projects. Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses). Consistent with the County’s terminology used for the MLK Outpatient Center project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., continued negotiations with the Building Trades. We are continuing to work with the Building Trades to settle a small number of remaining issues, so that we can present a draft agreement for your consideration within the next 60 days.

Community Work Force Agreement for County Construction Projects

No further developments have taken place for the CWA for County construction projects. We are focusing on finalizing the CWA for the now five major capital projects including RLASC, and will use the terms of that CWA as a basis to negotiate the Countywide CWA for County construction projects.

We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:kb

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Health Services
   Internal Services
   Public Works
   Probation
   Sheriff
   Workforce Development, Aging and Community Services
June 29, 2018

To: Supervisor Sheila Kuehl, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Sachi A. Hamai
Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS
MOTION BY SUPERVISORS SOLIS AND HAHN
(ITEM NO. 3, AGENDA OF MARCH 21, 2017)
AND
LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS
FOR MAJOR CAPITAL PROJECTS
MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
(ITEM NO. 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). The following is an update on our progress since our last report dated April 17, 2017 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and the Department of Public Works (Public Works), is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King, Jr. (MLK) Medical Center Re-use Project, and Mira Loma Detention Center (Projects). Consistent with the Board’s direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses).

“To Enrich Lives Through Effective And Caring Service”
Consistent with the County's terminology used for the MLK Outpatient Center Project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., continued negotiations with the Building Trades. The fifth negotiations meeting was held on May 2, 2018. On May 8, 2018, the Department of Public Works briefed the Public Works Deputies regarding the progress made in negotiations with the Building Trades. Progress has been made on the Local and Targeted Worker Hire Program, where the Building Trades are no longer requesting inclusion of “Tier 3” requirements. In addition, the Building Trades have accepted inclusion of portions of the small business enterprise, disadvantaged veteran business enterprise, and social enterprise requirements. We are continuing to work with the Building Trades to settle a small number of remaining issues, so that we can present a draft agreement for your consideration within the next 90 days.

Community Workforce Agreement for County Construction Projects

No further developments have taken place for the CWA for County construction projects. We are focusing on finalizing the CWA for the four major capital projects, and will use the terms of that CWA as a basis to negotiate the Countywide CWA for County construction projects.

We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:kb

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Public Works
   Workforce Development, Aging and Community Services
On March 21, 2017, the Board approved the subject two motions (Project Labor Agreement for County Construction Projects by Supervisors Solis and Hahn, and Local Hire and Business Assistance Requirements for Major Capital Projects by Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). On July 10, 2018, the Board approved a motion by Supervisor Hahn to include Rancho Los Amigos South Campus (RLASC) projects in the current PLA negotiations with the Building Trades. The following is an update on our progress since our last report dated September 11, 2018 (Attached).

Local Hire and Business Assistance Requirements for Major Capital Projects

The Chief Executive Office (CEO), along with County Counsel and Public Works, is continuing discussions with representatives of the Building Trades regarding possible terms for a PLA for major capital projects, including the Consolidated Correctional Treatment Facility, Harbor-UCLA Medical Center, Martin Luther King Jr. (MLK) Medical Center Re-use, Mira Loma Detention Center, and the RLASC Projects. Consistent with the Board's direction, in addition to addressing the terms and conditions that are necessary for the successful construction of the Projects, much of our emphasis in this
endeavor is facilitating Board priorities, such as ensuring the hiring of local and targeted workers and encouraging participation in the Projects by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses). Consistent with the County's terminology used for the MLK Outpatient Center project, the proposed PLA is being referred to as a Community Workforce Agreement (CWA).

The CEO, County Counsel, Public Works, including Parsons Constructors, Inc., continued negotiations with the Building Trades. We have made significant progress in our negotiations with the Building Trades. We are continuing to work with the Building Trades to settle one remaining issue, so that we can present a draft agreement for your consideration within the next 60 days.

Community Work Force Agreement for County Construction Projects

No further developments have taken place for the CWA for County construction projects. We are focusing on finalizing the CWA for the five major capital projects, and will use the terms of that CWA as a basis to negotiate the Countywide CWA for County construction projects.

We will continue to provide the Board with regular updates on our progress for both efforts every 60 days. If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or Massood Eftekhari of Public Works at (626) 458-4016.

SAH:JJ:DPH
ME:AMA:kb

Attachment

c: Executive Office, Board of Supervisors
   County Counsel
   Community Development Commission
   Consumer and Business Affairs
   Health Services
   Internal Services
   Public Works
   Probation
   Sheriff
   Workforce Development, Aging and Community Services
January 27, 2020

To: Supervisor Kathryn Barger, Chair
   Supervisor Hilda L. Solis
   Supervisor Mark Ridley-Thomas
   Supervisor Sheila Kuehl
   Supervisor Janice Hahn

From: Sachi A. Hamai
      Chief Executive Officer

PROJECT LABOR AGREEMENT FOR COUNTY CONSTRUCTION PROJECTS AND LOCAL HIRE AND BUSINESS ASSISTANCE REQUIREMENTS FOR MAJOR CAPITAL PROJECTS (ITEM NOS. 3 AND 6, AGENDA OF MARCH 21, 2017)

On March 21, 2017, the Board approved the following two motions: 1) Project Labor Agreement for County Construction Projects (Supervisors Solis and Hahn), and 2) Local Hire and Business Assistance Requirements for Major Capital Projects (Supervisors Ridley-Thomas and Hahn). Both motions contained multiple recommendations related to Project Labor Agreements (PLAs). Furthermore, on July 10, 2018, the Board approved a motion by Supervisor Hahn to include the Rancho Los Amigos South Campus (RLASC) projects in the PLA negotiations with the Building Trades. The following is an update on our progress since our last report.

Local Hire and Business Assistance Requirements for Major Capital Projects

As directed by the Board on March 21, 2017 and July 10, 2018, the Chief Executive Office (CEO), County Counsel, and the Department of Public Works (DPW), with assistance from their PLA consultant Parsons Construction, Inc., negotiated with the Los Angeles/Orange Counties Building and Construction Trades Council and finalized the PLA for specific major capital projects in June 2019.

The PLA is now called a Community-Workforce Agreement (CWA). This reflects the Board's priority of supporting employment of local residents, and is consistent with the name of the County's previous agreement for the Martin Luther King Jr. (MLK) Outpatient Center project. In addition to addressing the necessary terms and conditions for the successful construction of the major capital projects covered in the CWA, much of the emphasis during the CWA negotiations was to ensure the hiring of local and targeted
workers and to encourage participation by local small businesses, disabled veteran-owned businesses, and social enterprises (collectively, Small Businesses), consistent with Board established priorities.

On November 12, 2019, the Board approved the CWA for five major capital projects, including King-Drew Reuse; Harbor-UCLA Medical Center Master Plan (consisting of the Outpatient/Support Building, Central Plant, and Inpatient Building Replacement projects); Consolidated Correctional Treatment Facility (now cancelled); Mira Loma Women's Detention Center (now cancelled); and the Rancho Los Amigos South Campus projects (consisting of the Sports Center, Sheriff's Department Crime Lab Consolidation [although this project is no longer being pursued], Probation Department Headquarters, Internal Services Department Headquarters, and Infrastructure projects).

Since November 12, 2019, the Board has requested the CWA be applied to three additional capital projects. Furthermore, on December 17, 2019, the Board approved a motion by Supervisor Solis to amend the CWA to automatically include, without the need for any further amendment, the relevant scope of work related to any proposed project designated by the Board.

Community Work Force Agreement for County Construction Projects

The March 21, 2017 motion instructing the development of a Countywide CWA, required CEO, County Counsel, and DPW to engage representatives from the Los Angeles/Orange Counties Building and Construction Trades Council, and stakeholders to discuss the terms of a comprehensive CWA that shall be applicable to all impacted Departments, Commissions, and Agencies delivering County construction projects, including economic and housing development projects, on County-owned property.

Upon finalization of the CWA for the specific major capital projects previously discussed, a work group comprised of representatives from the CEO, County Counsel, DPW, ISD, Workforce Development, Aging and Community Services (WDACS), Department of Consumer and Business Affairs (DCBA), and Los Angeles County Development Authority (LACDA) was formed to develop terms for a CWA to address Countywide construction projects. The executed CWA for the major capital projects will be utilized as a basis for the development of the Countywide CWA.

Additional County stakeholders, such as the Department of Health Services, have been invited to the work group meetings to provide comments on the executed CWA and input into the development of the Countywide CWA. On January 9, 2020, the work group presented to the Economic Development Policy Committee and discussed the specifics of the executed project specific CWA and development of a comprehensive CWA. To
facilitate input on developing a comprehensive CWA for all County projects and economic and housing development projects on County-owned property, a survey has been developed and will be distributed to stakeholders in the construction industry, the private developer community, education community, Social Enterprises, and other government agencies by the end of January 2020.

We will continue to engage various stakeholders and work towards development of a comprehensive CWA for County projects, economic and housing development projects.

If you have any questions or need additional information, please contact David Howard, Assistant Chief Executive Officer at (213) 893-2477, or dhoward@ceo.lacounty.gov.

SAH:FAD:DPH
MJD:KAV:kb

c: Executive Office, Board of Supervisors
   County Counsel
   Consumer and Business Affairs
   Health Services
   Internal Services
   Los Angeles County Development Authority
   Public Works
   Workforce Development, Aging and Community Services