



Project title: Resolution: Project Labor Agreements and Community Work Force Agreements

City Council Agenda Item Cover Sheet

Council Bill #

Consideration: Resolution

Agenda dates requested:
10/9/19

Project: Consideration of the use of Project Labor Agreements and Community Work Force Agreements for Major Construction Projects

Partner/Supplier :

Briefing X
Proposed action
Consent
Action
Ordinance
Public hearing
 Yes X No

Location: N/A

Preceding action: None

Fund: N/A

Budget amendment:
 Yes X No

Fiscal summary statement:

None for Resolution approval.

PowerPoint presentation:
 X Yes No

Project summary statement:

Project Labor Agreements and Community Workforce Agreements (referred to in the proposed Resolution as "Project Agreements), is a potential tool to use to help facilitate timely and efficient completion of major construction projects. This is typically accomplished, for example, by ensuring a ready and reliable supply of highly trained and skilled craft workers and avoiding project disruptions such a strikes or slowdowns during the life of a major construction contract.

Attachments:

Department(s) involved:
Administration, Legal

The proposed Resolution directs staff to consider the use of Project Agreements for construction projects that are to be competitively bid and where the engineer's estimate for the project is at least \$5,000,000 in 2019 dollars. The proposed resolution also identifies factors for staff to consider during the evaluation process regarding whether a Project Agreement is appropriate for a major construction contract and directs staff to prepare written findings for City Council consideration if a Project Agreement is proposed to be used for a major construction project.

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Initialed by:

Department head

Administration

Council President

Recommendation (exact action requested of Council):

Adopt a Resolution to consider the use of Project Labor Agreements and Community Work Force Agreements for major construction projects.



RESOLUTION NO. _____

A RESOLUTION of the City of Everett concerning Project Labor Agreements and Community Workforce Agreements

WHEREAS,

- A. The City has an interest in awarding major construction project contracts in such a manner as to yield the lowest reasonable cost and the highest standard of quality and efficiency on the job.
- B. The City is committed to fiscal responsibility and prudent budgetary practices.
- C. The City has an interest in promoting increased opportunity for trade worker apprenticeships and training opportunities. In 2003, the City Council adopted Resolution No. 5286, which states that the level of apprenticeship participation must be fifteen percent (15%) of total labor hours “for contracts estimated to cost more than one million dollars (\$1,000,000.00) for the construction, remodeling, or renovation of City buildings.” In practice, this apprentice requirement has been applied to projects relating to City buildings by the Facilities department. Past projects using this apprenticeship requirement include the Municipal Court project, the Key Bank remodel and the current Evergreen Branch Library expansion project. The City Council intends for City staff to continue the City’s longstanding and successful apprenticeship requirements and practices under Resolution No. 5286.
- D. As additional tools, Project Labor Agreements and Community Workforce Agreements can be of economic benefit for publicly funded major construction projects that involve a substantial number of contractors, subcontractors, and craft workers and that have a substantial project cost to City taxpayers. In this resolution, Project Labor Agreements and Community Workforce Agreements are together referred to as “Project Agreements.”
- E. In appropriate circumstances, Project Agreements may facilitate the timely and efficient completion of major construction projects by making available a ready and reliable supply of highly trained and skilled craft workers, helping the City and contractors accurately determine project labor costs, establish working conditions for the duration of the project, and assuring labor stability and avoiding project disruptions such as strikes, lockouts or slowdowns over the life of the major construction project.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. City departments shall consider the use of Project Agreements when contemplating major construction projects through a competitive bidding process that are estimated to exceed \$5,000,000 (2019 dollars) in total project construction costs.
2. The following factors shall be considered in determining whether to use a Project Agreement for a major construction project:
 - a. The potential for labor disruptions, such as strikes, lockouts, or slowdowns, that may delay completion of the project.
 - b. The complexity of the project, to include the number of contractors, subcontractors, and craft workers necessary to complete the project in a timely manner.
 - c. The project's need for multiple contractors or subcontractors who employ works in multiple crafts or trades.
 - d. The existence of a shortage of skilled workers in the area of the project.
 - e. The need and urgency of the project and the harm to the public if completion of the project were to be delayed.
 - f. Benefits to the public by the use of a Project Agreement in terms of cost, efficiency, safety, quality, and timeliness.
 - g. Whether Project Agreements have been used on comparable public or private projects.
3. For major construction projects, City staff will, upon request by City Council, brief the City Council on City staff's analysis regarding the use of a Project Agreement.
4. The decision to propose to the City Council the use of a Project Agreement in connection with a major construction project shall be supported by written findings that clearly demonstrate how the use of the Project Agreement will benefit the major construction project and protect the interests of the public and the City in terms of cost, efficiency, quality, safety, and timely completion.
5. When used, provisions such as the following should be considered for inclusion in the Project Agreement:
 - a. Provisions concerning the selection, through a competitive process, a general contractor, project manager or similar construction firm that is experienced in the negotiation administration of project agreements to manage and oversee the construction of the project, including the development and implementation of a labor relations policy for the major construction project.
 - b. Provisions containing guarantees against strikes, lockouts, slowdowns or other similar action.
 - c. Provisions setting forth effective, immediate, and mutually binding procedures for resolving jurisdictional and labor disputes arising before the completion of the work.
 - d. Provisions binding on all contractors and subcontractors on the project through the inclusion of appropriate bid specifications in all relevant bid documents.

- e. Provisions requiring open competition for work to be performed by all union and nonunion contractors, subcontractors, and material suppliers willing to abide by the terms of the Project Agreement.
- f. Provisions prohibiting discrimination in job referrals as required by federal, state, and local law.
- g. Provisions providing for and promoting increased opportunity for trade worker apprenticeships utilization and training opportunities. These provisions may supersede the requirements of Resolution 5286 for the project covered by the Project Agreement.
- h. Provisions related to preservation and protection of trade worker health and safety on the job site.
- i. Provisions stating that contractor or subcontractor non-compliance with Project Agreement apprentice requirements will cause, during the 2 years after project final acceptance by the City, any bid by such contractor or subcontractor for another City public works project to be deemed not responsible.

Project Agreements are likely to be project-by-project, and may be different from project to project. In preparing a draft Project Agreement for City Council consideration, City staff should consider Project Agreement used in similar projects in Washington state. The City may, as it gains more experience with Project Agreements, develop a master project agreement with standardized provisions.

- 6. This Resolution does not authorize or promote the selection of any particular contractor, subcontractor, union, trade council, or labor organization.

Councilmember introducing resolution

Passed and approved this _____ day of _____, 2019.

Council President