



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: September 26, 2023

SUBJECT: CONSIDERATION AND POSSIBLE APPROVAL OF A
PROJECT LABOR AGREEMENT WITH THE SAN
DIEGO BUILDING AND CONSTRUCTION TRADES
COUNCIL AND ASSOCIATED CRAFT UNIONS

ISSUING DEPARTMENT: Public Works

SUMMARY:

Issues:

Should the Council approve a project labor agreement with the San Diego Building and Construction Trades Council and associated craft unions for public projects having a construction value of at least \$1,000,000 (PLA)?

Recommendation:

Approve the PLA in substantial form (as attached) subject to the final review and approval of the City Manager and City Attorney.

Fiscal Impact:

Unknown at this time pending the application of the PLA to a project.

City's Strategic Goals:

- Continue to improve high quality municipal services

Environmental Review:

Approval of the PLA is categorically exempt from environmental review pursuant to Public Resources Code Section 15324 (Class 24 Regulations of Working Conditions).

BACKGROUND:

Historically, project labor agreements have served in assisting the awarding agencies in providing on time, conflict involvement-free project completions. Accordingly, they may help reduce overall construction costs by helping to ensure that the work on a covered project will be completed efficiently, cooperatively, economically and without interruption.

Project labor agreements may also serve in the best interest of public safety, community involvement and participation through targeted hiring and apprenticeship training, including those individuals with barriers to employment in their background. As such, contractors and subcontractors would be required to comply with all applicable federal, state, and local laws and regulations requiring the payment of prevailing wages.

DISCUSSION:

Staff and representatives from the San Diego Building and Construction Trades Council negotiated the PLA (as attached in draft form) for consideration and possible approval by the Council. The PLA will be applicable to those public projects that have a construction value of at least \$1,000,000 including the upcoming 69th and Boulevard storm drain project and the FY 2024 street rehabilitation project. Key conditions of the PLA include:

- A 3-year term with an automatic 3-year extension at the parties' option, for a total term of 6 years.
- Should implementation of a project result in substantial inefficiency or impracticability, upon a 4/5's vote, the Council may exclude that project from the PLA (e.g., the Council may exclude a project if the PLA would jeopardize the City's eligibility to receive state or federal grant funding).
- At the Council's discretion, the PLA may be amended to include provisions from future project labor agreements negotiated by other cities (with a population of 100,000 or less) that are more favorable or beneficial.

CONCLUSION:

Staff recommends that the Council approve the PLA in substantial form subject to the final review and approval of the City Manager and City Attorney.

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Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Michael Throne, PE
Director of Public Works

Attachments: A. Draft project labor agreement