



CITY OF POMONA

COUNCIL REPORT

July 1, 2024

To: Honorable Mayor and Members of the City Council

From: Anita D. Gutierrez, City Manager

Submitted By: Rene Guerrero, Public Works Director

SUBJECT: CONSIDERATION OF A PROJECT LABOR AGREEMENT BY AND BETWEEN THE CITY OF POMONA AND THE LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION TRADES COUNCIL AND THE SIGNATORY CRAFT COUNCILS AND UNIONS

RECOMMENDATION:

It is recommended that the City Council consider a draft Project Labor Agreement (PLA) with the Los Angeles/Orange Counties Building and Construction Trades Council as well as staff's suggested implementation strategy and provide direction to staff.

EXECUTIVE SUMMARY:

At their meeting on February 5, 2024, the City Council directed Staff to meet and confer with the Los Angeles/Orange Counties Building and Construction Trades Council (Trades Council). The City Manager and Public Works Director met with the Trades Council on April 10, 2024 for an initial discussion and review of a template Project Labor Agreement provided by the Trades Council. Preliminary terms were discussed, and those terms proposed and presented by Staff are provided in the draft Project Labor Agreement (Attachment No. 1).

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

☐ When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$250 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$250 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise related business entity, or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

FISCAL IMPACT:

There is no fiscal impact at this time. However, the establishment of a PLA will have a fiscal impact on applicable City construction projects in the future. Typically, a PLA will add 20%-30% to overall project costs. In addition City Staff and/or consultant staff may be needed to administer and monitor the program.

DISCUSSION:

A PLA is a pre-hire collective bargaining agreement negotiated between construction unions and local agencies to establish terms and conditions of employment for construction projects. PLAs can be an effective tool to increase local participation and support equitable workforce development. Once a PLA is in place, a local agency will only hire contractors for City projects who agree to execute and be bound by the terms of the PLA. Essential elements of a PLA include:

- Requirement for all contractors and subcontractors to be bound to the PLA, whether they are union or non-union.
- Establishment of standard work rules, prevailing wages, hours and fringe benefits payment, and dispute resolution procedures.
- Prohibition on strikes, work stoppages, and lockouts.
- Promotes workforce development through establishing local hiring and disadvantaged worker employment opportunities.

The PLA, if accepted by the City and the Trades Council, will become the policy of the City for certain construction projects to be performed on City property or within the public right-of-way. The City has the right to award contracts or subcontracts on projects falling under the PLA to any contractor notwithstanding the existence or non-existence of any agreements between contractor/subcontractor and Union parties, provided that the contractor is willing and able to execute and comply with the PLA if such work is covered by the PLA.

When meeting with the Trades Council on April 10, 2024, Staff presented and proposed the following preliminary terms:

- Added definitions for “Local Resident” and “Project Labor Coordinator.
- Added an Article for “Intent and Purpose.”
- Added language that recruitment of veterans shall include contacting the residents of the
- Requested that Tier 3 in Attachment B – Local Resident Zip Codes be limited to a 50-mile radius

Subsequently, in further conversations the following additional points of discussion arose which will be further vetted following Council’s direction.

- The Project Labor Agreement shall apply to City projects with budgets over \$2.5 Million
- The Project Labor Agreement shall be applicable for a 5-year term.
- Veterans Park Apartments, the American Legion Post 30 Pomona, and other Veterans-serving organizations in the City of Pomona.

The Trades Council is reviewing Staff's proposed terms, and in late May, they reached out to Staff to schedule a follow-up meeting to discuss the proposed terms of a Project Labor Agreement further. At the time of the writing of this Staff Report, a date and time have not been decided upon.

Prepared by:

Rene Guerrero
Public Works Director

ATTACHMENT:

Attachment No. 1 – Draft Project Labor Agreement