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## **COUNTY OF SONOMA**

575 ADMINISTRATION DRIVE, ROOM 102A SANTA ROSA, CA 95403

## SUMMARY REPORT

**Agenda Date: 2/4/2025** 

**To:** Sonoma County Board of Supervisors and Boards of Directors for the Sonoma County Water Agency, Sonoma Valley County Sanitation District, Russian River County Sanitation District, Occidental County

Sanitation District and South Park County Sanitation District **Department or Agency Name(s):** County Administrator's Office

Staff Name and Phone Number: Yvonne Shu 565-1739, Christel Querijero 565-7071

Vote Requirement: Majority

Supervisorial District(s): Countywide

#### Title:

Project Labor Agreement (Community Workforce Agreement)

#### **Recommended Actions:**

- A) Receive an update on the proposed Project Labor Agreement (PLA), also known as a Community Workforce Agreement (CWA); and
- B) Consider approving the current, negotiated agreement; or
- C) Provide direction to staff on next steps.

## **Executive Summary:**

The County adopted a Policy and Template Agreement in 2014 for the use of Project Labor Agreements (PLA) for County construction projects. On July 18, 2023, the Boards (above) updated the County's PLA Policy by lowering the PLA project cost threshold from \$10 million to \$1 million; expanding the PLA applicability to the Sonoma County Fairgrounds, Sonoma Water, and various sanitation districts; and including an emergency response exemption.

On September 12, 2023, the Boards agreed that the PLA policy effective date would apply to projects that had both completed environmental review and received project approval, after a governing (master) agreement had been approved by the Boards. The Boards provided additional direction on May 21, 2024, to add maintenance to the scope of the County's PLA and to include trucking as a covered service, with certain exceptions.

Staff has since worked with the North Bay Building Trades Council (NBBTC) to develop a draft governing (master) agreement and has had a mutually acceptable draft in place since June 2024.

On September 23, 2024, the NBBTC proposed a side letter to the Nor Cal Carpenters Union (NCCU), which is not affiliated with the NBBTC. To date there has been no response from NCCU to the side letter.

Staff seeks direction today on whether the Board will approve the current, negotiated agreement, which does not cover the Nor Cal Carpenters Union, or whether the Board would like to pursue a different option.

#### **Discussion:**

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Project Labor Agreements (PLA), also known as Community Workforce Agreements (CWA), are collective bargaining agreements negotiated for construction projects, typically between the County as the project owner and the local building trade unions. A PLA is a form of a pre-hire agreement that sets the terms of employment for construction workers engaged in projects that meet the PLA criteria. The contractors and subcontractors of the project must adhere to these terms throughout the entire construction of the public project, and the PLA becomes part of the bid documents. Winning contractors are required to execute an agreement to be bound by the terms of the PLA, which remains effective for the duration of the project.

On July 18, 2023, the Boards authorized staff to update the County's PLA policy by:

- 1) Lowering the PLA project cost threshold from \$10 million to \$1 million;
- 2) Including the Sonoma County Fairgrounds, Sonoma Water, Sonoma Valley County Sanitation District, Russian River County Sanitation District, Occidental County Sanitation District and South Park County Sanitation District in the PLA policy; and
- 3) Including an emergency response exemption to remove the requirement of a PLA for construction projects related to disaster and emergency response work during a proclaimed local emergency, and projects constructed pursuant to Public Contract Code section 22050.

On September 12, 2023, the Boards agreed that the PLA policy would apply to projects that had completed environmental review and had received project approval, after a governing (master) agreement had been approved by the Boards. The effective date of any potential governing agreement would be 30 days after all parties have signed the agreement. On May 21, 2024, the Boards provided additional direction to add maintenance to the scope of the County's PLA and to include trucking as a covered service, with certain exceptions.

Staff has had multiple, productive meetings with the North Bay Building Trades Council (NBBTC) since October 2023, resulting in a draft agreement on key provisions in June 2024. These provisions include:

- Clarifying that a qualifying project is based on contract award amount, not bid amount, of \$1 million or over;
- Excluding projects where funding sources prohibit the use of a PLA;
- Excluding off-site manufacture or handling of materials, equipment or machinery not typically performed on-site;
- Excluding specialized consulting services from the PLA, such as laboratory or other testing;
- Decreasing the number of days before the PLA is effective from 60 to 30 days; and
- Clarifying that the term of the PLA is five years from the effective date (note: expiration of the PLA would not affect projects previously begun with a PLA);
- Including maintenance within the scope of the PLA;
- Including trucking as a covered service, with certain exceptions, such as work performed by Sonoma County-based businesses and off-hauling to locations within the county.

On September 23, 2024, the NBBTC proposed a side letter to the Nor Cal Carpenters Union (NCCU), which is not affiliated with the NBBTC. To date there has been no response from NCCU to the side letter. Staff seeks Board direction today on next steps.

#### **Strategic Plan:**

N/A

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### **Racial Equity:**

# Was this item identified as an opportunity to apply the Racial Equity Toolkit?

When this item was revisited by the Board in 2023, an equity analysis was included with the <u>7/18/23 Board materials <a href="https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=6286189&GUID=74CE4E85-0530-4134-8D01-D7E3028117E6">https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=6286189&GUID=74CE4E85-0530-4134-8D01-D7E3028117E6</a>.</u>

#### **Prior Board Actions:**

- 5/21/24 Provided direction on whether maintenance projects should be added to the scope of the County's PLA whether trucking should be a covered service
- 12/2/23: Received an update on the Project Labor Agreement governing agreement
- 9/12/23: Directed staff to return with a draft governing agreement for the Board's consideration, and to have the policy be applicable to projects that complete environmental review and receive project approval, either after a governing agreement is approved by the Boards or after January 1, 2024
- 7/18/23: Authorized staff to update the PLA policy with respect to the threshold amount, entities covered under the PLA, and an emergency response exemption.
- 1/28/14: Adopted a Policy and Template Agreement for the use of Project Labor Agreements on future County construction projects over \$10 million

#### **FISCAL SUMMARY**

Expenditures	FY24-25 Adopted	FY25-26 Projected	FY26-27 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

## **Narrative Explanation of Fiscal Impacts:**

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

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Narrative Explanation of Staffing Impacts	(If Required):		
Attachments: Attach 1: 8-29-24 Draft Sonoma County CV	WA		
Related Items "On File" with the Clerk of t	the Board:		