



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 12/12/2023

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 Update - Informational

Recommended Action:

Receive an update on the Project Labor Agreement master template

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 September 12, 2023, the Boards (see above) agreed to move forward with development of a master agreement template and to have the PLA policy effective date apply to projects that complete environmental review and receive project approval, either after a master agreement is approved by the Boards or after January 1, 2024. This report provides an update on the progress to date. □

Discussion:

Background

Project Labor Agreements 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 construction projects. The contractors and subcontractors of the project must adhere to these terms throughout the entire construction project, and the Project Labor Agreement becomes part of the bid documents. Winning contractors are required to execute an agreement to be bound by the terms of the PLA. A PLA 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 the disaster and emergency response work during a proclaimed local emergency, and projects constructed pursuant Public Contract Code section 22050.

On September 12, 2023, the Boards directed staff to return as soon as feasible with a new master agreement template for the Boards' consideration. Additionally, the Boards directed that the PLA policy effective date apply to projects that complete environmental review and receive project approval, either after a master agreement is approved by the Boards or after January 1, 2024.

Status Update

Staff has reviewed executed PLA's from other jurisdictions, including the City of Santa Rosa, Alameda County, Contra Costa County, San Francisco Public Utilities Commission, among others, and has met twice with North Bay Building and Construction Trades Council. The Trades Council provided a "starting point" template, to which County Counsel has made modifications. This draft will be discussed at the next meeting with the Trades Council, scheduled for December 8, 2023. Staff intends to bring a master agreement template to the Board in January 2024, barring no delays due to negotiations or scheduling.

Strategic Plan:

N/A

Racial Equity:

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

Yes

Staff used the Government Alliance on Race and Equity's (GARE) Equity Toolkit to provide a general equity analysis and it was included with the [7/18/23 Board materials <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).

Prior Board Actions:

- 9/12/23: Directed staff to return with a master agreement template 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 master 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

Narrative Explanation of Fiscal Impacts:

The number of PLA-covered projects will increase with the lowered project threshold of \$1 million, and this will affect project timelines, staff time, County Counsel expenses. There is a potential for competition to be limited, especially for smaller construction projects, which may increase construction costs.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

None

Related Items "On File" with the Clerk of the Board:

Agenda Date: 12/12/2023

N/A