

# Project Labor Agreements

introduction to policy considerations

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February 8, 2022

ECONOMIC DEVELOPMENT SUBCOMMITTEE

Economic Development Division | City Attorney's Office | Public Works Department

# Intention

- To encourage the use and development of a local workforce.
- To ensure projects are built on time, on budget, and to specification without delays or cost overruns.
- Consistency with existing state and federal law, grant requirements, and in the interest of the public.

# Policy Research: market placement & considerations

## Models: Agreements, Policies, Approach

- **Local**
  - County of Sonoma (2014)
- **Comparable Cities** (size and adjacent markets)
  - Hayward (2017) • Berkeley (2015) • Fairfield (2014)
- **Other Cities** (larger cities or other markets)
  - San Jose (2019) • Goleta (2021)

## Other Initial Research

- Federal and State requirements
- Grant funding considerations

# Capital Improvement Projects

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graph TD; A[Capital Improvement Projects] --- B[PW Infrastructure]; A --- C[Facilities]; A --- D[Water Projects];
```

## **PW Infrastructure**

roads, sidewalks,  
public right-of-way

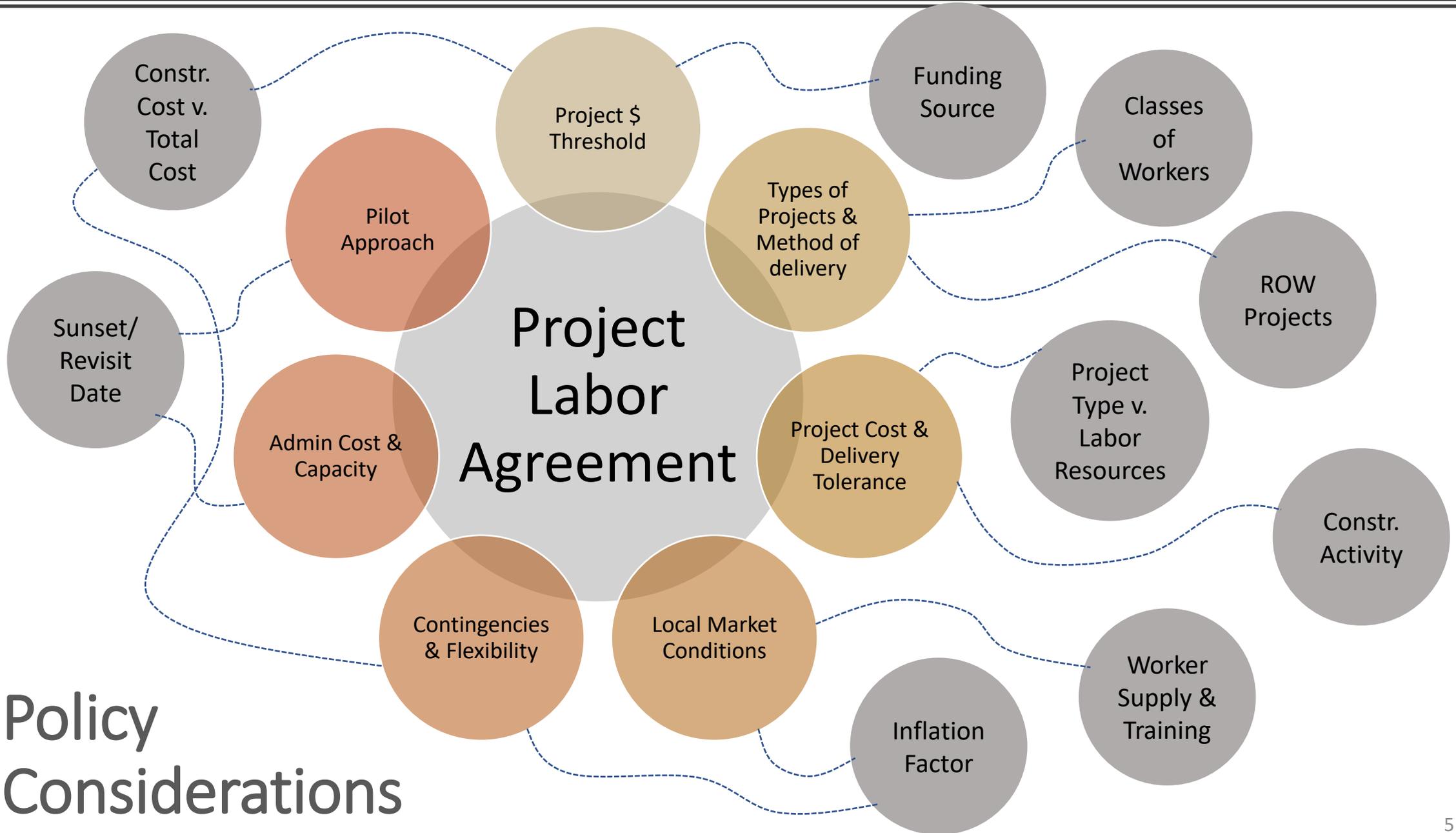
## **Facilities**

city buildings & systems

## **Water Projects**

sewer, treatment  
plant, pump stations

# Project Labor Agreement



## Policy Considerations

# City CIP Agreements : Existing Provisions

- **Prevailing Wages** *set by CA Labor Code*  
Hourly wage rate of per diem wages set forth in the prevailing wage rate schedule
- **Apprentice Requirements** *set by CA Labor Code*  
Ratio not less than 1 hour of apprentice work for each 5 hours of journeyman work
- **Liquidated damages**  
Contractor pays City liquidated damages for each day delay over and above the number of working days prescribed for finishing the work in the amount shown of the Standard Specifications.

