

ADMINISTRATIVE EXEMPTION and TRADE, TRAVEL, AND TOURISM COMMITTEE REPORT relative to the Project Labor Agreement (PLA) between the Harbor Department (Port) and the Los Angeles / Orange Counties Building and Construction Trade (Building Trades) Council.

Recommendations for Council action:

1. ADOPT the determination by the Board of Harbor Commissioners that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the Port Resolution No. 17-8164 authorizing proposed Agreement No. 17-3526 for the PLA between the Port and the Building Trades.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approving the proposed agreement between the Port and the Building Trades will continue the Port of Los Angeles (POLA)-PLA for a ten-year term. The previous POLA-PLA was approved for five years. The existing Port's Construction Division staff will work with the Building Trades to administer the POLA-PLA on the Port-approved Capital Improvement Program (CIP) projects within the POLA at a salary and benefit amount of approximately \$212,000 per year. The Port is paying the Bureau of Contract Administration approximately \$250,000 to assist in the administration of the POLA-PLA. The Port may need to provide additional funding support because of the local hire and apprenticeship requirements and potential increase in CIP projects in the proposed POLA-PLA. If the Port and Building Trades require additional staff and consultant services, the estimated annual costs to support the POLA-PLA could range from \$350,000 to \$500,000 per fiscal year.

Community Impact Statement: None submitted.

TIME LIMIT FILE – JANUARY 16, 2018

(LAST DAY FOR COUNCIL ACTION – JANUARY 16, 2018)

SUMMARY

In a report to the Mayor dated October 30, 2017, the CAO states that the Port requests authority to execute the proposed PLA with the Building Trades for a period of ten years. The purpose of the agreement was to serve as a blanket plan to hire and expand personnel in Building Trades to work on projects identified in POLA's 10-year CIP. In 2011, the Port negotiated a Port-wide PLA with the building trade unions for selected large and complex construction projects for five years. The POLA-PLA allowed the Port to take advantage of the benefits of a PLA and save valuable negotiation time by having the five-year agreement apply to a predetermined list of construction projects. The Port states that the proposed POLA-PLA will perform the same function and increase the term of the agreement to ten years.

According to the CAO, the PLA is a single pre-hire labor contract between a construction owner, contractor and the Building Trades which sets wages and work rules on specific CIP projects.

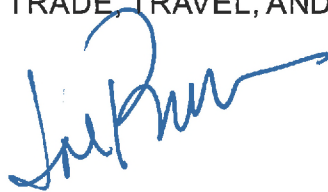
The POLA-PLA provides for orderly settlements of labor disputes and grievances without strikes, lockouts, or slowdowns which assure the efficient and timely completion of the approved CIP construction projects. All contractors are required to pay prevailing wage rates, fringe benefits, and adhere to an agreement which formally binds them to requirements and conditions of the POLA-PLA.

The CAO goes on to report that the Building Trades pledge to exert their best efforts to identify, recruit, and assist individuals, particularly local residents and transitional workers, to become qualified and eligible for apprenticeship programs in the POLA-PLA. The POLA-PLA will continue to use Building Trades to promote the hiring of unemployed and under-employed workers and assist in advancing the skills and employability of local residents and transitional workers in the City who are interested in construction work. Candidates are from concentrated poverty neighborhoods in the City, particularly local residents who reside near the POLA. The POLA-PLA reinvests dollars into area neighborhoods through direct hiring of residents, apprenticeships, and contracting and procurement through local businesses. On September 7, 2017, the Board of Harbor Commissioners approved the Port's request. The CAO concurs with this action.

At its meeting held November 7, 2017, the Trade, Travel, and Tourism Committee recommended that Council approve the proposed PLA with the Building Trades, as recommended by the Board of Harbor Commissioners and the CAO.

Respectfully Submitted,

TRADE, TRAVEL, AND TOURISM COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
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BUSCAINO:	YES
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BONIN:	YES
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KREKORIAN:	ABSENT
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-NOT OFFICIAL UNTIL COUNCIL ACTS-