



**COMMISSION
AGENDA MEMORANDUM**

Item No.

9a

BRIEFING

Date of Meeting

April 16, 2019

DATE: April 2, 2019
TO: Stephen P. Metruck, Executive Director
FROM: Ralph Graves, Senior Director Capital Development
SUBJECT: Project Labor Agreement Standard Language

EXECUTIVE SUMMARY

The Port of Seattle Commission Policy Directive on Construction Labor Practices for Projects Located on Port of Seattle Property (Policy Directive), established in October 2016, provides policy direction for construction labor for projects on Port property. The purposes of the policy directive are to expand access to construction jobs; ensure fair treatment of workers; promote labor harmony and uninterrupted work progress; and improve safety at construction sites. It also chartered the Projects and Procurements Committee to work with staff and stakeholders to develop standard language to be used in project labor agreements (PLAs). In the course of six-months' negotiations in 2018, Port staff, Seattle King County Building Construction Trades Council (SKCBCTC), and Northwest Construction Alliance II (NCAII), have agreed on such standard language. Application of the PLA will continue to be authorized by the Commission on a project-by-project basis. The agreed language is to remain in force for five years, through November 30, 2023.

The negotiations were wide-ranging but in the end resulted in a document largely consistent with Port PLAs in the past five years. Modifications include reference to the Construction Labor Practices policy directive; clarification of relation between the PLA and Collective Bargaining Agreements; increase of penalties for violating the PLA; dispute resolution procedures; raising of apprentice utilization goals and preferred entry standards; and general clean-up of language for clarity. A side letter provides for zip-code priority hiring.

The standard language resolves and clarifies several items at issue in recent individual PLA discussions. It relieves the administrative burden of reopening negotiations for each separate project. Either the Port, SKCBCTC, or NCAII can propose changes or request that the five-year effective time be curtailed or extended, but any such action must be by mutual agreement.

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DETAILS

The policy directive established PLA decision criteria, established procedures for applying labor standards to different categories of construction contracts on Port property, and directed the following:

The Projects and Procurements Committee is hereby chartered to work with staff and stakeholders to develop standard language to be included in Port PLAs unless otherwise authorized by the Commission.

During the period of March-October 2018, Port staff from Labor Relations and Capital Development negotiated the PLA language with leaders from SKCBCT, NCAII, and member unions. The negotiating team received input from the Seattle chapter of the Associated General Contractors and Port staff including Central Procurement Office, Small Business Programs and Workforce Development.

In general, in return for commitment to no work stoppages or slowdowns, the PLA requires that except for named exceptions, all craft labor will be dispatched from union halls and employers will pay into the benefit funds of the respective trade unions. The PLA document is incorporated into the contract between the Port and the general contractor and by extension to subcontractors. Highlights of the current agreement include:

- Reference to the Construction Labor Practices policy directive.
- Conflicts with Collective Bargaining Agreements (CBAs) have been minimized and the precedence of the CBAs affirmed.
- Penalties for violating the terms of the PLA are increased to \$10,000 per shift.
- Dispute resolution procedures have been clarified.
- Unions and contractors commit to outreach to Minority, Women and Disadvantaged Business Enterprises with training and assistance and to facilitate entry into the building and construction trades of military veterans.
- Consistent with State law, the apprenticeship utilization goal remains at 15 percent, but the aspirational goals for the share of minority and women apprentices are raised to 21 percent and 12 percent, respectively.
- The agreement clarifies procedures for preferred entry from approved pre-apprenticeship programs into union apprenticeship.
- Subcontractors who are not party to CBAs may request by name the referral of up to five “core” workers, on an alternating basis with workers dispatched from the union hall.
- A side letter provides for zip-code priority hiring on projects at the Port’s discretion.

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ATTACHMENTS TO THIS BRIEFING

Proposed PLA Standard Language
Construction Labor Practices Policy Directive

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

January 8, 2019 – Commission authorized employing a PLA on the South Satellite Infrastructure project

April 24, 2018 – Commission authorized Resolution 3746, Priority Hire Policy Directive

November 28, 2017 – Commission authorized Resolution 3736, Priority Hire Policy Directive

October 25, 2016 – Commission authorized Resolution 3725, Construction Labor Policy