



Engineering, Operations, & Technology Committee

Project Labor Agreement Amendment and Second Annual Update

Item 8-1

November 18, 2024

Item 8-1

Project Labor Agreement

Subject

Authorize the General Manager to amend the Project Labor Agreement to add four new projects and approve the Project Labor Agreement's use as a bid condition for the newly added projects and report on PLA activities over the past year

Purpose

- Amend the PLA for upcoming projects
- Provide an update on activities under the PLA between November 2023 and October 2024

Recommendation and Fiscal Impact

Add new projects to be covered under the PLA

No fiscal impact

Budgeted

Metropolitan's Project Labor Agreement

- Adopted in October 2022
- Initial 5-year term
- 35 projects/programs covered, including Pure Water
- Covers 90% of planned CIP contract expenditures
- Metropolitan and Building & Trade Council are signatories

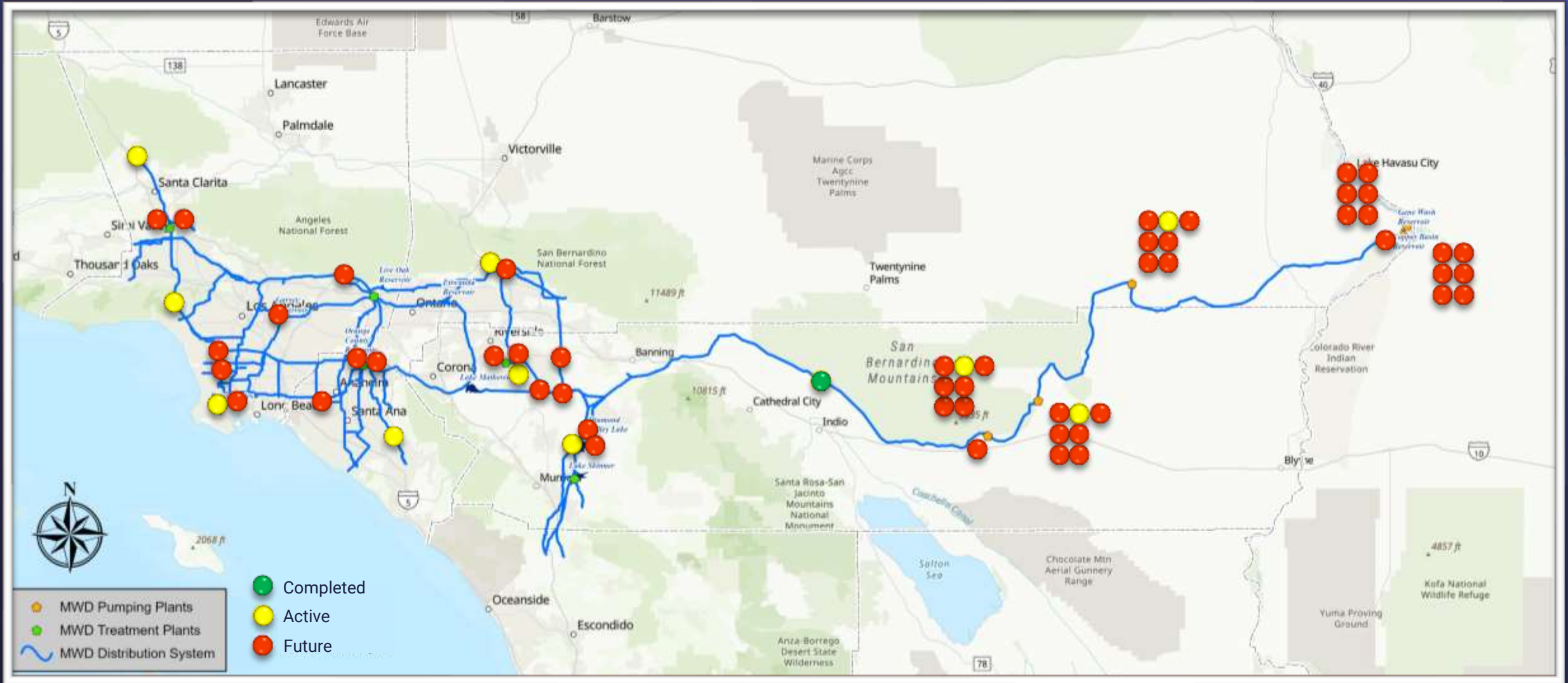


PLA Signing Ceremony

Major Provisions of Metropolitan's PLA

- 60% goal for employment of local workers
- 15% goal for employment of transitional workers
- Unique core small business carveout
- Construction Career Pipeline Program
 - ✓ Helmets to Hardhats
 - ✓ Multi-Core Craft (MC3) Apprenticeship Readiness Programs
- Ability to add projects in the future

Active, Planned, and Completed PLA Projects



Local & Transitional Workers

- Goals for engagement of local and transitional workers have been surpassed
 - 94% for Local Workers
 - 22% for Transitional Workers
- \$25 M in wages and benefits paid to craft workers
 - \$24 M to local workers
 - \$6 M to transitional workers



Gilbert Salazar

James W. Fowler Co.
Operating Engineers Local 12

Construction Careers Pipeline Program



Mark Arciniega
James W. Fowler Co.
Laborers Local 1184



Dontrell Thomas
J.F. Shea Construction
Operating Engineers Local 12



Isaac Ochoa
Power Engineering Construction
Western States Regional
Council of Carpenters

Construction Careers Pipeline Program Implementation/MC3

**How did your MC3
education prepare you
for union sponsorship on
a Metropolitan Water
District project?**

Contractor Participation Before and After PLA Implementation

	Before PLA Implementation	After PLA Implementation
Number of Projects Reviewed	5	11
Time period evaluated	2020/2021	2022/2024
Total Bids/Proposals Received	24	33
Bids from union primes	67%	76%
Bids from non-union primes	33%	24%
Union subcontractors on awarded projects	65%	91%
Non-union primes on awarded projects	35%	9%
<i>For awarded PLA contracts, 50% of listed subcontractors were small business enterprises</i>		

PLA Administration Financials

- PLA administration costs as a percent of total contract earnings:
 - Oct 2022 – Sep 2023: 1.50%
 - Oct 2023 – Sep 2024: 0.52%

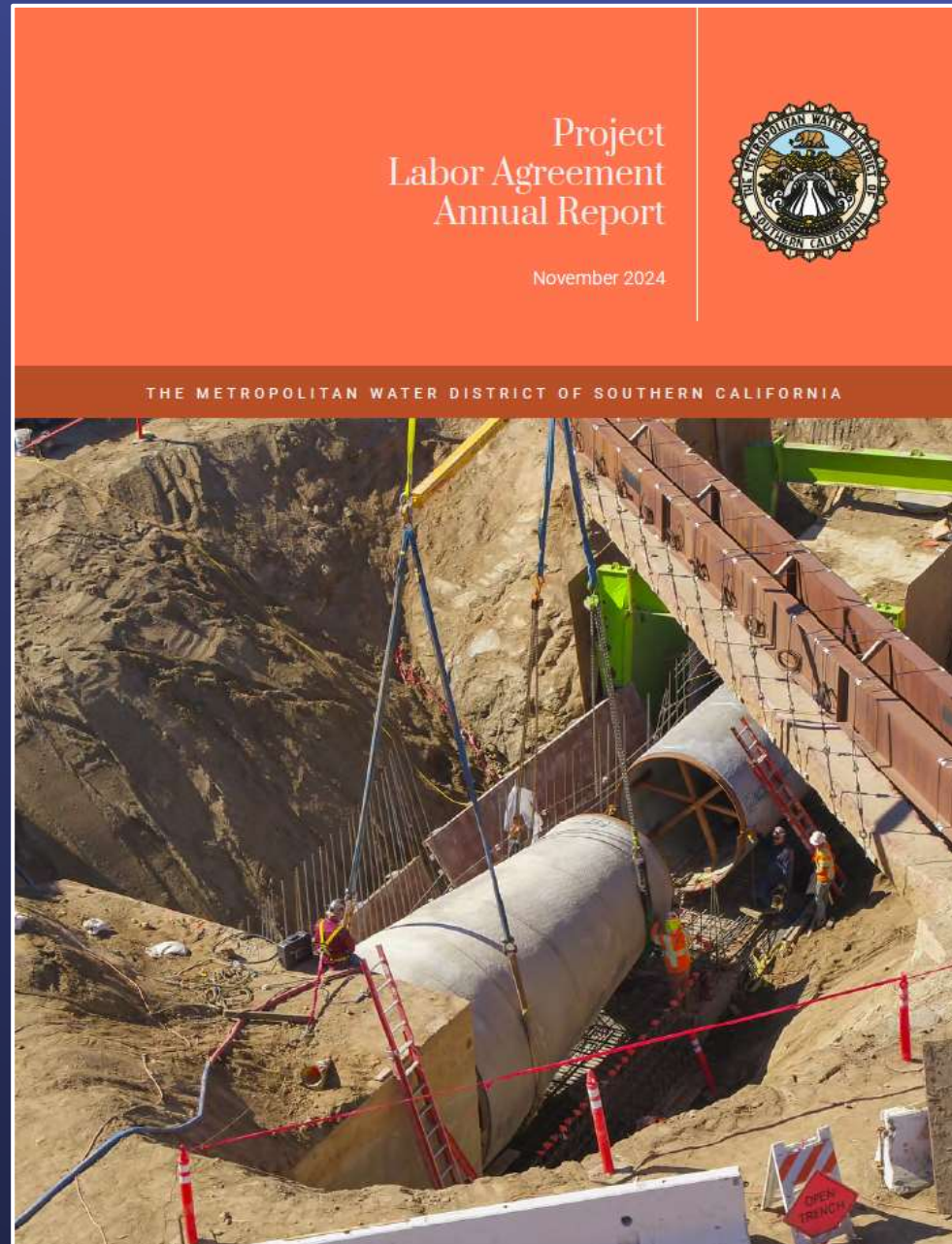


Perris Valley Pipeline I-215 Crossing

Labor Management Collaboration Meeting – Nov. 13, 2024



Project Labor Agreement Second Annual Report



PLA Project Evaluation Process

- Projects were evaluated based on criteria such as:
 - Project delivery method
 - Duration
 - Impact to water deliveries & major shutdowns
 - Number of crafts & subcontractors to minimize potential small business impacts
 - Workforce development opportunities

Recommended Projects to be Covered

- Programs and projects recommended to be added to Attachment D of the PLA:
 - PCCP Program –
All rehabilitation using steel liner
 - Weymouth Administration &
Control Building Seismic Upgrades
 - Weymouth Wheeler Gate Security Improvements
 - Lake Mathews Forebay & Bypass Line
(Progressive Design Build)



Board Options

- Option #1

Authorize the General Manager to amend the Project Labor Agreement to add four new projects and approve the amended Project Labor Agreement's use as a bid condition for the newly added projects.

- Option #2

Do not proceed with adding new projects to the Project Labor Agreement.

