



CITY COUNCIL AGENDA REPORT

MEETING DATE: JULY 21, 2020

ITEM NUMBER: NB-6

SUBJECT: COMMUNITY WORKFORCE AGREEMENT

DATE: JULY 7, 2020

FROM: PUBLIC SERVICES DEPARTMENT

PRESENTATION BY: RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR (714) 754-5032

RECOMMENDATION:

- Staff requests City Council direction on the attached Community Workforce Agreement (CWA) for a five-year term between the City of Costa Mesa (City) and the Los Angeles/Orange Counties Building and Construction Trades Council (Trades Council) (Attachment 1); and
- If approved, authorize the City Manager or designee to execute the agreement and accept any minor modifications to the agreement during the CWA term.

BACKGROUND:

The goal of the Community Workforce Agreement (CWA), also referred to as Project Labor Agreement (PLA), is to encourage the utilization of and to develop opportunities for qualified locally hired personnel and veterans for the construction of the City's various Capital Improvement Projects (CIP). The goal of the CWA is that up to 35 percent of total work hours for qualifying projects be performed by Costa Mesa residents and/or veterans regardless of where they live. If the unions cannot provide the required labor force within the City, the next preference is to reach out to workers residing anywhere in Orange County. All CIP projects are required to comply with all other state regulations per Public Contracts Code and subject to prevailing wage requirements. The prevailing wages are determined by the Department of Industrial Relations according to the type of work and project location.

ANALYSIS:

Several agencies have adopted similar CWA over the past few years. Orange County agencies that have executed CWA include the Cities of Santa Ana, Anaheim and Garden Grove, Anaheim Union High School District and Santa Ana Unified School District.

Staff reviewed the experiences of other jurisdictions with executed Community Workforce Agreements. In general, it was documented that contractors are abiding by the requirements and meeting the local-hire goals set in agreements. The administration costs are approximately one percent of contract cost for larger projects and higher for smaller projects defined as projects, generally valued under \$1 million.

Key provisions of the agreement for Costa Mesa include:

- Effective date of agreement is January 1, 2021 and duration of the term is 5 years.
- The CWA will be applicable for projects listed in Attachment 2 (Attachment F to the CWA).
- The hiring target is 35 percent with priority to Costa Mesa residents and disabled/veterans regardless of where they live. The next priority is for Orange County residents. An apprenticeship is also included to help facilitate local workforce development.
- Projects excluded from the CWA include:
 - Professional, office and other non-manual employees
 - Equipment and machinery purchases
 - Work performed by City employees or other government agencies
 - Work performed by inspectors employed by the City to inspect Contract work
 - Work with funding or grant restrictions
 - Laboratory testing, environmental/compliance requirements

CWA Administration:

The administration of the CWA will be conducted by City staff and consultants. The cost for consultant services will be assigned to respective project budgets.

ALTERNATIVES CONSIDERED:

The City Council could make changes to the proposed CWA. Staff will incorporate approved changes accordingly.

A second alternative is for the City Council to receive and file the report. If this alternative is selected, there will be no changes to current CIP project implementation practices.

FISCAL REVIEW:

The cost of CWA administration will be incorporated within respective project budgets.

LEGAL REVIEW:

The City Attorney prepared the CWA and approves this report as to form.

CITY COUNCIL GOALS & PRIORITIES:

The approval of CWA will further the following City Council goals and objectives:

Goal 2: Improve our Neighborhoods and Quality of Life

Goal 5: Improve Mobility and Parking

Goal 6: Good Government and Community Engagement

CONCLUSION:

The attached CWA is aimed at developing and promoting the local workforce to implement CIP projects. Staff requests City Council direction on the agreement and recommended actions.

RAJA SETHURAMAN
Public Services Director

KIMBERLY HALL BARLOW
City Attorney

CAROL MOLINA
Acting Finance Director

ATTACHMENTS: 1 [Community Workforce Agreement \(CWA\)](#)
 2 [CWA Project List](#)