

PUBLIC WORKS PROJECT LABOR AGREEMENTS

WHEREAS, the City of Philadelphia (“City”) has a compelling interest in awarding building or construction work contracts so as to yield the lowest reasonable costs and the highest standard of quality and efficiency; and

WHEREAS, Project Labor Agreements can ensure that a building or construction work project is completed at the lowest reasonable cost; by the highest quality and most professional work force; and in a timely manner without labor disruptions such as strikes, lockouts or slowdowns; and

WHEREAS, Project Labor Agreements can provide opportunities for the City, contractors and labor organizations to make progress in meeting their respective goals for worker diversity and local employment;

WHEREAS, the City has been a party to Project Labor Agreements pursuant to Executive Orders No. 5-95 and No. 15-11, and has gained useful insight into when Project Labor Agreements are most appropriate and beneficial to the City;

WHEREAS, the City has determined that certain projects, because of their size, complexity, need for a variety of craft labor and critical deadlines are generally appropriate for Project Labor Agreements; and

WHEREAS, guidance to City departments and agencies on the use of Project Labor Agreements benefits the interests of the City:

WHEREAS, an Advisory Committee can provide continuing guidance on the use and form of Project Labor Agreements;

NOW, THEREFORE, by the powers vested in me by the Philadelphia Home Rule Charter, it is hereby ORDERED:

SECTION 1. Definitions.

- (a) Appropriate Labor Organization. An organization representing, for purposes of collective bargaining, journeymen in one or more crafts or trades with a Federal or state certified approved apprenticeship training program and which:
 - (i) has entered into a labor agreement with an employer in the building and construction industry;
 - (ii) has represented journeymen, mechanics and apprentices employed

on projects similar to the project for which a Project Labor Agreement is being considered;

- (iii) possesses the present ability to refer, provide or represent qualified journeymen and apprentices in the crafts or trades required by the project, in sufficient numbers to perform the contracted work involved in the project; and
 - (iv) has identified member diversity as an organizational value and has established objectives for maintaining and increasing diversity among its apprentice and journeyman members.
- (b) City Agency. A City office, department, board, commission or other entity which procures goods and services directly or through the City Procurement Department.
 - (c) Project(s). This Executive Order shall apply to building or construction work, including maintenance and service projects which include substantial building improvements under a contract with the City governed by Section 17-107 of The Philadelphia Code.
 - (d) Project Labor Agreement. A collective bargaining agreement between a contractor as an employer and an Appropriate Labor Organization relating to the building or construction work performed at a particular site (“Project”). Such an agreement sets forth the terms and conditions of employment for workers hired by the employer and sets forth certain work rules, no-strike clauses, jurisdictional determinations and other project-specific provisions that the City, the employer or the Labor Organization deem important for the completion of the project. Any Project Labor Agreement shall be subject to the review and approval of the City’s Law Department.

SECTION 2. Public Works Project Review.

- (a) Each City Agency shall review all proposed Projects, with an estimated construction cost of Three Million Dollars (\$3,000,000.00) or more to determine if a particular Project would be appropriate for a Project Labor Agreement. Projects with lower estimated costs may also be appropriate for Project Labor Agreements, and City Agencies are encouraged to review Projects with lower construction costs. Appropriate Projects include the following characteristics:
 - i. Projects that have high anticipated construction costs;
 - ii. Projects that require the labor of multiple construction crafts or trades;

- iii. Projects that have complex labor requirements that may conflict with existing collective bargaining agreements;
 - iv. Projects that require completion without delay
 - v. Projects that further urgent City goals and
 - vi. Projects being performed in complex work environments or for which the provisions of Section 5 are required.
- (b) All Projects with estimated construction budgets of Three Million Dollars (\$3,000,000.00) or more shall be reviewed by City Agencies prior to issuing an invitation for bids. PLA's should be used when any of the criteria under Section 2(a) are met, unless clear countervailing considerations are present. City Agencies shall forward the findings of the Project review to the Mayor's Office.

SECTION 3. Referral for Project Labor Agreements.

- (a) When a City Agency has determined that a Project is appropriate for a Project Labor Agreement, the City Agency shall provide the Mayor's Office with a written description of the Project and the City Agency's recommendation for a Project Labor Agreement.
- (b) The recommendation of the appropriateness and feasibility of using a Project Labor Agreement for a particular project shall describe how it will benefit and enhance the interests of the City on the basis of costs, efficiency, quality, safety and/or timeliness, and shall specifically address the following factors;
 - (i) The need for safe, timely and efficient completion of the project;
 - (ii) The need for predictable costs and enforcement of prevailing wage requirements;
 - (iii) The need for effective mechanisms for resolution of disputes;
 - (iv) The need for a ready and adequate supply of highly skilled and highly trained craft workers and the need to guarantee performance of the project in a workmanlike and professional manner; and
 - (v) The opportunity to provide significant employment opportunities for qualified City residents, including minority males and women, and for women- and minority-owned businesses.

- (c) This Executive Order does not require the use of a Project Labor Agreement with respect to any particular Project, nor does this Executive Order require the selection of any particular union, trade council or labor organization.

SECTION 4. Determination for Project Labor Agreement.

- (a) The Mayor's Office shall review all submittals required for Projects.
 - (i) Whether a Project Labor Agreement has been recommended or not, the Project shall be reviewed for consistency with this Executive Order.
- (b) When the Mayor's Office determines that a Project Labor Agreement is appropriate, it shall, in consultation with the City Agency, commence a discussion with labor organizations to determine
 - (i) which labor organization(s) may be appropriate for the Project, and
 - (ii) if a Project Labor Agreement is feasible for the Project.
- (c) Where the Mayor's Office determines that a Project Labor Agreement will benefit from monitoring of the opportunities provided for qualified City residents, minorities and women, the Office of Economic Opportunity shall provide such monitoring services and report results to the Mayor's Office on a periodic basis, but not less than yearly.

SECTION 5. Required Provisions In Project Labor Agreements.

Any Project Labor Agreement entered into pursuant to this Executive Order shall:

- (a) Contain guarantees against strikes, lockouts, slowdowns and similar actions;
- (b) Set forth effective, immediate and mutually binding procedures for resolving jurisdictional disputes arising before the completion of the work;
- (c) Contain guarantees for the availability of labor for the Project;
- (d) Require the participating labor organizations to make available at the time of bidding for the Project all collective bargaining agreements and current wage rates applicable to the work;
- (e) Include diversity goals for appropriate labor organizations and contractors and requirements for annual reporting by participating labor organizations on their efforts and progress toward increasing diversity; and

- (e) Require participating labor organizations and contractors to cooperate with the City's Office of Economic Opportunity on providing information on economic opportunity plans and other diversity issues

SECTION 6. Procedures When Project Labor Agreements Are Used.

If a Project Labor Agreement is used pursuant to this Executive Order for any Project, the procedures listed in this section shall be followed:

- (a) A Project Labor Agreement shall be made part of the bid specifications in substantially the form attached hereto as the "Philadelphia Public Projects Labor Agreement," or such other form of agreement that the City Solicitor may approve.
- (b) The Instructions to Bidders shall provide that the City, the Project manager and any contractor shall have the absolute right to select any qualified bidder for the award of project contracts without reference to whether the bidder was unionized, provided, however, that only a bidder willing to execute and comply with the Project Labor Agreement would be designated the successful bidder;
- (c) The Instructions to Bidders shall provide that the Project Labor Agreement shall be made binding on all contractors and subcontractors on the Project through inclusion of appropriate bid specifications in all relevant bid documents;
- (d) Following the award of the contract for the Project, the Project Labor Agreement shall be finalized and executed by the contractor or its project manager, subject to the review and approval of the City; and
- (e) The Project contract and the Project Labor Agreement shall comply with all other provisions of law.

SECTION 7. Advisory Committee for Project Labor Agreements.

- (a) An Advisory Committee for Project Labor Agreements is hereby established. The Advisory Committee shall consist of the following City officials or their designees:

Mayor's Chief of Staff
City Solicitor
Managing Director
Director of Finance
Deputy Mayor for Transportation and Utilities
Deputy Mayor for Economic Development

Other City officials, employees or private citizens may serve on the Advisory Committee at the request of the Mayor's Chief of Staff.

- (b) Duties. The Advisory Committee shall:
- (i) Monitor and evaluate Project Labor Agreements entered into pursuant to this Executive Order, , and review reports from City departments and participating labor organizations on the use of the agreement provisions in Section 5 in meeting the objectives of this Executive Order, including but not limited to, avoiding labor unrest, providing skilled high quality labor, and meeting the diversity goals agreed to by the participating Unions. If reports from Unions are not provided to the City, the Advisory Committee may recommend that the use of Project Labor Agreements be suspended by the City until such time as reports are received and can be evaluated;
 - (ii) Make periodic recommendations to the Mayor regarding the use of Project Labor Agreements , including recommendations for modifications of the terms and conditions of Project Labor Agreements, changes to the policies established herein for their use, and the expansion, limitation, suspension or termination of their use; and
 - (iii) Perform such other duties as the Mayor may from time to time assign.

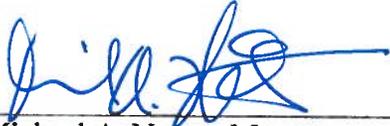
SECTION 8. Prior Order Rescinded.

Executive Order No. 15-11 is hereby rescinded.

SECTION 9. Effective Date.

This Executive Order shall take effect immediately.

12/31/15
Date



Michael A. Nutter, Mayor