EXECUTIVE ORDER NO. 5-20

PUBLIC WORKS PROJECT LABOR AGREEMENTS

WHEREAS, the Courts in Pennsylvania have provided guidance on when certain
government projects, because of their critical deadlines, are generally appropriate for
Project Labor Agreements; and

WHEREAS, the City has gained useful insight into when Project Labor Agreements are
appropriate and beneficial to the City; and

WHEREAS, the City’s history with Project Labor Agreements has demonstrated that
such agreements are a valuable public contracting approach for ensuring 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, 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;

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 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 that procures goods and services directly or through the City Procurement Department.

(c) Project. The work performed at a specified location or under specified City contracts.

(d) Project Labor Agreement. A collective bargaining agreement between a contractor as an employer and an Appropriate Labor Organization and relating to a 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 or the Labor Organization deem important for the completion of the Project. All Project Labor Agreements shall be subject to the review and approval of the City’s Office of Labor and Law Department.

SECTION 2. Recommendations 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 of Labor (“Office of Labor”) 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 shall specifically address the following factors:

i. The need for completion without delay, and without the interruption of strikes, lockouts, or any work stoppage or slowdown that affects a Project;

ii. The need for effective and timely mechanisms for resolution of disputes; and

iii. The need for a ready and adequate supply of highly skilled and highly trained craft workers for the performance of the Project.

SECTION 3. Approval for Project Labor Agreement

(a) The Office of Labor shall review all recommendations in consultation with the Law Department. All Project Labor Agreements shall be subject to the review and approval of the City’s Office of Labor and Law Department.

(b) If the Office of Labor determines that the Project may benefit from a Project Labor Agreement, the Office of Labor shall identify and contact the Appropriate
Labor Organizations regarding their interest and willingness to enter into a Project Labor Agreement.

(c) The Office of Labor may determine that a Project Labor Agreement will benefit from third-party monitoring of the opportunities provided for qualified City residents, minorities, and women. If so determined, the Office of Labor will direct the Labor Standards Unit to select and contract with a qualified monitor ("Monitor"). If a Monitor is engaged for the Project, the cost shall be shared by the City contractor(s) and the Appropriate Labor Organizations.

SECTION 4. 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;

(c) Include diversity goals for Appropriate Labor Organizations and contractors;

(d) Make clear that no employee shall be required to be or become a member of an Appropriate Labor Organization or pay any agency fees to an Appropriate Labor Organization, as a condition of performing work under the Project Labor Agreement. Any provision in a Project Labor Agreement that requires an employee to be, or become, a member of Appropriate Labor Organization, or to pay any agency fees to an Appropriate Labor Organization, shall be unenforceable, null, and void; and

(e) Be consistent with rulings of Pennsylvania courts and other courts of competent jurisdiction.

SECTION 5. Procedures for Project Labor Agreements

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 a form approved by the City’s Law Department;

(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; and

(e) The Project contract and the Project Labor Agreement shall comply with all other provisions of law.

SECTION 6. Prior Order Rescinded

Executive Order No. 8-15 is hereby rescinded.

SECTION 7. Effective Date

This Executive Order shall take effect immediately.

[Signature]  
James F. Kenney, Mayor
Memorandum

TO: Rich Lazer, Director of Labor
FROM: James Kellett, Deputy City Solicitor
DATE: October 13, 2020
SUBJECT: Public Works Project Labor Agreements Executive Order

Mr. Lazer,

You have submitted for review a draft of an Executive Order entitled:

PUBLIC WORKS PROJECT LABOR AGREEMENTS

This proposed Executive Order, a copy of which is attached hereto, is in proper form and there is no legal objection to its issuance. In accordance with customary practice, we have not been requested to review any factual premises upon which this Executive Order may be based.

/s/
James C. Kellett
Deputy City Solicitor