## **Prince George's County Council Agenda Item Summary**

**Meeting Date:** 11/15/2011 **Reference No.:** CB-016-2011

Draft No.: 3
Proposer(s): Toles

**Sponsor(s):** Toles, Franklin, Turner, Olson, Lehman, Patterson

**Item Title:** An Act concerning contracts for the purpose of amending the Code to allow the use of Project

Labor Agreements on County construction projects in excess of \$1,000,000.

**Drafter:** Colette R. Gresham, Legislative Officer

Resource Personnel: Dwayne B. Mingo, District 7

**LEGISLATIVE HISTORY:** 

Date Presented:5/17/2011Executive Action:12/7/2011 SCommittee Referral:5/17/2011 - PSFMEffective Date:1/23/2012

**Committee Action:** 6/1/2011 - HELD

10/5/2011 - FAV(A)

**Date Introduced:** 10/18/2011

**Public Hearing:** 11/15/2011 - 10:00 AM

**Council Action (1)** 11/15/2011 - ENACTED

Council Votes: WC:A, DLD:A, MRF:A, AH:A, LJ:-, ML:A, EO:A, OP:A, IT:A, KT:A

Pass/Fail:

**Remarks:** 

## **AFFECTED CODE SECTIONS:**

10A-101, 10A-157, 10A-158

## **COMMITTEE REPORTS:**

PSFM Committee Report Date 10/5/2011

Committee Vote: Favorable as Amended 5-0 (In Favor: Council Members Campos, Franklin, Patterson, Toles and Turner)

This bill will amend the County Code to require the use of Project Labor Agreements on County construction projects in excess of \$1,000,000. The Committee held its first meeting on June 1, 2011 to discuss the bill. During the meeting Gerard Waites, Esq., of O'Donoghue & O'Donoghue, LLP gave a brief overview of Project Labor Agreements (PLA) and its use around the country in the last several decades. Testimony was allowed from those supporting the legislation including the Building and Construction Trade Council and, US Journeymen, Inc., as well as those in opposition representing the MMCA, Association of Builders and Contractors and the Maryland Transportation Highway Contractors. The Committee requested information from the Office of Central Services regarding how many County contracts are \$1 Million and over and how many are awarded to MBEs and LMBEs.

The Committee met again on October 5, 2011 to continue discussion and review amendments to the legislation. Members had concerns about knowing how successful this program will be. Monica Johnson, Director

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of Central Services stated that the Administration is in support of this bill with amendment to make it enabling and OCS will track the data. Discussion also included adding language to use best efforts to hire 51% of local residents on PLA projects.

During the worksession the bill was amended as follows:

- 1. On page 1, line 3, delete "require" and insert "allow"
- 2. On page 3, line 15, delete "requiring" and insert "allowing"
- 3. On page 4, delete lines 10-12 and insert the following "All solicitations, including invitations for bids and requests for proposals, issued for construction projects by the County that have an estimated dollar value of One Million Dollars (\$1,000,000) or more may include a clause that requires the execution and use of a Project Labor Agreement, as defined herein."
- 4. On page 4, line 31 delete "and" and on page 5, line 1, after "(E)" add the following "provide that applicable project contractors and labor organizations shall work together and use reasonable efforts to ensure that a goal of fifty-one percent (51%) of Prince George's County residents are afforded maximum opportunities for employment and skill training on Project Labor Agreement projects; (F). require the establishment of a Project Labor Agreement Coordinating Committee comprised of representatives of contractors, labor organizations and appropriate County officials, as designated by the County Executive; this committee shall oversee the development of Project Labor Agreements and assist in their administration in a manner that promotes the timely, cost-effective delivery of affected projects and affords maximum employment and training opportunities for residents of Prince George's County; and (G)."

The Office of Law has reviewed this legislation and finds it to be in proper legislative form with no legal impediments to its enactment.

The fiscal impact on the County cannot be determined at this time.

## **BACKGROUND INFORMATION/FISCAL IMPACT:**

(Includes reason for proposal, as well as any unique statutory requirements)

The proposed legislation requires the use of Project Labor Agreements (PLAs) on County construction projects in excess of \$1,000,000. PLAs are pre-hire collective bargaining agreements with labor organizations in the construction industry, that establish the terms and conditions of employment for a specific construction project. The use of PLAs can provide structure and stability to large construction projects as well as ensure compliance with laws and regulations governing workplace safety and health, equal employment opportunity and labor and employment standards. President Obama signed Executive Order 13502 on February 6, 2009, encouraging executive agencies to consider requiring the use of PLAs when they engage in large-scale construction projects. PLAs have been used at the State and municipal levels in all 50 States and the District of Columbia on various construction projects ranging from schools and hospitals to roads and bridges.

10/18/2011: Prior to introduction, CB-16-2011 (DR-2) was amended as follows:

- 1. On page 4, line 5, after "10)" delete "The" and insert "Due to the tough economic times, the", after "that" delete "poverty"; on line 6, delete "social problems" and insert "challenges", and after "and" insert "in an effort to put more Prince George's County residents to work,".
- 2. On page 4, line 21 after "by" insert "the County,".
- 3. On page 5, line 3, delete "fifty-one percent (51%)" and insert "fifty-five percent (55%)".

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- 4. On page 5, line 8, after "Executive" insert "and the County Council".
- 5. On page 5, line 15, insert "SECTION 4. BE IT FURTHER ENACTED that the County shall have a goal of at least one (1) Project Labor Agreement project in FY 2012 and shall have a goal of at least two (2) Project Labor Agreement projects beginning FY 2013 and in each fiscal year thereafter. The Office of Central Services shall track the data and provide quarterly reports to the County Council on the Project Labor Agreement program to include but is not limited to the average number of local residents hired on projects currently and the local residents hired under Project Labor Agreement projects."

CB-16-2011 (DR-3) was introduced.	
CODE INDEX TOPICS:	
INCLUSION FILES:	