

## PORT OF PORTLAND COMMISSION POLICY

### PROJECT LABOR AGREEMENT USE

POLICY No. 6.1.15

Approved Commission Meeting of January 11, 2012

#### **Definition; Purpose; Application**

Project labor agreements (“PLAs”) are generally labor agreements binding on all contractors, subcontractors, and labor unions for all trades on a construction project. For purposes of this policy the term PLA encompasses all pre-hire collective bargaining agreements for Port-controlled public improvement projects, including PLAs, community benefit agreements, community workforce agreements, and similar agreements. This policy sets forth the decision-making framework that Port personnel must follow in deciding whether to use PLAs on Port-controlled public improvement projects. This policy does not apply to public improvement projects where the Port does not contract directly with the prime construction contractor, including tenant-controlled public improvement projects on Port property.

#### **Policy Statement**

PLAs Must Advance the Port’s Legitimate Interests. The Port may only pursue a PLA if Port personnel have first reasonably determined, through documented evidence developed under a written PLA use procedure adopted by Port management, that using a PLA on a particular project will advance the Port’s legitimate interests in producing labor-management stability, achieving efficiency, managing construction costs, and ensuring legal compliance. In determining whether the use of a PLA will advance such interests, Port personnel may consider factors such as:

- The size and complexity of the project;
- The importance of the project and the need to adhere to a certain timeline;
- The risk of labor disruption on the project and the circumstances that are present that may lead to a heightened risk of labor disruption, such as the history of labor unrest in the area, the anticipated working conditions of the particular project relating to the environment or work schedules, and the expiration of one or more collective bargaining agreements;
- The impacts of a labor disruption to the Port and its stakeholders, on the operation of the facility, and on the region;
- The costs of a delay should a labor disruption occur; and
- The available labor pool relative to the particular skills required to complete the project.

This list is not exclusive; other factors advancing the legitimate interests described above may be considered in determining whether a PLA is appropriate.

PLAs Must Advance the Interests Embodied in Competitive Bidding Laws. In addition to furthering the Port’s legitimate interests, all Port PLAs must be consistent with the interests embodied in applicable competitive bidding laws. In determining whether the use of a PLA will be consistent with such interests, the following requirements apply:

- Consistent with the Oregon Public Contracting Code, Port PLAs must be used and structured in a manner that allows impartial and open competition, protecting both the

integrity of the public contracting process and the competitive nature of public procurement.

- The use of a PLA must be reasonably intended to promote efficient use of Port resources, maximizing the economic investment in public contracting within Oregon.

Commission Approval. Prior to using a PLA on any Port-controlled public improvement project, Commission approval shall be sought. Commission PLA approval procedures must be established in a PLA Use Procedure to be developed by Port personnel.