



**Establishment of a Pilot Project Stabilization Agreement (PSA)  
for the Northern Branch Jail AB 900 Phase II Project**



# Presentation Overview

- **October 7th**
- **October 13th**
- **Concerns without 100% Approval**
- **October 14th**
- **Closing**



# October 7th

- **General Services presented a Pilot Project Stabilization Agreement (PSA) to your Board**
- **The PSA is intended to cover the Northern Branch Jail AB 900 Phase II Project**
- **County Staff delivered to your Board all the information needed to approve a PSA for the Project**
- **Tri-Counties Building and Construction Trades Council (TCBT) failed to deliver 100% approval of their trades and affiliates by deadline of October 1st**
- **A significant trade “refused” to sign**
- **Resignatures needed to allow extension of time**



# October 7th

- **As a result, your Board continued the item to the 14<sup>th</sup> and asked TCBT to deliver signatures by noon on October 13<sup>th</sup>**
- **Your Board also:**
  - **Received a report on status of negotiations**
  - **Received evidence that a PSA furthers a legitimate governmental interest consistent with competitive bidding law**
  - **Provided conceptual approval of the PSA, as drafted and presented**
  - **Made California Environmental Quality Act (CEQA) finding**



# October 13th

- **TCBT notified staff that Operating Engineers Local 12 will not sign the PSA**
- **Since TCBT did not obtain ALL signatures, staff recommends your Board not pursue a PSA at this time**
- **TCBT stated they “would not be comfortable pursuing the PSA any further without 100% support from County staff”**



# Concerns Without 100% Approval

- **Kitchell has successfully worked on hundreds of PSAs for public projects and are unaware of the existence of a PSA without 100% local union participation**
- **Without this level of approval you lose the primary benefit of a PSA; an agreement by ALL trade unions against labor strife for the project**
- **Different sets of labor requirements would apply to our Project work site leaving the practical implementation of the agreement unclear**
- **This increases the likelihood of labor and jurisdictional disputes**
- **Bidders may add costs, if they bid the Project, to account for additional uncertainty and administrative burden**
- **Adds another layer of complexity beyond what would exist with a PSA signed by 100% of the trades and affiliates**



# October 14th

- **Without 100% TCBT approval - staff recommends two options for your Board's consideration:**
  - **Direct staff to move forward utilizing the Board's previously approved Joint Labor Compliance Program in lieu of the Pilot PSA; OR**
  - **Direct staff to move forward utilizing the Board's previously approved Joint Labor Compliance Program in lieu of the Pilot PSA and begin work to present the Board with a draft Pilot PSA for the SB1022 component of the Northern Branch Jail Project, or other future project; also**
- **Make required California Environmental Quality Act (CEQA) finding**



# October 14th

- **Alternatively, if your Board directs staff to move forward with less than 100% of the signatures:**
  - **Make findings that a Pilot PSA furthers a legitimate governmental interest consistent with competitive bidding law**
  - **Approve a revision to the draft PSA that allowed for resignatures of the affiliates after the October 1st deadline**
  - **Approve and authorize the Chair to sign the Pilot Project Stabilization Agreement for the Northern Branch Jail AB 900 Phase II Project**
- **Make required California Environmental Quality Act (CEQA) finding**





**Thank You**