

Agenda Item 03-02

Update on Reservoir CMAR Procurement Checklist

Reservoir Committee and Authority Board

October 18, 2024



Focus for today

- Staff is working through the checklist with policy guidance from the Contract Strategy Ad Hoc and O&E workgroup (status update in staff report Attachment A)
- Draft Construction Workforce Policy (covered on subsequent slides)

Refresher: Contract Strategy Risk Summary

“Alternative Projects” in draft Construction Workforce Policy

- Hydraulics
- Power
- System Controls
- O&M

MSPG

JPA

Partner Facilities

- Ownership
- Operations

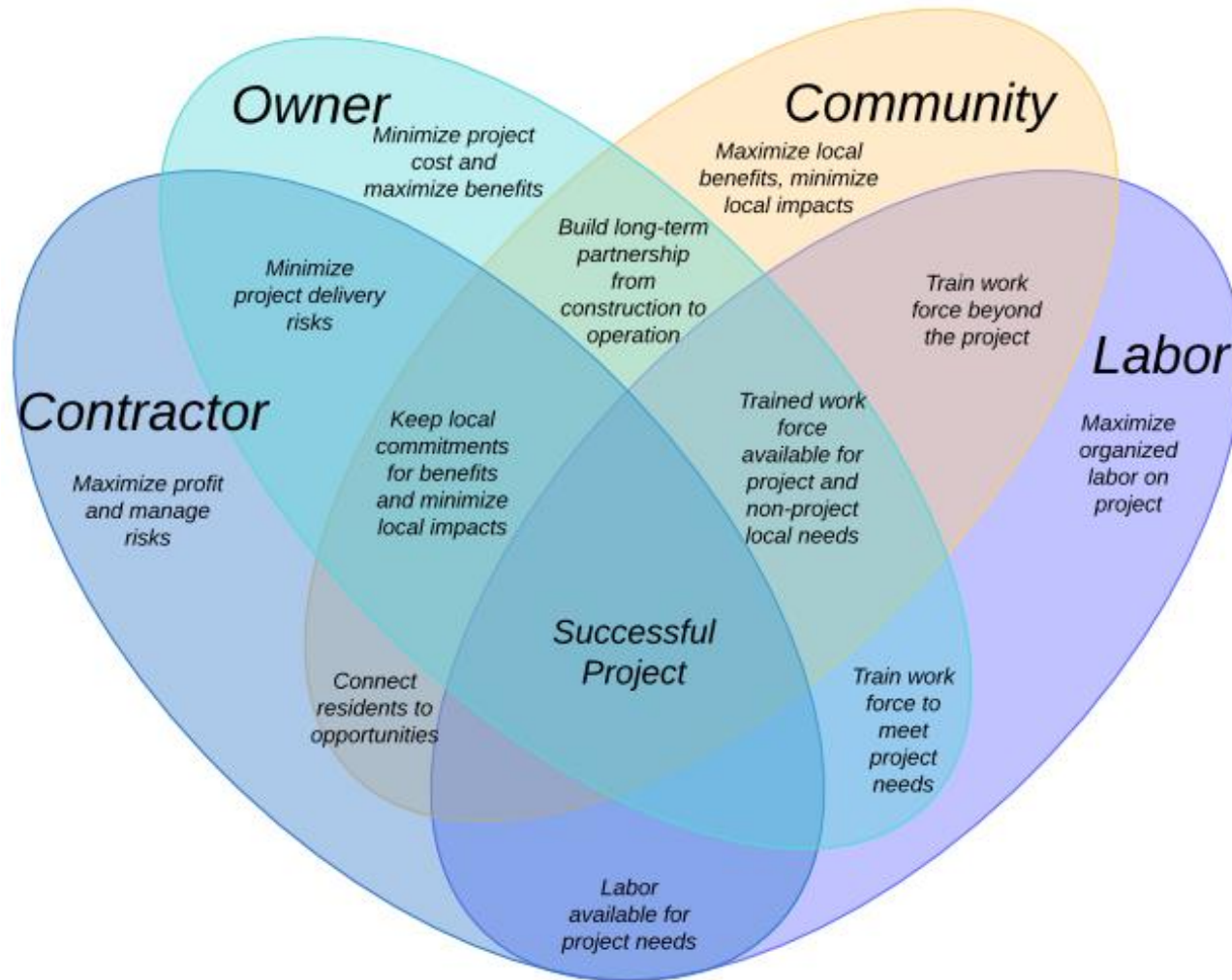
Stand Alone and Specialty

- Dunnigan Pipeline
- Huffmaster Road
- Reservoir Clearing
- Mitigation
- Recreation

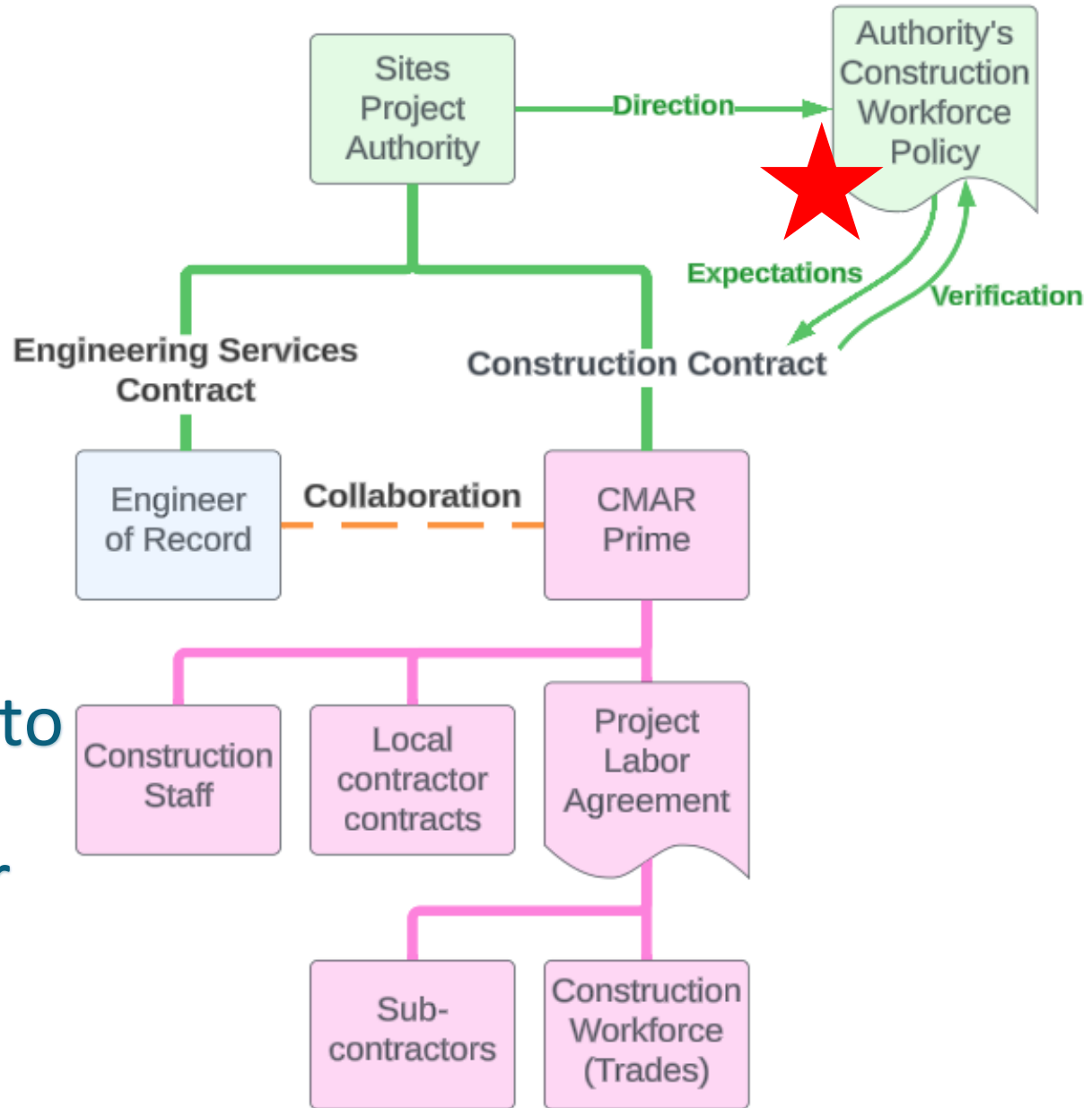
- Logistics
- Material Balance
- Schedule
- Community

Reservoir

There are unique and overlapping workforce interests between four parties



Oct 15, 2024



The Authority is establishing a Construction Workforce Policy to bring these interests together for a successful project

Staff has developed the Construction Workforce Policy through the O&E Workgroup with input from the Contract Strategy Ad Hoc

Staff was directed to establish a Construction Workforce Policy that focuses on:

- ✓ Acknowledging the history, working relationship, and shared interests between the Authority, the community, the contractor, and labor.
- ✓ Setting up expeditious negotiation of Project Labor Agreements for construction contracts utilizing alternative delivery and including key terms such as commitments to no work stoppages, workforce development and training requirements, and more.
- ✓ Delegating the negotiation of a Project Labor Agreement to the Authority's selected CMAR.
- ✓ Balancing the need for flexibility with future work, some of which doesn't use alternative delivery, and for early certainty on workforce development.
- ✓ Establishing goals and incentivizing behaviors (and including metrics and mitigation measures) consistent with the LCWG policy recommendations.

Why should the CMAR contractor negotiate project-specific PLAs?

- The contractor should manage the risk for staffing the project, avoiding schedule delays, and complying with flowed-down labor requirements. PLAs are an important component to managing this risk.
- Project-specific PLAs can focus on the applicable trades to the scope of work and the means and methods of the contractor.
- Many contractors interested in Sites are already signatories with trade unions applicable to this scope of work.
- The Authority can apply lessons learned to the next CMAR, the Maxwell-Sites Pumping and Generating package which will lag by 6-12 months.

The Project Area and Local Area goals are driven by the values of the Authority and informed by a labor availability analysis

“The Authority recognizes the significant contributions of local Sacramento Valley landowners and communities...”

Sites Project Authority Strategic Plan

The **Construction Workforce Policy** establishes goals for hiring Sacramento Valley residents and will require reporting on progress related to the **percentage of construction hours** on the Project of:

20% Project Area Residents*

Residents of Colusa, Glenn, and Yolo Counties

50% Local Area Residents*

Residents of the Project Area plus Butte, Placer, Sacramento, Shasta, Sutter, and Tehama Counties

**Initial goal informed by AECOM labor market analysis utilizing industry accepted tool (Lightcast) and Bureau of Labor Statistics data which was reviewed with the Local Community Working Group*

Proposed path forward for the draft Construction Workforce Policy

- Continue developing details with the Contract Strategy Adhoc
- Provide a draft of the Construction Workforce Policy (the “Policy”) and request input from proposers in the CMAR RFQ (target: Nov, 2024)
- Use the time ahead of the RFP to:
 - Continue discussions with the Local Community Working Group
 - Incorporate input from the proposing contractor SOQs
 - Build on the existing relationships with the trades
 - Finalize the Policy and integrate it into the CMAR contract.
- Provide the Policy and request proposers to describe approach for meeting expectations in response to the RFP; score contractor approach

Questions?

