

Reservoir Committee and Authority Board Meeting

Agenda Item 3.1:
Construction Workforce Policy

April 17, 2026



For Today

Issue for Discussion

- Align the Construction Workforce Policy (CWP) with lessons learned from the Reservoir CMAR procurement and the Reservoir PLA.

Policy Direction Needed

- Direction on proposed CWP revisions so the next procurement step (Conveyance CMAR) can proceed on schedule.

What is driving the update to the Construction Workforce Policy (CWP)

- The CWP was adopted by the RC/AB in April 2025
- The Reservoir CMAR contract was awarded to Barnard; The RC/AB directed staff to work with Barnard to expeditiously execute a PLA that meets CWP requirements. (PLA Executed March 20, 2026)
 - *Update since publishing staff report: District Council of Laborers has now signed*
- The Reservoir PLA negotiation process surfaced labor-environment realities and inter-union dynamics not fully reflected in the current CWP.
- Updates for consideration include:
 - Revising the approach to developing PLAs based on lessons learned
 - Including Solano County in the Local Area definition
 - Confirming covered vs. non-covered work and local hauling

What are the Authority's interests in Project Labor Agreement negotiations?

- Maintaining full compliance with the special legislation authorizing Sites to use alternative delivery methods.
- Requiring contractors to comply with the Construction Workforce Policy (which includes commitment to the local community).
- Delivering the project without disruption.
- Confirming labor agreement compatibility across all the applicable work packages.
- Confirming all crafts perform their historically recognized work without displacement by other crafts.
- Enabling competition by requiring contractor accountability.

Staff has developed two options to continue to satisfy these interests in future PLAs

Option 1 – Implement a “Template PLA”

- **Adopt a “Template PLA”** using the Reservoir PLA terms/conditions as the baseline for future alternative delivery contracts (with RC/AB input as needed).
- **Speed + consistency:** leverage the work already done on the Reservoir PLA to reduce time/risk on future procurements and protect schedule. Ensure compatibility across packages.
- **Require contractor sign-on:** each future alternative delivery contractor must negotiate and become signatory to a PLA that substantially complies with the Template PLA and the Construction Workforce Policy.
- **Allow limited exceptions:** variances can be permitted **case-by-case** with Sites Authority approval (e.g., conflicts with existing master labor agreements, workforce availability, labor harmony, project-specific conditions).

Option 2 – No template, require a “Labor Harmony Plan”

- Continue the current approach: allow PLAs under the Construction Workforce Policy (CWP) as contemplated in the legislation for alternative delivery.
- Reaffirm commitment to using a skilled, trained workforce on all alternative delivery projects.
- Add a contractor “Labor Harmony Plan” requirement to ensure:
 - Uninterrupted work
 - Skilled/trained workforce availability
 - Compliance with all applicable labor requirements
- Protect craft jurisdiction: labor harmony plan must show no craft/labor organization displaces another’s historically recognized scope of work.

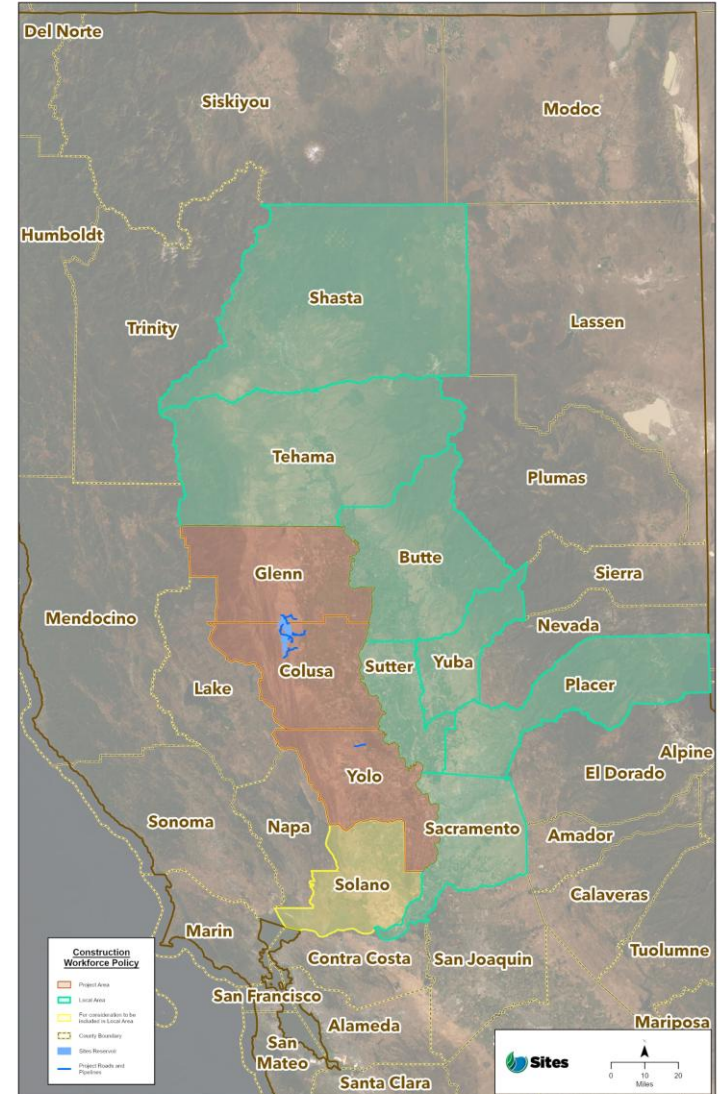
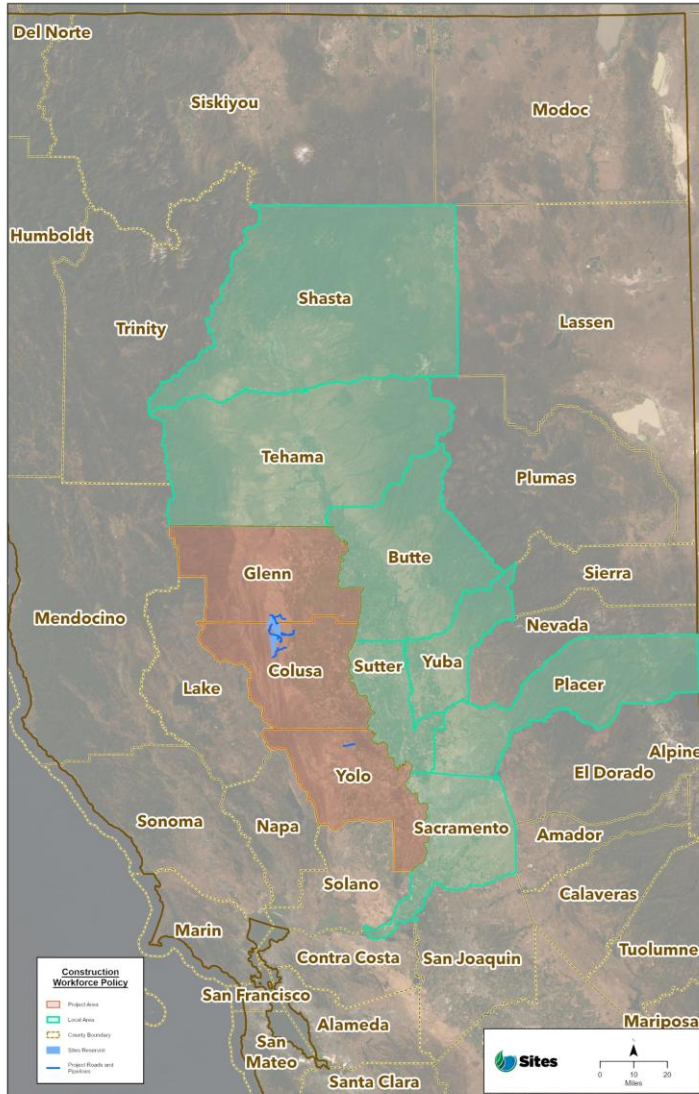
The Construction Workforce Policy has a definition of the “Local Area”

- Adopted by SPA Board in April 18, 2025 (<https://sitesproject.org/wp-content/uploads/2025/04/02-01-Construction-Workforce-Policy.pdf>)
- Established “Project Area” and “Local Area” craft work hours
 - 20% from Project Area
 - 50% from the Local Area

Project area: Colusa, Glenn, and Yolo Counties

Local area: Project area + Butte, Placer, Sacramento, Shasta, Sutter, Tehama, and Yuba Counties

Local Area – Proposed Change, Adding Solano County to Local Area



Revised Labor Assessment – Findings from Adding Solano County to Local Area

The Authority conducted an update of the Labor Availability analysis to determine the potential effects of adding Solano County. Results are:

- Solano County labor force larger than Yolo County with a high proportion of construction-related workers
- Solano County inclusion increases the trade workers available to meet the Local Area hire target by 11% to 18%.
- Addition of Solano County increases the likelihood that Local Area targets are met for all trades.
- Project Area workforce findings unchanged by Local Area expansion
- Project Impact and Mitigation analyses/findings unchanged by Local Area expansion

Therefore, it is recommended that Solano County be added to the Local Area definition for the project.

The PLA defines which work must be performed by union workers

Covered Work: Project work that must be performed by union workers

Non-Covered Work: Project work that may be performed by non-union workers

Providing jobs for local people involves covered and non-covered of work.

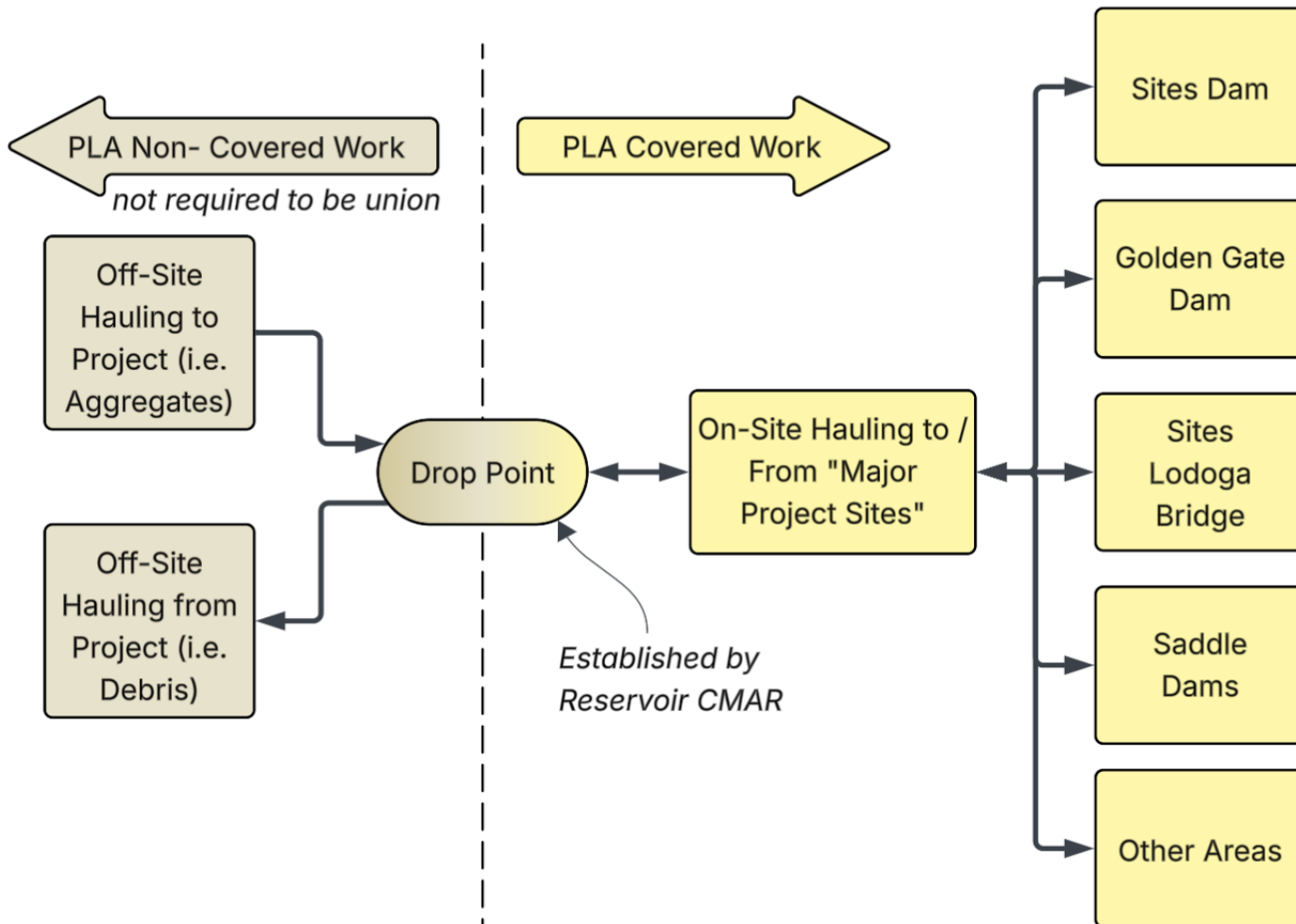
Non-Covered Work – An Update

Examples of Non-Covered Work

- Trucking and Off-site hauling
- Equipment Suppliers
- Material Fabrication Shops (suppliers)
- Engineering Firms Manufacturer Installations
- Offsite Testing Laboratories
- Owner Staff Work
- Non-Construction Support Services – security, traffic control, site logistics, environmental monitoring

Hauling – An Important Local Opportunity

Project Hauling Example - Reservoir Package Project Labor Agreement (PLA)



Construction Workforce Policy update process

- ✓ Receive a Reservoir PLA that is compliant with the Authority's Construction Workforce Policy (CWP)
- ✓ Confirm Local Community Working Group acceptance of adding Solano County to CWP and treatment of covered and non-covered work in the Reservoir PLA

Next Steps (in May)

- Update the Construction Workforce Policy based on direction received today from RC/AB
- Adopt the updated CWP and approve the Executive Director releasing the Conveyance Package CMAR RFQ

Questions?