

Project Labor Agreement Policy

Caltrain Board of Directors
November 2, 2023



Caltrain PLA Policy – Overview

Caltrain staff have developed a PLA Policy for JPB consideration. It includes:

- Definition of applicable Caltrain projects
- \$10 million policy threshold and process for adjustment
- Federal and state guidance and regulations
- Process for ensuring that Caltrain DBE and SBE goals are met
- Community Workforce Agreements (CWA) and hiring programs
- Definitions of covered and excluded work
- Process for adoption of the PLA for applicable Caltrain projects
- Annual reporting process

Caltrain PLA Policy – Peer Research

PLAs often apply to **specific capital projects** or **capital projects over a certain dollar threshold**. Peer examples showed a range of thresholds:

Organization	PLA Threshold
Sonoma County	\$10 million
Santa Clara County	\$2 million
VTA	\$2 million
City of San Jose	\$1.25 million
City of San Francisco	\$1 million
Alameda County	\$1 million
AC Transit	All Bus Rapid Transit (BRT) projects
TJPA	All Phase I & II projects
BART	Specified “Major Projects”
LA Metro	Measure M and R projects, P3s

Caltrain PLA – Recommended Initial Threshold

<u>Threshold</u>	<u>% of FY23 Program Value</u>	<u>FY23 Covered Projects</u>	<u>% of Total FY23 Projects</u>
\$2 million	99%	16	84%
\$5 million	86%	7	37%
\$7.5 million	76%	3	16%
\$10 million - Staff Rec	73%	2	10%
\$35 million	61%	1	5%

A **\$10 million** threshold is recommended as it captures the majority of the JPB capital portfolio value while reducing the initial administrative burden.

Caltrain PLA – Revisiting the Threshold

Section 3 of the PLA Policy states:

“The \$10 million threshold will remain in place until modified by the Board of the JPB, but no earlier than the completion of the Caltrain Capital Investment Plan (“CIP”).

JPB staff will revisit the threshold following the completion of the CIP, as part of the subsequent biennial budget process, and will make a recommendation for adjustment of the threshold if warranted.”

Today's Action – PLA Policy Approval

Caltrain staff recommend that the Board of Directors approve a resolution and adopt a PLA Policy for construction projects with a contract awarded by the JPB and an engineer's initial cost estimate over \$10 million.

Caltrain PLA Policy – Process

- May 22:** JPB Finance Committee – Informational
- May – July:** JPB briefings, draft PLA Policy refinement, steering committee meetings
- August 28:** JPB Finance Committee – Informational Item
- October 23:** JPB Finance Committee – Recommendation for Action
- November 2:** JPB Meeting – Recommendation for Action
- Early 2024:** PLA for Applicable Projects – Informational Item and/or Action