



Project Labor Agreement Inaugural Annual Report

November 2023



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Pictured on the cover: Etiwanda Pipeline Relining project to install new steel liners and replace mortar lining with polyurethane for corrosion control.

On this page: At the F.E. Weymouth Water Treatment plant mechanical and structural improvements are part of a rehabilitation program.

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Introduction



Representatives from the signatory Building & Constructional Trades Councils are pictured with Metropolitan leadership, holding signed PLA certificates at a ceremony. Dec. 20, 2022.

Welcome to the inaugural progress report for the Metropolitan Water District of Southern California’s landmark Project Labor Agreement (PLA), authorized by our Board of Directors in October 2022. This report, the first in a cycle of annual reports, will look at PLA policies, programs and requirements and highlight the handful of projects that have started construction to date. As the program grows, and more projects begin and PLA statistics gathered, the report will provide more comprehensive data and spotlight even more local and transitional workers.

The PLA was a groundbreaking agreement signed by Metropolitan and the Los Angeles and Orange Counties Building and Construction Trades Council, the San Bernardino-Riverside Counties Building and Construction Trades Council, the San Diego County Building and Construction Trades Council, the Tri-Counties Building and Construction Trades Council, and their signatory construction unions. The PLA includes a 60 percent goal of employing local workers, which is the highest target in the region. It also includes a 15 percent goal of employing transitional workers in PLA projects by focusing on people facing challenges who need some extra help to launch their careers in construction.

Reports often get mired in numbers – which is typically an important quantitative measure of success. We will include those numbers but also want to reflect on the measurements that are less quantifiable but arguably just as important and impactful on a human scale. This PLA promotes programs that can change the trajectory of a person’s life. The Construction Careers Pipeline Program (CCPP) is one of these transformational programs. Important components of the CCPP program are apprenticeship readiness programs (ARPs), which provide training using the North America’s Building Trades Unions’ (NABTU) recognized multi-core craft curriculum (MC3). ARPs, commonly referred to as MC3s promote entry-level opportunities and help to remove barriers to careers in the construction field. The nationally-recognized Helmets to Hardhats Program connects skilled military veterans with opportunities in the construction industry as well, and is a valuable resource.

The PLA includes 34 projects (and counting) identified by Metropolitan to initiate in the five-year term of this agreement. The PLA also applies to all construction related to Metropolitan’s proposed Pure Water Southern California regional recycled water project. Together these projects represent about 90 percent of Metropolitan’s planned Capital Improvement Plan expenditures estimated at nearly \$1 billion. That number could increase. Metropolitan has the option to amend the PLA by adding projects that arise, but are not currently identified. All contractors and subcontractors– union and non-union – will be required to follow certain labor requirements that include the payment of prevailing wages, hiring locally, ensuring worker training, supporting apprenticeship programs, and using a dispute resolution process. As of the writing of this report, there are 8 projects have been awarded by the board.

As signatories to this agreement, we share in the commitment to improve our Southern California communities by widening the pathway and increasing opportunities to work in construction through apprenticeship programs. We want to develop a skilled workforce for today and the future that represents the diversity of our region and expands opportunities to populations that are underrepresented in the construction industry. We hope you follow our progress.

Signed



Adel Hagekhalil



Ernesto Medrano



Slaughter Bradley

Carol Kim

Carol Kim



Joshua Medrano



Inside the Etiwanda Pipeline.

Construction Careers Pipeline Program Implementation Update

Creating a pipeline to reach and assist local and transitional workers interested in starting a career in the construction industry is the cornerstone of the Project Labor Agreement. The Construction Careers Pipeline Program was established by the PLA to coordinate outreach and recruitment with our construction union partners and contractors. The shared goal is to create a pool of workers who will be trained for direct employment with Metropolitan's construction contractors and create opportunities within Metropolitan's own workforce.

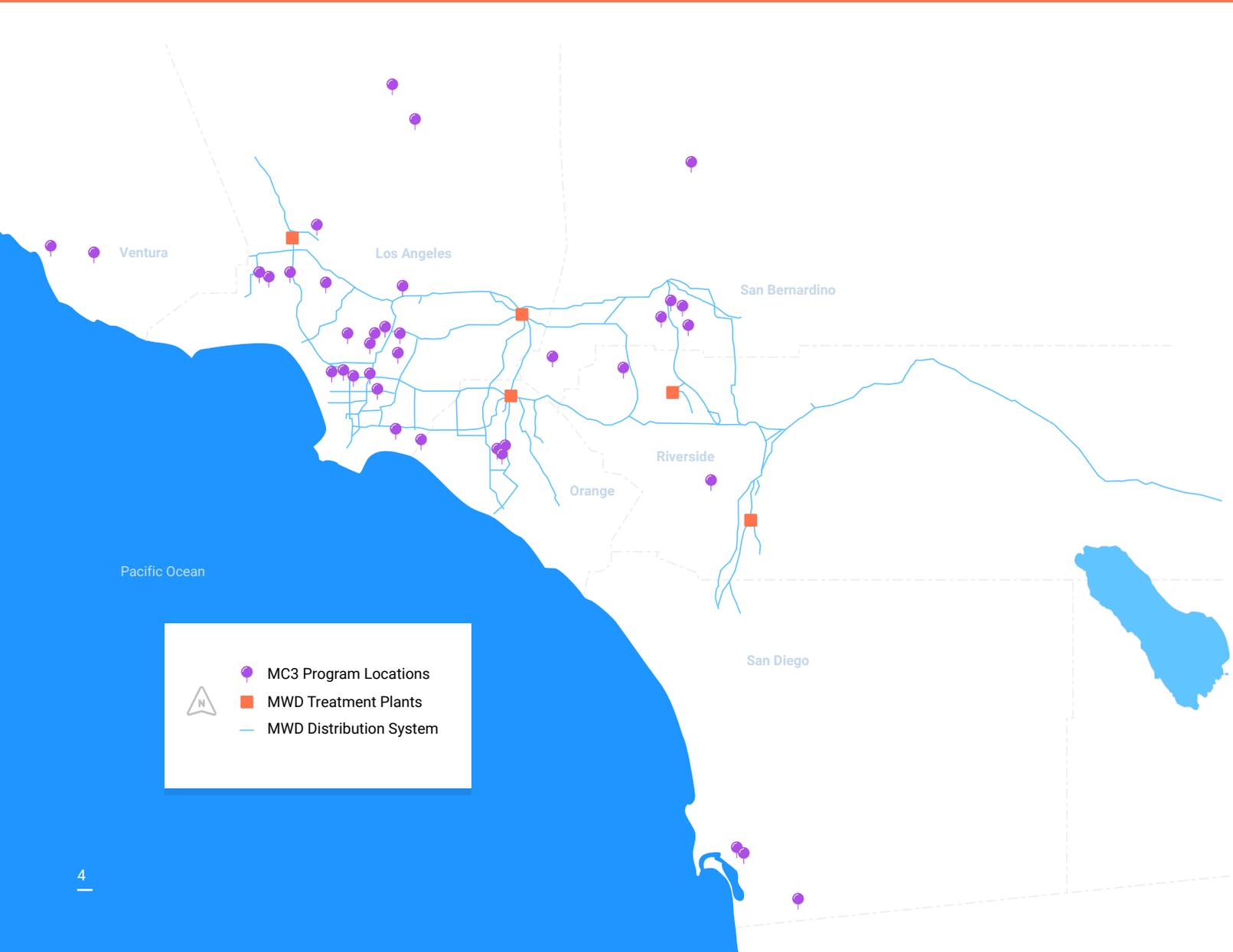
Many of these local and transitional workers will be recruited to work on Metropolitan construction projects from ARPs that provide training for a variety of project-specific skills at no or low cost. These programs open a gateway to accessing union building trades' apprenticeship programs. There are currently more than twenty ARPs throughout the Metropolitan service area.

Steps to build the framework for the CCPP are already underway. Metropolitan's Project Labor Coordinator team has been working with contractors, signatory unions and other CCPP stakeholders/partners since the PLA was adopted. The coordinator team can be one or more Metropolitan staff members or a designee responsible for monitoring PLA compliance and helping to develop, implement and administer all agreement policies and programs. The team has held general and individual meetings to establish a relationship with each program and reiterate Metropolitan's commitment to the use of local and transitional workers, understand their operations, review cohort frequency, demographics served, and records of previous MC3 graduates who would like to begin their union construction careers. Metropolitan's team has also met with general contractors and their subcontractors to review workforce needs, review the PLA's CCPP, and collaborate on potential new apprentice placements for PLA-covered projects.

Apprenticeship Readiness Program Outreach

Partnership Opportunities

The Construction Careers Pipeline Program benefits from the support of ARP/MC3 programs in Southern California. The map below illustrates all the partnership opportunities for Metropolitan to retain graduates for contractor placement.



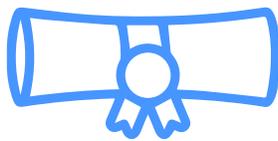
ARP/MC3s are a useful tool for increasing diversity and equity in the construction industry workforce. For example, the Los Angeles/Orange County Building & Construction Trades Council completion rate, placement rate, and demographics are included in the snapshot below, which represents data from 2015 to present.



- Total graduates: 4,005
- Total graduation rate: 85%
- Union apprenticeship placement: 1,305
- Overall placement rate: 33%
- Placement rates by cohort : As high as 82% (e.g., Anti-Recidivism Coalition, or ARC)
- Placement of women: 18%
- Placement of Black, Indigenous, People of Color (BIPOC): 97%

Data obtained from Ben Garcia, Program Director for the LA/OC Building Trades' Apprenticeship Readiness Fund.

Two active apprenticeship programs within the Riverside & San Bernardino County Building & Construction Trades Council are the San Bernardino Community College and Victor Valley College. The data from these programs, including completion rate, placement rate and demographics, are included below from 2020 to present.



- Total graduates: 78
- Total graduation rate: 61%
- Union apprenticeship placement: 2
- Overall placement rate: 81%
- Placement of women: 51%
- Placement of Black, Indigenous, People of Color (BIPOC): 73%

Data obtained from Stacy Garcia, Workforce Development Manager at the San Bernardino Community College District.

The Metropolitan Project Labor Coordinator team conducted training with our partners during the first six months of PLA implementation and met with ARP/MC3s in the counties of Los Angeles, Orange, Riverside, and San Bernardino on April 18, 2023. An overview of the PLA, CCPP and the opportunity for attendees to introduce themselves and showcase their individual programs were provided. Metropolitan's team also scheduled separate meetings with ARP/MC3s near the PLA project sites that have the earliest start dates for construction.

Project Labor Coordinator team members met with San Bernardino Community College District MC3 partners at a September 2023 MetWorks networking event. Pictured left to right: Doaa Aboul-Hosn (Metropolitan), Stacy Garcia (SBCCD), Deanna Krehbiel (SBCCD), Thomas Romero (Parsons Corporation).



CCPP Partnership Highlights

May 15, 2023. Metropolitan's Project Labor Coordination team met with Center for Employment Training (CET) Colton at their facilities to learn about their trade programs, including a welding program and a green building construction program. This meeting produced a list of previous MC3 and veteran graduates for potential placement opportunities. CET Colton has not operated an MC3 program since 2021 but has since started the process of renewing their partnership with the North American Building Trades Union after meeting with Metropolitan.

May 15, 2023. The Metropolitan team also met with MC3 programs at San Bernardino Community College (SBCC) and Victor Valley College at the San Bernardino campus for a tour of the facilities. They received lists of recent graduates and discussed MC3 expansion with other schools in the Inland Empire, including College of the Desert in Indio. Metropolitan has been invited to return and speak with each SBCC cohort prior to graduation to spotlight CCPP opportunities.

May 18, 2023. Metropolitan's team met with Riverside's Green Construction Academy at Norte Vista High School who provided an overview of their MC3 program and student high school curriculum. The academy targets at-risk students, allowing admittance to those with low attendance or grade point averages and essentially operates as a "school-within-a-school." Students are introduced to all aspects of the construction industry. Instructors identified financial barriers, and working together with other partners within the Riverside and San Bernardino Building and Construction Trades Council, the team began to identify solutions to these barriers such as funding new classroom equipment and facilitating field trips to active construction projects.

May 30, 2023. Metropolitan staff, including several Metropolitan construction team managers, toured Women In Non-Traditional Employment Roles, another ARP focused on training women for a union construction career. Program participants normally come from low-income and underserved communities as well of communities of Black, Indigenous and People of Color. Metropolitan staff were able to see training in progress and participated in a question-and-answer period.

July 14, 2023. A meeting and tour were conducted at the Maxine Waters Employment Preparation Center, part of the Los Angeles Unified School District Adult and Career Education Division, with ARPs. Four no-cost sessions are offered each academic year and reach participants from underserved populations, including transitioning adults or those looking for a career path into the construction industry. The program has recently struggled to fill all available seats in a session, prompting the exploration of ways Metropolitan can provide support through partnership building and networking with youth workforce development programs.

August 30, 2023. The Project Labor Coordinator team visited the West Valley Occupational Center in Woodland Hills, also part of the Los Angeles Unified School District Adult and Career Education Division. This program has an ARP with high community participation and offers a no-cost, 10-week training program. There are several sessions throughout the academic year and Metropolitan is looking at program graduates who could potentially be placed on two current local projects.

October 7, 2023. In support of the HireLAX Apprenticeship Readiness Program, a member of the Project Labor Coordinator team attended the five-year program anniversary celebration and shared program information about PLA participation.



Project Labor Coordinator team member Olivia Sanchez (second left) attends the City of Carson and South Bay Workforce Investment Board Construction Job and Apprenticeship Fair. Pictured left to right: Myllex Guadamuz (LA/OC Apprenticeship Readiness Fund), Sanchez (Metropolitan), Carson Mayor Lula Davis-Holmes, Ben Garcia (LA/OC Apprenticeship Readiness Fund) and Armando Pena (Cement Masons).



Local & Transitional Worker Update

A Focus on Local Workers

Metropolitan has one of the largest local worker employment goals in Southern California. The PLA establishes a 60 percent goal for employment of local workers, who are defined as Metropolitan service area residents, and allows for preferential hiring of workers living in the communities closest to our construction projects. The program requires that unions and contractors, together with Metropolitan, conduct outreach, recruitment, and offer career opportunities to local workers who are currently underrepresented in the construction industry, which include women, veterans, and Black, Indigenous and People of Color.

Transitional Worker

The PLA and CCPP were created in part to ensure Metropolitan's investments in water infrastructure have a positive economic impact on the communities we serve. The PLA establishes a 15 percent hiring goal for our community members who may be experiencing barriers to employment, or who need assistance to pursue a construction career. The PLA defines these "transitional workers" as any individual qualifying for one or more of the following categories:

- Veteran
- Apprentice with less than 15 percent of the work hours required for completion of a union apprenticeship program
- No high school diploma or general education diploma
- Homeless now or recently homeless within the past year
- Former foster youth
- Custodial single parent experiencing unemployment (defined as receiving unemployment benefits for at least three months)
- Current recipient of government cash or food assistance benefits with a documented income at or below 100 percent of the Federal Poverty Level
- Formerly incarcerated
- Graduate of an APR/MC3 program

The PLA considers veterans as transitional workers and has a 15 percent hiring goal for transitional workers from our service area communities.

Supporting Veterans

The PLA recognizes veterans interested in careers in the building and construction industries. In addition to including veterans in the transitional worker category, the PLA promotes the services of Helmets to Hardhats, a non-profit that connects veterans with skilled training and quality career opportunities in the construction industry. The Helmets to Hardhats website (<https://careers.helmetstohardhats.org/>) is the online portal to connect contractors, unions and veteran career seekers. The PLA requires parties to use Helmets to Hardhats, which maintains a database of veterans interested in working on Metropolitan construction projects. This is a proactive approach to veteran outreach, and includes recruitment, interviews, assessments and providing necessary assistance with the application and entrance process for construction apprenticeship programs.

On March 7, 2023, Metropolitan hosted a general meeting with Helmets to Hardhats to discuss the PLA and review the ongoing developments on Helmets to Hardhats' website. Together we developed an engagement strategy for contractors as well as contractor training for using the website. Metropolitan routinely schedules orientation sessions for all general contractors awarded PLA work to meet with Helmets to Hardhats, establish contacts and review their website and job posting features.

The PLA is a top business priority for Metropolitan General Manager Adel Hagekhalil and Engineering Services Group Manager John Bednarski.



COURAGE. SERVICE. SACRIFICE.

Metropolitan is Proud to Support and Work
Alongside Our Military Veterans.



Jason Rollo, U.S. Marine Corps
Community Relations Program Manager



Luis Romero, U.S. Marine Corps
Graphic Design Team Manager



Carmen Zarate, U.S. Marine Corps
Human Resources Team Manager



Joe Beaty, U.S. Army
Engineer

It is our privilege to connect with
Veteran-owned businesses and rely
on our military veterans as we work
hand-in-hand to provide reliable
water to Southern California.



Local & Transitional Worker Reporting

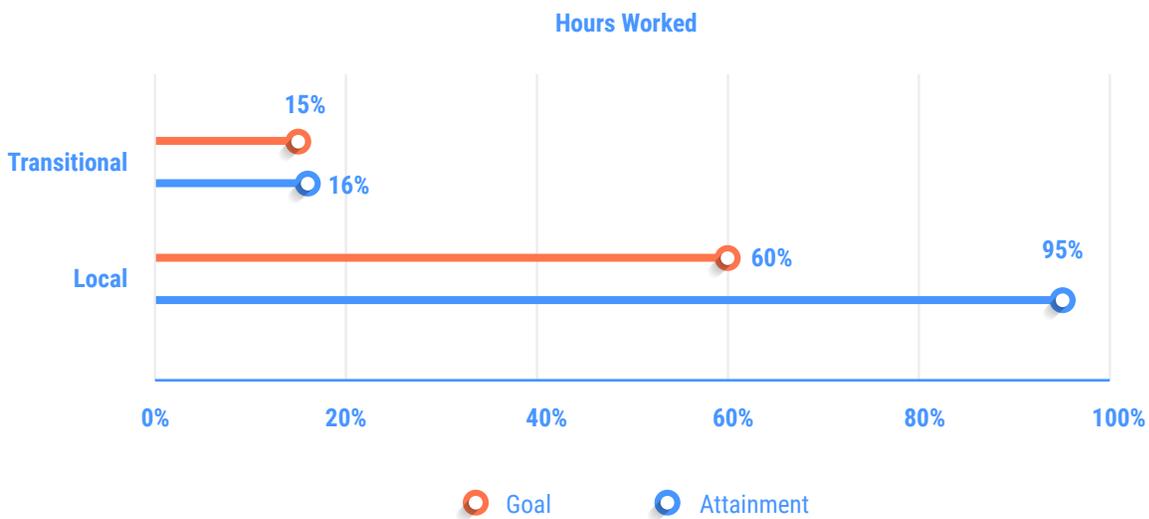
Metropolitan, together with its contractors, union partners and other PLA stakeholders, currently exceed the PLA's goals for local and transitional worker employment as indicated in Figure 5.1 and Figure 5.2. Even with limited hours worked on PLA-covered construction projects, the current data exceeds the goals. The Project Labor Coordinator team generated this report based on information submitted by contractors on their Certified Payroll Records through October 5, 2023. **The table below reports that recorded hours worked on PLA projects are about 95 percent local workers, exceeding the 60 percent goal, and about 16 percent transitional workers exceeding the 15 percent goal.**

Figure 5.1: Local and Transitional Worker Employment Percentage - Hours Worked
Project: All PLA Projects
Date Range: 1/1/2023-10/5/2023
Local: Metropolitan
Zip: Service Area

	Hours	Percent
Local	22,580	95%
Transitional	3,785	16%

The Pure Water Southern California regional project, at full-scale, would be one of the world's largest water recycling programs.

Figure 5.2: Local and Transitional Worker Employment - Goal vs. Actual



Key Callouts

- Craft workers received an estimated \$1,941,026 in wages and benefits and worked 23,685 reported hours on Metropolitan PLA projects.
- Local workers received an estimated \$1,868,239 in wages and benefits and worked 22,580 reported hours on Metropolitan PLA projects.
- Transitional workers received an estimated \$263,736 in wages and benefits and worked 3,785 reported hours on Metropolitan PLA projects.
- Note that one can be both a local and transitional worker, and that they are not mutually exclusive.



Local & Transitional Worker Spotlights

There are goals and numbers and percentages associated with the PLA. But there are also people whose lives are changed. The PLA has a goal of employing 60 percent local workers, the highest of any PLA in the region. There is an additional goal of 15 percent for employing transitional workers on covered projects. To bring these success stories to life, we tell the stories of some local and transitional workers currently employed on PLA covered projects.

The Perris Valley Pipeline brings treated water from Metropolitan's Henry J. Mills Water Treatment Plant in Riverside and delivers water to Eastern and Western Municipal Water Districts. A project to connect two portions of existing pipes, called the Perris Valley Interstate 215 Crossing, will involve construction of a 3,000-foot micro tunnel beneath the I-215 freeway. J.W. Fowler is the prime contractor, performing general labor, mining, heavy equipment operation, concrete testing, fusing of high-density polyethylene and hauling materials. Don H. Mahaffey, a subcontractor to J. W. Fowler, is responsible for the secant pile drilling micro pile concrete construction.



Nancy Casillas – Los Angeles, CA

James W. Fowler – Operating Engineers Local 12

A little more than a year ago, Nancy Casillas was working in the field of childrens' mental health. Today she is doing concrete inspections for prime contractor James W. Fowler as a member of Operating Engineers Local 12. Children are still her focus as a mom to an 18 and 10-year-old. The chance for greater opportunities for herself and family pushed Nancy to give construction work some serious thought. "I never in my life thought I was going to get in this industry" she admitted. But the benefits of medical, dental and vision plans, and good pay with growth potential "were worth exploring. "The benefits changed my life completely," she said. "I see myself within the next year or so getting into a new home, versus going from apartment to apartment and I'll be able to give my kids stuff I wish I had as a kid."

"I think at first it was intimidating," she says. "But when I look at the machines I've operated before and the things that I am doing now, I think of myself in a different way." Nancy said she is learning to do things she has never done. She is working with tools she has never touched and interacting with many different people. "Everybody is wanting to help so I appreciate that," she said.

Being a female in a male dominated industry has its challenges, but also brings a sense of empowerment. "I really look forward for other women to join the industry because we always think of this as a male job," she said. "But honestly it's stuff we can do as women; it's something I really believe anyone can do when they put their heart into it."



Gilbert Salazar – Hemet, CA
Mahaffey Drilling – Operating Engineers Local 12

Adding a skillset to a growing resume is one of the benefits that Gilbert Salazar will get from his position at Mahaffey Drilling as a member of Operating Engineers Local 12. When his job at a Diamond Bar golf course was coming to an end, he was dispatched to this project. His background was mainly in refinery work but he will be operating a large drill for this project. “This is a really good company that I’m working with,” he said, “they are very professional and safe.”

Gilbert said he is “blessed” when he comes on jobs like this because of the people. “I’ve always gotten lucky and learned from different people,” he said. Now, Gilbert is learning a different type of drilling, one he is not familiar with. “It makes me more valuable as a driller.”



Rudy Espinoza – Fallbrook, CA
James W. Fowler – Laborers Local 1184

Since he was 17 years old, Rudy Espinoza has worked in construction and with James W. Fowler as a member of Laborers Local 1184 for about two years. His primary interest is in pipeline construction, an area he calls “career construction.”

“This is something I have always wanted to pursue and I’m glad I am,” Rudy said that this job is trade specific and will involve a new skillset in mining.

He says, “This was the perfect foothold to learn – especially in underground mining.” The training will prepare Rudy to successfully apply for future pipeline projects. “This is a unique opportunity. This is exactly what I was waiting for. It makes me indispensable.”



SBE & DVBE Outreach

Since the inception of Metropolitan's Business Outreach Program (BOP) more than two decades ago – one of the first such initiatives in the state – more than \$1.5 billion has been invested in Southern California's Small Business Enterprises and Disabled Veteran Business Enterprises (SBEs/DVBEs) with the mission to help them grow and thrive. Metropolitan's BOP team works with business owners to put them on a path to success, advocates on their behalf, hosts educational and networking events, and brings relevant contracting opportunities to their attention.

The PLA was designed to complement the BOP by providing flexibility and construction workforce solutions to SBEs/DVBEs. Through the MetWorks Program – our established networking avenue – we promote greater awareness of the PLA and training opportunities available for SBEs/DVBEs. Outreach includes information about Metropolitan's standards of construction, strict compliance procedures and deadlines, specification and submittal requirements and notification of upcoming construction projects and schedules for PLA-covered projects, as well as non-PLA work.

Project Labor Coordinator team member Rick Duarte (Metropolitan) at the Contractor Academy briefs attendees about many topics including upcoming project work, the SBE/DVBE, and how to take advantage of resources provided through Metropolitan's PLA to grow their company.

To expand outreach and meet PLA goals, the PLA requires the signatory unions to provide lists of any known union-signatory contractors that may be SBE or DVBE. To date, more than **500 DVBE, SBE, WBE, MBE** and other targeted groups union-signatory contractors have been identified.

In the early stages of PLA implementation, SBE/DVBEs are already involved, including the following contractors currently working on PLA-covered projects:

- Concrete Coring Co.
- Crosstown Electrical & Data
- Dean's Certified Welding
- Don H. Mahaffey Drilling Co.
- Hudson Safe-T-Lite
- Smithson Electric

Union-signatory contractors and non-union contractors are able to pursue work under the PLA. Today, 54 union-signatory contractors and 10 non-union contractors have been identified as performing work on PLA projects. Metropolitan's outreach with the signatory unions has helped to identify six of these SBEs as union-signatory. Overall, 84% of the contractors are union-signatory and 16% are non-union contractors based on information provided through October 2023.

Creating Flexibility for SBE/DVBE Contractors

Metropolitan's PLA allows core employee flexibility for certain qualifying SBE/ DVBE contractors. For companies with 25 or less employees at the time they are awarded a Covered Contract, they can first employ three core employees per craft on each Covered Project prior to hiring through the appropriate Union hiring hall. This arrangement differs from the typical core employee provision that requires every other worker be a dispatch from the Union hiring hall. Dinamic Modular Construction, has already made use of this provision on the Perris Valley Pipeline Interstate 215 Crossing contract.

Because the PLA targets large, complex contracts above \$5 million in the covered project list, there are still significant opportunities for SBEs/DVBES to bid on projects that do not fall under the PLA. Metropolitan works to ensure that the PLA is not a barrier to SBE/DVBE participation with dedicated team members available to support contractors.

There are many opportunities to interact with Metropolitan staff. We host several small contractor outreach events and offer training to prepare small contractors to successfully bid on public works projects. These events include MetWorks Industry Days, MetWorks Connect Days, Small Business Development Center events, and Small Contractor Academy training sessions as discussed below:

MetWorks Industry Day – Carson, CA 2/2/2023:

Metropolitan showcased the Pure Water Southern California Program and our Capital Investment Plan to more than 300 small contractors and small businesses that provide services and materials. The event also served to announce the projects that would contain the PLA. The Project Labor Coordinator was onsite as an exhibitor to answer questions in person.

MetWorks Connects Day – Moreno Valley, CA 3/22/2023:

In partnership with the Small Business Development Center (SBDC) and Emerald Cities Collaborative (ECC), Metropolitan conducted a contractor outreach and training day to showcase our Capital Investment Plan and train contractors on PLA terms and requirements. Metropolitan highlighted the benefits to small contractors and the capacity-building resources provided by the SBDC and ECC.

State Procurement and Access to Capital Conference – Irvine, CA 4/28/2023: Metropolitan was one of ten state agency participants and conducted a contractor outreach and training day in Moreno Valley to showcase our Capital Investment Plan, and to train contractors on the terms, requirements, and benefits to small contractors of the PLA.

Networks Event – Moreno Valley, CA 9/14/2023: The spotlight at this event was on future Metropolitan projects and local projects presented by three Metropolitan member agencies: the Inland Empire Utilities Agency, Western Municipal Water District and Eastern Municipal Water District. MC3 centers also were invited to showcase their work encouraging union membership for local labor and Metropolitan job opportunities.

Small Contractor Academy – Moreno Valley, CA

9/13/2023 – 10/4/2023: The Small Contractor Academy created awareness about Metropolitan's Capital Investment Plan opportunities. The Academy strengthens long-term relationships with small contractors, improves the competitive capacity of small contractors to bid on Metropolitan work, and establishes a framework for future partnerships. The Academy hosts four weekly seminars and is supported by Metropolitan's partnership with the SBDC and ECC. Here is the four-week curriculum:

- **Seminar I** Overview of Project Forecast
- **Seminar II** Bonding, Labor Compliance and PLA
- **Seminar III** Introduction to Project Delivery Methods
- **Seminar IV** How to Bid on Project Work

Los Angeles Community College Small Contractor Boot Camp - Los Angeles, CA 10/10/2023

The Metropolitan Business Outreach Program team partnered with the Los Angeles Community College District's Small Contractor Boot Camp Program to expand awareness of Metropolitan's commitment to small businesses, share how to conduct business with Metropolitan, and provide an overview of upcoming Capital Investment Program projects. We discussed how small contractors can use the PLA to grow their company. This partnership is a resource to expand Metropolitan's pool of qualified, competitive contractors.

At a September 2023 Networks event in Moreno Valley, the Project Labor Coordinator team networked with nearly 300 participants interested in presentations by Metropolitan along with the Inland Empire Utilities Agency, Western Municipal Water District and Eastern Municipal Water District about the PLA and upcoming bid opportunities and projects.



Contractor Onboarding & Engagement

Article 21 of the PLA requires contractors to engage with Helmets to Hardhats to network and employ veterans. Following the PLA pre-job conference, the Project Labor Coordinator team facilitates an introduction between the general contractor and Helmets to Hardhats where the parties can learn about each other's needs and potential opportunities for veteran employment.

Contractors performing work under the PLA are required to submit payroll and compliance documents through the online payroll system LCPTracker™ and will receive an orientation to the system from the Project Labor Coordinator team. The team will show how to submit contractually required electronic documents, how to assign subcontractors and employees, and how to submit Certified Payroll Records.

The communication does not end here. The Project Labor Coordinator team will maintain communication with the contractors through the life of contract. This includes scheduling subsequent PLA pre-job conferences for additional subcontractors as necessary. The PLA requires each contractor to assign their work at a PLA pre-job conference before they start contract work. The first PLA pre-job conference will often include the general contractor and their first set of subcontractors. Additional PLA pre-job conferences become necessary when a general contractor or their subcontractors bring new subcontractors under contract.

The Project Labor Coordinator team works with contractors from the first step of awarding a contract throughout the life of the project. The team engages with the general contractor and their subcontractors to review the PLA requirements, facilitate introductions with union and training partners, and coordinate PLA pre-job conferences. The timeline is illustrated in Figure 7.1 and a log of training and orientation is documented in Figure 7.2.

Figure 7.1: Contractor Orientation & Facilitation of Pre-Job Conferences



There are several milestones in the process between contract award and pre-job conferences. First, Metropolitan issues a Notice of Award. At that stage, the Project Labor Coordinator team will engage with the awarded general contractor and schedule an initial PLA and labor compliance orientation to review all expectations and requirements established by the PLA and State Labor Code.

Article 15 of the PLA requires contractors to detail craft manpower needs, their schedule of work, project rules, and to propose union work assignments at a PLA pre-job conference. The contractor and their subcontractors will declare the work they will perform under contract and share their proposed union work assignments.

The PLA requires this conference to be held prior to starting any contract work. The Project Labor Coordinator team will work with the general contractor to schedule this meeting and prepare them to conduct it with Metropolitan’s signatory union partners. This is the immediate priority after the initial PLA and labor compliance orientation.

Figure 7.2: Training & Orientation Log

Project	Contractor	PLA & Labor Compliance Training	LCPTTracker Training	Helmets to Hardhats Orientation	PLA Pre-job Conferences
Perris Valley Pipeline Interstate 215 Crossing	James W. Fowler Co.	2/16/2023	Not Requested	3/16/2023	3/8/2023 3/30/2023 4/27/2023 6/29/2023
Second Lower Feeder PCCP Rehabilitation - Reach 3B	J.F. Shea Construction	2/16/2023	4/19/2023	5/8/2023	4/20/2023 7/17/2023
Wadsworth Pumping Plant Eastside Pipeline Intertie	Steve P. Rados, Inc.	2/9/2023	Not Requested	5/1/2023	4/26/2023
Foothill Hydroelectric Power Plant Seismic Upgrade	West Valley Investment Group	5/4/2023	6/22/2023	5/31/2023	5/23/2023
Colorado River Aqueduct Conduit Structural Protection	Granite Construction	6/20/2023	Not Requested	Pending	8/2/2023
Hinds, Eagle Mountain, and Iron Mountain Pumping Plants Storage Buildings	J.F. Shea Construction	8/22/2023	Pending	Pending	Pending
Inland Feeder Rialto Pipeline Intertie	Steve P. Rados, Inc.	10/19/2023	Pending	Pending	Pending



Labor Compliance & Prevailing Wage Monitoring

Metropolitan's Project Labor Coordinator team adheres to an increased Prevailing Wage compliance effort that goes beyond what is required by the California State Labor Code. Metropolitan, along with the signatory unions, assists contractors in meeting these Prevailing Wage requirements established by the PLA, which requires contractors to pay workers in accordance with the current Prevailing Wage Determination. This differs from the State Prevailing Wage requirements, which require the contractor to use the rates effective based on a contract's bid advertisement date. **This PLA provision enshrines Metropolitan's commitment to wage equity and positive economic impact for all craft workers.**

Metropolitan implemented the use of an online payroll reporting software LCPTTracker™ for all contracts covered by the PLA. This software replaced the previous practice of collecting physical copies of contractors' payroll records. The LCPTTracker™ system links a project to the applicable Prevailing Wage Determination set by the State of California's Department of Industrial Relations. The system is useful for Metropolitan's contractors and can immediately verify a contractor's payroll information and notify them of any potential violations. The Project Labor Coordinator team, and Alliant Consulting conduct regular project site visits to observe activities and interview workers. The Project Labor Coordinator team then reviews the information gathered during site visits and compares it to the information reported on Certified Payroll Records.

The Project Labor Coordinator team conducts LCPTTracker™ training for contractors who are not familiar with the online system that includes demonstrations on how to submit contractually required e-Documents, how to assign subcontractors and employees, and how to submit Certified Payroll Records.

James W. Fowler Co. and subcontractors continue work at the Perris Valley Pipeline Interstate 215 Crossing project site.

The LCPTTracker™ system is a useful resource for Metropolitan’s Project Labor Coordinator team, offering the ability to extract payroll data for review and reporting. Metropolitan can run reports and analyze data, demonstrating contractor performance with deference to local & transitional worker hiring goals, craft worker payment, and hours worked under contract. This system allows the comprehensive review of worker payment and program-specific economic impact.

The Project Labor Coordinator team also provided LCPTTracker™ training for key Metropolitan staff who now are able to efficiently sort and view electronic certified payroll. Metropolitan’s success with contractor payroll records for PLA projects has resulted in the consideration of adopting LCPTTracker™ as the payroll system for all future Public Works contracts.

The Project Labor Coordinator team conducts routine site visits at all covered projects. These site visits include random Prevailing Wage interviews with craft workers, verification of Prevailing Wage postings, as well as transitional worker interviews.

Project Labor Coordinator team meets with labor compliance consultant Alliant Consulting at the Perris Valley Pipeline Interstate 215 Crossing project. Pictured left to right Thomas Romero (Parsons Corporation), Kiara Salto, Troy Baggott and Diego Anaya (Alliant Consulting).



Improvements at the Foothill Pump Station are part of a capital improvement project that will allow pumping of water from Diamond Valley Lake to the Rialto Feeder giving the delivery system much greater flexibility when State Water Project supplies are limited.



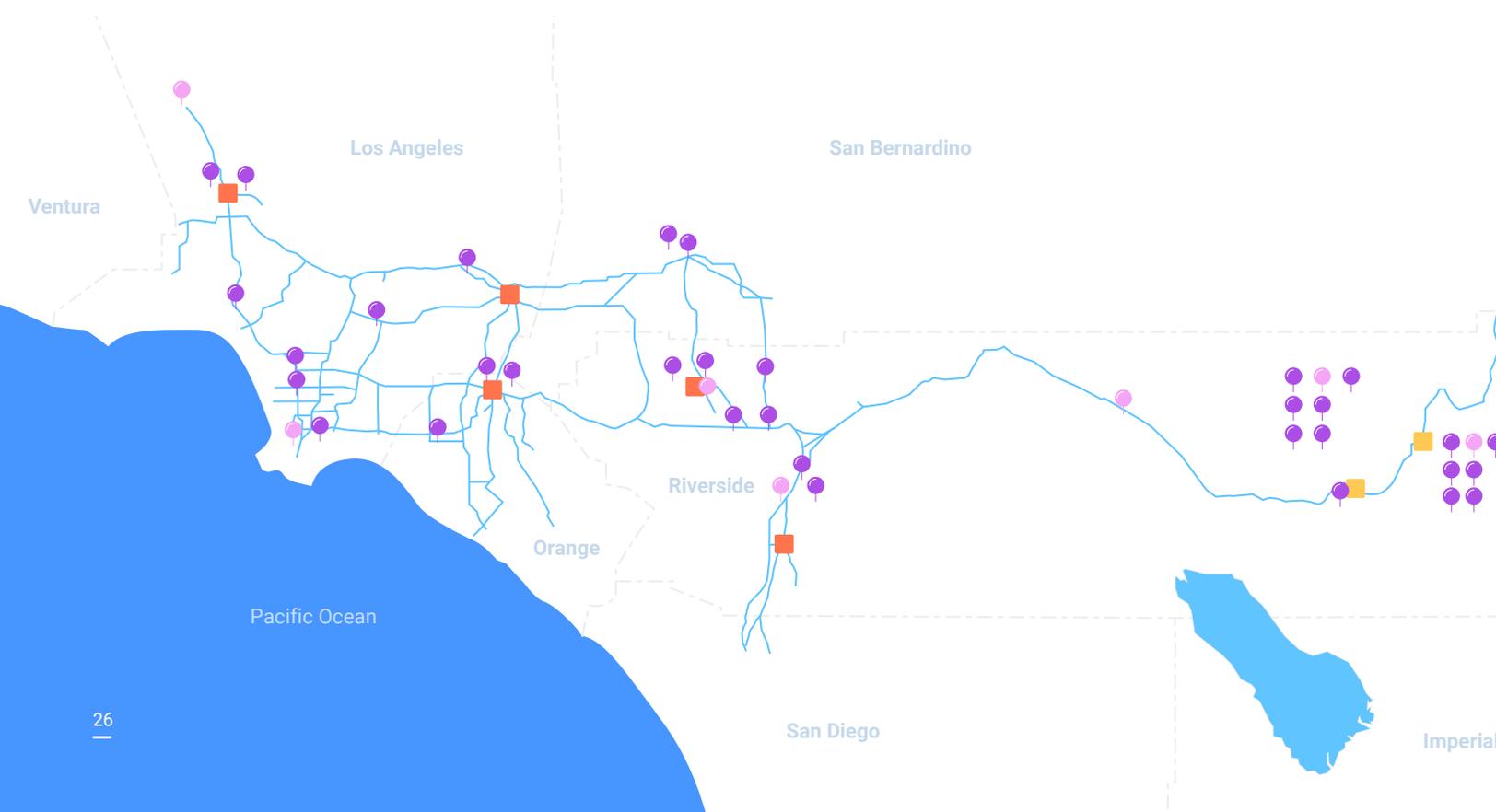
PLA Financials

PLA Administration Cost

Analysis of Metropolitan expenditures by our PLA Administration Consultant as well as expenditures by in-house staff indicates that PLA Administration costs are approximately 1.5% of total construction cost through October 2023. These costs include direct administration, and robust outreach and training to apprenticeship readiness programs and the small business community. Prior to negotiating the PLA, an administration cost of 1% minimum was presented to the Metropolitan board.

Contractor Costs

Queries of potential bidders who acquired plans for three of the covered projects indicate that the PLA has not affected most contractors decision to bid, however, most contractors that downloaded plans were union contractors. Only one non-union contractor who responded to our query indicated that they would not bid a PLA project. Additionally, the contractors we queried indicated that they did not raise their bid because of the presence of a PLA.



Metropolitan has issued many public works contracts covered by the PLA that are currently in various stages of development or construction. A summary of these contracts is below.

Ongoing Projects

PERRIS VALLEY PIPELINE 215 CROSSING

Start Date: February 9, 2023

Prime Contractor: James W. Fowler Co.

Contract Value: \$59,489,720

Small Business Enterprise Goal: 10%

Duration: 500 working days

Project Scope: Project consists of installing four shafts located near the March Air Museum, approximately 3000 linear feet of 97-inch diameter welded steel pipe constructed by a combination of micro-tunneling and cut and cover methods.

Location: Riverside County

Progress to Date: The project is 21% complete as of September 2023.

SECOND LOWER FEEDER PCCP REHABILITATION REACH 3B

Start Date: February 2, 2023

Prime Contractor: J.F. Shea Construction, Inc.

Contract Value: \$68,847,000

Small Business Enterprise Goal: 10%

Duration: 650 working days

Project Scope: The project consists of rehabilitation of approximately 19,000 linear feet of prestressed concrete cylinder pipe (PCCP) including excavation, access portals and removing portions of existing PCCP; installing Metropolitan and contractor furnished steel liner pipe, and modifying pipeline appurtenant structures; rehabilitating three existing isolation valve structures and two service connections; and installing and removing Palos Verdes Reservoir temporary bypass lines.

Location: Various locations in Los Angeles County

Progress to Date: The project is 25% complete as of September 2023.

WADSWORTH PUMPING PLANT EASTSIDE PIPELINE INTERTIE

Start Date: February 2, 2023

Prime Contractor: Steve P. Rados, Inc.

Contract Value: \$18,200,000

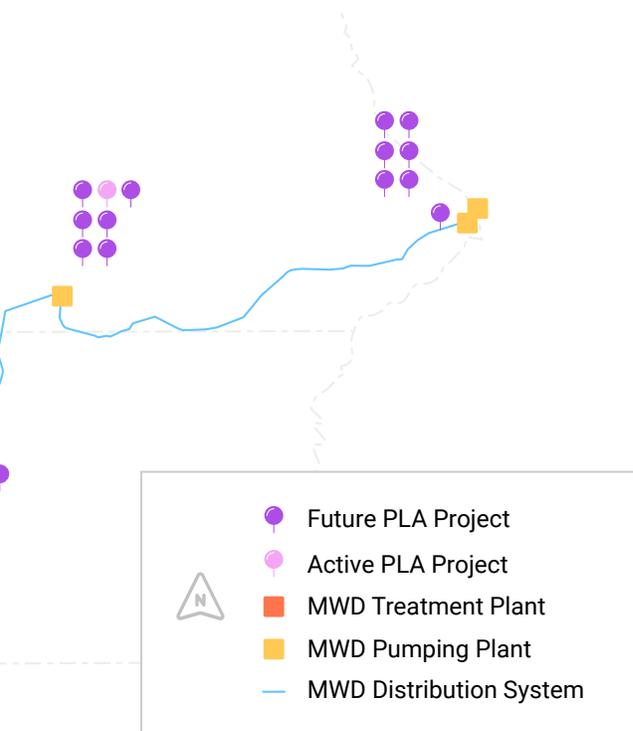
Small Business Enterprise Goal: 20%

Duration: 350 working days

Project Scope: The work consists of installation of approximately 600 linear feet of 96-inch-diameter pipeline, construction of a valve structure, relocation of transformer and switchgear, and other appurtenant work.

Location: Hemet, Riverside County

Progress to Date: The project is 15% complete as of September 2023.



COLORADO RIVER AQUEDUCT (CRA) CONDUIT STRUCTURAL PROTECTION

Start Date: May 11, 2023

Prime Contractor: Granite Construction Company

Contract Value: \$8,656,568

Small Business Enterprise Goal: 25%

Duration: 340 working days

Project Scope: The project consists of work at multiple locations across approximately 60 miles, installing new reinforced concrete slab protection crossings over the CRA, crushed aggregate base pads, segmental concrete retaining walls, realigning dirt access roads, grading, drainage improvements, hydroseeding, signage, and performing all appurtenant work.

Location: San Bernardino and Riverside Counties

Progress to Date: The project is 21% complete as of September 2023.

FOOTHILL HYDROELECTRIC POWER PLANT SEISMIC UPGRADE

Start Date: April 27, 2023

Prime Contractor: West Valley Investment Group

Contract Value: \$6,174,000

Small Business Enterprise Goal: 25%

Duration: 360 working days

Project Scope: The project consists of seismic retrofit of hydroelectric power plant, including upgrades to lighting, HVAC system, and roofing.

Location: Castaic, Los Angeles County

Progress to Date: The project is 9% complete as of September 2023.

HINDS, EAGLE MOUNTAIN, AND IRON PUMPING PLANTS STORAGE BUILDINGS

Start Date: July 31, 2023

Prime Contractor: J.F. Shea Construction, Inc.

Contract Value: \$16,490,000

Small Business Enterprise Goal: 25%

Duration: 550 working days

Project Scope: The project consists of replacing sheds at Hinds, Eagle Mountain, and Iron Mountain Pumping Plants with new storage buildings that are insulated and include enhanced features.

Location: Colorado River Aqueduct Pumping Plants across San Bernardino and Riverside Counties

Progress to Date: Notice to Proceed was issued in July, 2023. The contractor is transmitting submittals for review.

SEPULVEDA PUMP STATIONS – PROGRESSIVE DESIGN BUILD (PDB)

Prime Contractor & Designer: J.F. Shea Construction, Inc. & Tetra Tech, Inc.

Project Delivery Method: Progressive Design Build

Contract Value Estimate: \$9,800,000 (NTE for Phase 1); Total Contract Estimate: \$80M - \$90M

Small Business Enterprise Goal: 25%

Duration: Summer 2024 (Milestone for Phase 1); Estimated Construction Completion Date: Summer 2026

Project Scope: This project consists of building two 30-cfs pump stations, conveyance pipelines, and associated supporting infrastructure at the Metropolitan-owned Venice and Sepulveda sites to reverse the flow of water and bypass the existing pressure control facilities.

Location: Los Angeles County

Progress to Date: Notice of Award and Notice-to-Proceed issued in September 2023 for Phase 1.

J.F. Shea contract work at Palos Verdes Reservoir, originally constructed in 1939, will bring the reservoir back into service to provide supply redundancy to Metropolitan's delivery system during shutdown or emergency situations.

INLAND FEEDER – RIALTO PIPELINE INTERTIE

Award Date: September 2023

Prime Contractor: Steve P. Rados, Inc.

Contract Value: \$15,681

Small Business Enterprise Goal: 20%

Duration: 410 working days

Project Scope: The project consists of furnishing and installing approximately 250 linear feet of 96-inch diameter welded steel pipe; construction of a valve structure; installation of Metropolitan-furnished valves; removal and disposal of pipe coating material containing PCBs, and other appurtenant work as specified and shown on the drawings.

Location: Riverside County

Progress to Date: Notice of Award was issued in September 2023, Notice to Proceed issued in October 2023.

INLAND FEEDER BADLANDS TUNNEL SURGE PROTECTION

Facility Anticipated Award Date: November 2023

Prime Contractor: Steve P. Rados, Inc.

Contract Value: \$18,840,000

Small Business Enterprise Goal: 20%

Duration: 370 working days

Project Scope: The project consists of constructing approximately 200 linear feet of 8-foot diameter steel pipe, an approximately 430,000-gallon surge tank, 84-inch diameter Metropolitan-furnished butterfly valve, control system, various electrical improvements, and other appurtenant work.

Location: Riverside County

Progress to Date: Anticipated Board Award in November 2023.





THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

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