

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) between the City of Philadelphia (“City”), organizations receiving City-approved grant funds from the Rebuilding Community Infrastructure initiative (collectively, the “Project Users”) and the Philadelphia Building and Construction Trades Council on behalf of its affiliates and International Unions and/or their Local Unions, and other Local Unions, each acting in its own behalf and on behalf of its respective affiliates and members (hereinafter collectively called the “Unions”), including the following:

Boiler Makers Local #13	Operating Engineers Local #542
Bricklayers and Allied Craft Workers Local #1	Laborers Local #332
Carpenters Regional Council	Painters & Allied Trades District Council #21
Cement Masons Local #592	Plasterers Local #8
Electricians Local #98	Plumbers Local #690
Elevator Constructors Local #5	Reinforced Iron Workers Local #405
Insulators & Allied Workers Local #14	Roofers & Waterproofers Local #30
Iron Workers Local #401	Sheet Metal Workers Local #19
Laborers District Council	Sprinkler Fitters Local #692
Laborers Local #57	Steamfitters Local #420
Teamsters Local #107	

BACKGROUND

WHEREAS the City and the Project Users are embarking on a large scale initiative to bring substantial improvements to the City’s cultural, recreational and administrative facilities (“Facilities”) located throughout City neighborhoods; and

WHEREAS the Parties acknowledge that a high level of craftsmanship and skill will be required to make the improvements to these Facilities; and

WHEREAS this MOU will foster improvements that are high quality, efficient and safe and avoid the costly delays of labor shortages, disruptions or interference with work; and

WHEREAS Facilities improvements will result in a significant number of construction projects (“Projects”) and provide employment opportunities for many workers in a variety of construction trades over several years; and

WHEREAS the City, the Project Users and the Unions (the “Parties”) desire to provide efficient, safe and timely completion of Projects in a manner designed to afford the lowest reasonable cost to the City and the public it represents; and

WHEREAS this MOU will further the policy objectives of the Parties and address existing disparities within one or more building trade crafts by providing new and long-term construction employment and/or opportunities for minorities, women, Philadelphia residents and the economically disadvantaged; and

WHEREAS the City has, through Executive Order No. 8-15 (attached as Exhibit A), established a procedure for the use of the PLAs on City projects; and

WHEREAS this MOU shall be incorporated by reference in any PLA executed by the Parties in connection with the Rebuild Projects;

NOW THEREFORE, the Parties have agreed as follows:

1. Definitions

- (a) Initiative means programs as further described in Section 4.
- (b) Project(s) means building improvements at one or more facilities.
- (c) Project Users means the organizations receiving City-approved grant funds from the Rebuilding Community Infrastructure Initiative. Such organizations have demonstrated relationships with the City, its residents and the facilities they will improve.
- (d) PLA means a project labor agreement entered into by the Project Users as identified in this MOU.
- (e) Rebuild means an initiative of the City and the Project Users to improve certain City-owned facilities through the leasing or subleasing of facilities and management of improvements.

2. Project Labor Agreements.

Use of Project Labor Agreements. The Project Users, in consultation with the City, will review all proposed Projects consistent with Executive Order 8-15 to determine whether such Projects would benefit from a PLA. Appropriate Projects are projects that have high anticipated construction costs. To qualify for a PLA, projects must meet a threshold of \$3 million or more include the following characteristics:

- (1) Projects that require the labor of multiple construction crafts or trades;
- (2) Projects that have complex labor requirements that may conflict with existing collective bargaining agreements;
- (3) Projects that require completion without delay;
- (4) Projects that advance urgent Project User and City goals;
- (5) PLAs will be in the form attached as Exhibit B or as otherwise determined by the Parties. Signatory locals must submit worker participation data in the form of home zip codes of its members by trade on a regular basis.

3. Worker Diversity Goals. To support an increase in opportunities in the construction and building trades for minority and female workers, the Parties will adopt goals established in the 2016 Disparity Study commissioned by the City's Office of Economic Opportunity. The Parties will work cooperatively to create

craft trade career opportunities for qualifying city residents, from low-income and high-unemployment Philadelphia areas.

4. Rebuild Building Trades Community Initiatives. To support the Rebuild initiative, Building Trades Unions, Project Users and the City will be required to provide opportunities on Rebuild Projects to participants and graduates of pre-apprenticeship programs including:
 - (a) The Diversity Apprenticeship Program (DAP)
 - (b) The PHA Apprenticeship Program
 - (c) The School District of Philadelphia CTE Program
 - (d) The Construction Apprentice Preparatory Program (CAPP),
 - (e) PowerCorps
 - (f) PennAssist
 - (g) YouthBuild.
 - (h) The Rebuild / Building Trades Community Initiative
 - (i) The Sam Staten Senior Program. The Sam Staten Senior Program will be a trades direct training and education program operated by the Laborers District Council in conjunction with the various affiliates of the Philadelphia Building and Construction Trades Council. Referrals to this program will participate in the education and skills assessment process outlined above, but will be directly referred to the program for soft skills and technical skills training and those supportive services required to gain entry into an apprenticeship.

5. For PRA Projects that do not meet the threshold to qualify for a PLA
 - (a) PRA shall execute the construction scope of Rebuild projects that do not qualify for a PLA utilizing craftspeople hired by the PRA, and after they are hired, such craftspeople shall be represented by and shall become members of the appropriate labor organization.

 - (b) PRA, either directly or through subcontractors will hire appropriate personnel into the various trades' positions. Priority will be given to participants and graduates of Pre-apprenticeship programs including the Diversity Apprenticeship Program (DAP), the PHA Apprenticeship Program, the Construction Apprentice Preparatory Program (CAPP), PowerCorps, PennAssist, Apprentice-ready and YouthBuild. These individuals will perform Rebuild work as employees of PRA or their subcontractors and will be supervised by their employer.

6. Project Specifications. The Project specifications and contracts for all Projects shall acknowledge and provide for the employment of initiative participants in building and construction projects.

7. Evaluations

- (a) The Project Users, the City and the Unions shall develop an evaluation framework for the Initiatives. The evaluation shall utilize both quantitative and qualitative criteria for measuring the public and individual benefits from the Initiatives.
 - (b) The City and the Project users shall evaluate the effectiveness of Project PLAs in meeting the Project goals for quality, safety, efficiency and timeliness.
 - (c) A Rebuild Economic Opportunity Plan Oversight Committee shall be established with Project Users, City, Labor, contractors and other representation as necessary to monitor and report on the diversity of firms and employees involved in Rebuild and seek remedies if participation falls short of stated goals. A consultant will be retained to support this monitoring activity.
8. Other Project Initiatives. Nothing in this MOU shall limit the Project Users or the City from developing and implementing other initiatives for Projects that are not in conflict with the provisions of this MOU. Such initiatives may include, without limitation, other workforce development initiatives and small business support initiatives. Projects that are not subject to PLAs shall be free from labor actions initiated by the Unions¹.
 9. Cooperation. The Parties agree to provide their attention and cooperation to the reasonable requests by any of the Parties to this MOU for information and support in furthering the objectives of this MOU.
 10. This Memorandum of Understanding is effective immediately, and may be revoked in writing at any time by any of the Parties. Without such revocation, this MOU shall be binding on the Parties.
 11. Project Users. Project Users may be added as signatory Parties to this MOU at any time during the Rebuilding Community Infrastructure initiative upon approval for grant funding for Projects.

 City of Philadelphia (Date)

 For the Unions (Date)

 For Project User (Date)

Name: _____

Title: _____

Organization: _____

¹ This provision is essential to having labor peace (e.g., no picketing) at non-union Rebuild construction sites.