

**POLICY OF THE DORMITORY AUTHORITY
REGARDING
UTILIZATION AND NEGOTIATION OF PROJECT LABOR AGREEMENTS**

1. OBJECTIVES OF PROJECT LABOR AGREEMENTS. The Authority shall use a Project Labor Agreement (“PLA”) in connection with a project only if it is demonstrated that the use of a PLA is in furtherance of the purposes of the competitive bidding statutes as required by Labor Law §222. These purposes include the prevention of favoritism and abuse and the obtaining of goods and services at the lowest possible price. Therefore, PLAs will be used only in connection with projects for which it has been determined that a PLA will provide significant economic savings. To substantiate any projected economic savings, the Authority will require a properly documented study demonstrating that the use of a PLA will promote the objective of completing the project at the lowest reasonable cost. Such a study may be conducted for a specific proposed project or for a group or class of projects for one or more clients, including new construction or renovation projects.

No PLA shall discriminate against union or non-union contractors or employees. In addition, so long as a PLA is in furtherance of the primary objectives described in the preceding paragraph, a PLA may also be used to achieve other subsidiary purposes. These objectives may include such goals as: improved employment opportunities for minorities, women and economically disadvantaged individuals; maximizing project safety conditions; increasing apprenticeship levels; and ensuring a reliable source of skilled and experienced union and non-union labor. These purposes, however, shall not be considered as primary objectives in evaluating the need for a PLA.

2. PROCEDURES FOR APPROVAL OF A PLA. A PLA shall not be utilized in connection with any Authority construction project unless there has been compliance with paragraphs (a), (b), (c) and (d) of this Section before a PLA specification is included in any contract.
 - (a) A PLA Impact Analysis fulfilling the requirements of Section 3 of this Policy is prepared;
 - (b) The members of the Board have authorized the use of a PLA for the construction project in question or for categories or types of projects that include the construction project in question;
 - (c) The entity for which the Authority is undertaking the construction project has consented to the use of a PLA for its project; and

- (d) The President or his designee, after negotiations of the PLA are complete, finds that the terms of the proposed PLA are in furtherance of the objectives of this Policy and consistent with the PLA Impact Analysis.

In the event the Dormitory Authority utilizes a PLA and lets one or more contracts for work to be performed pursuant to such agreement, it shall be forwarded to the Commissioner of Labor for a determination of the interaction, if any, between Article 8 of the Labor Law and the agreement.

- 3. IMPACT ANALYSIS OF PLA. Any analysis seeking to justify the use of a PLA on a given project or type or categories of projects must demonstrate that the inclusion of the project labor agreement specification in contracts will result in the lowest reasonable cost because of the size, complexity and duration of the project. The analysis should consider such factors as:

- (a) the percentage of union and non-union contractors expected to bid on the project;
- (b) an analysis of local collective bargaining agreements to determine their number and diversity and whether a project labor agreement will result in significant cost savings by harmonizing their divergent provisions;
- (c) the likelihood that labor unrest will occur on the project and the economic impact that any delays resulting from such unrest will have on the project or the facilities being improved thereby; and
- (d) an analysis of the size and likely duration of the project to determine whether a PLA will be beneficial by providing continuity in the terms and conditions that will govern a project through its completion.

In documenting how the PLA will achieve significant economic savings, the analysis should consider how the PLA will alter provisions in existing collective bargaining agreements relating to, among other things, (i) wages, including provisions relating to overtime and shift differentials; (ii) work rules and practices; and (iii) productivity, safety, efficiency and dispute resolution. The analysis should also recite any subsidiary proposed objectives proposed to be achieved by the PLA and provide how the PLA will facilitate those objectives.

4. OTHER PROVISIONS. The Authority shall not be a party to any PLA and shall have no liability whatsoever under any PLA. Nor shall anything in a PLA be construed as limiting the sole discretion of the Authority to determine which contractors shall be awarded contracts for a project or to terminate, delay or suspend the work, in whole or in part, on a project.

DATED: January 25, 2012