



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

AUG -8 2012

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

MEMORANDUM FOR ADMINSTRATOR, OFFICE OF FEDERAL PROCUREMENT
POLICY

SUBJECT: Implementation of the President's Executive Order on Project Labor Agreements

The President issued Executive Order 13502, dated February 6, 2009, "to encourage executive agencies to consider requiring the use of project labor agreements in connection with large-scale construction projects." On July 10, 2009, your memorandum announced the implementation of the President's Executive Order on Project Labor Agreements (PLAs) and required reporting of those contracts that exceeded the \$25 million threshold.

The Department of Defense report for the third quarter of FY2012 is attached. It identifies all contracts awarded in connection with large-scale construction projects where the cost exceeds \$25 million. Spreadsheets are included for the U.S. Army Corps of Engineers and Navy Facilities. The Air Force, National Guard Bureau and Washington Headquarters Support had negative reports this quarter. A significant PLA was awarded this quarter by NAVFAC for an Explosive Handling Wharf at Bangor, WA for \$316M, details are attached.

My point of contact is Ms. Emily Clarke at emily.clarke@osd.mil or 703-697-9351.

A handwritten signature in black ink, appearing to read "Richard Ginman".

Richard Ginman
Director, Defense Procurement
and Acquisition Policy

Attachment:
As stated

**Quarterly Project Labor Agreement Report
For Construction Projects \$25M or more**

| REPORTING PERIOD: 3rd Quarter FY12 | | | | | | | | | |
|--------------------------------------|--|-----------------------|------------------------|--|--|--|---|---|---|
| SUBMITTED BY: | Name: Lynn H. Forbes, NAVFAC HQ, Command Labor Advisor | | | | | | | | |
| | Phone Number: (360) 396-0272, DSN 744-0272 | | | | | | | | |
| Department / Agency / Field Activity | Contract Number | TO / DO if applicable | Date of Contract Award | Dollar Value of the Total Contract Award | Brief Description of the Project | Product and Service code Describing the Project | Was a Project Labor Agreement (PLA) Required in the Solicitation? | Brief Explanation of Considerations In Deciding whether a PLA was Appropriate | Organizational Level at which Decision to Use or Not Use PLA was made |
| DON/NAVFAC Marianas, Guam | N62742-10-D-1308 | JQ01 | 6/29/2012 | \$30,047,253.00 | Construct Air Freight Terminal Complex, AAFB | Y1BZ, Construction of Other Airfield Structures | No | Construction trade unions are not established in Guam and Guam Code Title 22 precludes inclusion of a union security clause in a PLA | One Level Above Contracting Officer |
| NAVFAC MIDLANT NC IPT | N40085-12-C-7719 | N/A | 30-Apr-12 | \$64,397,300 | Combat Engineer Maintenance OPS Center, Camp Lejeune, NC | Y1EB Construction of Maintenance Buildings | No | not new to the local labor market given like work performed on a regular basis at the various installations in the Camp Lejeune | Other - CCO - Chief of the Contracting Office |
| NAVFAC MIDLANT HR IPT | N40085-12-C-4554 | N/A | 31-May-12 | \$26,251,845 | Controlled Industrial Facility, Norfolk Naval Shipyard, Portsmouth, Virginia | Y1EX Construction of Other Industrial Buildings | No | Construction of such facilities is not new to the local labor market given like work performed on a regular basis at the various installations in the Hampton Roads Area. The local labor market is robust and competitive. | Other - CCO - Chief of the Contracting Office |
| NAVFAC MIDLANT NC IPT | N40085-12-C-7714 | N/A | 3-Apr-12 | \$41,167,978.00 | Base Entry Point and Road, MCB, Camp Lejeune, NC | Y1LB Construction of Highways, Roads, Streets, Bridges, Railways | No | Roadwork and building construction is not new to the local labor market given like work performed on a regular basis at the various installations in the Camp Lejeune Area. The local labor market is robust and competitive. | Other - CCO - Chief of the Contracting Office |
| NAVFAC MIDLANT NC IPT | N40085-12-C-7722 | N/A | 29-May-12 | \$57,709,000.00 | Aircraft Maintenance/Hangar/Apron/Classrooms and CALA addition | Y1NZ Construction of Other Utilities | No | Construction of such facilities is not new to the local labor market given like work performed on a regular basis at the various installations in the Hampton Roads Area. The local labor market is robust and competitive. | Other - CCO - Chief of the Contracting Office |
| NAVFAC MW INTEGRATED PRODUCT TEAM | N40083-12-C-0016 | N/A | 13-Jun-12 | \$57,302,629.00 | P-816 Decentralization of Steam System | Y1NZ | No | Consistency with law, multiple contractors and subcontractors, availability of skilled labor pool, use of PLA's in project area and similar projects, and economy and efficiency. | Other - CCO - Chief of the Contracting Office |
| NAVFAC NW | N44255-12-C-3008 | NA | 9-May-2012 | \$315,995,209.00 | Explosive Handling Wharf #2 at NBK, Bangor, WA | Y1JZ | YES | Challenging & unique environmental requirements, and potential for wide spread strikes meet the requirement to use a PLA | Head of Contracting Activity |

**Project Labor Agreements Quarterly Reporting
U.S. Army Corps of Engineers - FY12Q3**

| Org Level 5 | Award Action PIIN | Release Date | Face Value Amt | Prod or Svc Code | Prod or Svc Name | Brief Description of the Project | Labor Agreement (PLA) Required in the Solicitation? | Brief Explanation of Considerations in Deciding whether a PLA was Appropriate | Organizational Level at which Decision to Use or Not Use PLA was made |
|-----------------------------------|---------------------|--------------|------------------|------------------|---|---|---|--|---|
| USA -USACE DISTRICT, ALASKA | W911KB-12-C-0008 | 6/7/2012 | \$70,591,000.00 | Y1BZ | CONSTRUCTION OF OTHER AIRFIELD STRUCTURES | FTW357 GSAB Hangar | No | Consideration in deciding whether a PLA was appropriate consisted of: Available Workforce (skilled and unskilled); Location of Work; Project Duration; State of AK (Dept of | Chief, Contracting Division; Documented w/ D&F |
| USA -USACE DISTRICT, ALASKA | W911KB-12-C-0011 | 6/7/2012 | \$54,065,300.00 | Y1FC | CONSTRUCTION OF TROOP HOUSING FACILITIES | FTR251 BCT Barracks | No | Consideration in deciding whether a PLA was appropriate consisted of: Available Workforce (skilled and unskilled); Location of Work; Project Duration; State of AK (Dept of | Chief, Contracting Division; Documented w/ D&F |
| USA -USACE DISTRICT, FORT WORTH | W9126G-08-D-0085-00 | 5/10/2012 | \$31,450,000.00 | Y1EZ | CONSTRUCTION OF OTHER INDUSTRIAL BUILDINGS | Design and Construct Comstock Border Patrol Station | No | Consideration in deciding whether a PLA was appropriate consisted of: shortage of skilled construction labor for the task order; labor disputes or other labor issues that may | Contracting Officer |
| USA -USACE DISTRICT, HONOLULU | W9128A-12-C-0009 | 6/29/2012 | \$54,772,000.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | This project will also construct primary water, sewer, drainage and electrical/comm infrastructure | No | Determined that use of PLA is not appropriate for this project because its use would not advance the Government's interest in achieving economy and efficiency in procurement | USACE DISTRICT, HONOLULU, Contracting Officer with concurrence of |
| USA -USACE DISTRICT, JACKSONVILLE | W912EP-12-C-0015 | 6/12/2012 | \$50,968,494.00 | Y1CA | CONSTRUCTION OF SCHOOLS | Design Build, Antilles Elementary School, Ft. Buchanan, Puerto Rico | No | In accordance with U.S. Army Corps of Engineers (USACE) Procurement Instruction Letter (PIL) 2011-01-R1 determination to not require a PLA was made based on | Contracting Officer/Project Delivery Team |
| USA -USACE DISTRICT, LOS ANGELES | W912PL-12-C-0005 | 5/9/2012 | \$159,834,183.00 | Y1DA | CONSTRUCTION OF HOSPITALS AND INFIRMARIES | Construction Contract Award | No | In accordance with U.S. Army Corps of Engineers (USACE) Procurement Instruction Letter (PIL) 2011-01-R1 determination to not require a PLA was made based on | Contracting Officer |
| USA -USACE DISTRICT, LOUISVILLE | W912QR-12-C-0029 | 5/15/2012 | \$44,568,206.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | CONSTRUCTION OF MISCELLANEOUS BUILDINGS, Ft Ben Harrison, IN | No | PLA decision was based upon Labor market survey results. Factors taken into account were local labor market, location of the project, and responses to the labor survey. | Contracting Officer |
| USA -USACE DISTRICT, LOUISVILLE | W912QR-12-C-0032 | 5/16/2012 | \$ 50,995,567.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | CONSTRUCTION OF MISCELLANEOUS BUILDINGS, Ft Campbell, KY | No | PLA decision was based upon Labor market survey results. Factors taken into account were local labor market, location of the project, and responses to the labor survey. | Contracting Officer |
| USA -USACE DISTRICT, LOUISVILLE | W912QR-12-C-0035 | 5/7/2012 | \$ 32,450,000.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | CONSTRUCTION OF MISCELLANEOUS BUILDINGS, Ft Cambell, KY | No | PLA decision was based upon Labor market survey results. Factors taken into account were local labor market, location of the project, and responses to the labor survey. | Contracting Officer |
| USA -USACE DISTRICT, LOUISVILLE | W912QR-12-C-0036 | 5/14/2012 | \$ 43,466,000.00 | Y1DA | CONSTRUCTION OF HOSPITALS AND INFIRMARIES | CONSTRUCTION OF HOSPITALS AND INFIRMARIES, Ft Campbell, KY | No | PLA decision was based upon Labor market survey results. Factors taken into account were local labor market, location of the project, and responses to the labor survey. | Contracting Officer |
| USA -USACE DISTRICT, LOUISVILLE | W912QR-12-C-0040 | 6/29/2012 | \$ 40,887,000.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | CONSTRUCTION OF MISCELLANEOUS BUILDINGS, Ft Knox, KY | No | PLA decision was based upon Labor market survey results. Factors taken into account were local labor market, location of the project, and responses to the labor survey. | Contracting Officer |
| USA -USACE DISTRICT, MOBILE | W91278-12-C-0017 | 6/18/2012 | \$51,330,000.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | Two-Phase Design-Build for Von Braun Complex, Phase IV, Redstone Arsenal, AL | No | In addition to the responses received from the labor market survey, all factors as listed in FAR Part 22.503 were considered. The following factors were considered applicable | Contracting Officer |
| USA -USACE DISTRICT, NEW ORLEANS | W912P8-12-C-0036 | 6/22/2012 | \$27,819,713.00 | Y1PZ | CONSTRUCTION OF OTHER NON-BUILDING FACILITIES | The Description and Magnitude of Work is as follows: The work consists of the construction of a reinforced concrete covered canal. Work | No | In accordance with U.S. Army Corps of Engineers (USACE) Procurement Instruction Letter (PIL) 2011-01-R1 determination was made based on the Market Survey. | Contracting Officer |
| USA -USACE DISTRICT, NEW ORLEANS | W912P8-12-D-0006-00 | 5/24/2012 | \$26,354,900.00 | Y1PZ | CONSTRUCTION OF OTHER NON-BUILDING FACILITIES | Flood control on the Mississippi River and Tributaries-stone placement- Third, Algiers, Avondale Allianc | No | In accordance with U.S. Army Corps of Engineers (USACE) Procurement Instruction Letter (PIL) 2011-01-R1 determination was made based on the Market Survey. | Contracting Officer |
| USA -USACE DISTRICT, OMAHA | W9128F-12-C-0013 | 4/19/2012 | \$32,123,257.00 | Y1EB | CONSTRUCTION OF MAINTENANCE BUILDINGS | Design and Construction of a B-52 Aircraft Two-Bay Phase Maintenance Dock, Minot AFB, North Dakota | No | In accordance with USACE PIL 2011-01-R1, a determination to not require a PLA was made based upon Market Research. Consideration was given to the location of the | Contracting Officer |
| USA -USACE DISTRICT, SAVANNAH | W912HN-12-C-0009 | 5/30/2012 | \$41,446,000.00 | Y1AZ | CONSTRUCTION OF OTHER ADMINISTRATIVE FACILITIES AND SERVICE | Construct SOF Command, Control, Communications, Computer (C4) Facility, Ft. Bragg, NC. | No | Market research indicates that a PLA would not benefit a project which contains a unique and compelling mission-critical schedule but would create issues and delays. | Contracting Officer |
| USA -USACE DISTRICT, TULSA | W912BV-12-C-0010 | 5/23/2012 | \$32,234,496.00 | Y1AZ | CONSTRUCTION OF OTHER ADMINISTRATIVE FACILITIES AND SERVICE | Reception Complex Ft. Sill, OK. The project will consist of design and construction of a 93,180 SF Reception/Processing Facility Building and | No | The decision to not utilize a PLA was based on market research. Primary factors considered include shortage of needed crafts and trades; and history of PLA's in the area. A | Contracting Officer |
| USA -USACE DISTRICT, TULSA | W912BV-12-C-0012 | 6/29/2012 | \$37,867,635.00 | Y1JZ | CONSTRUCTION OF MISCELLANEOUS BUILDINGS | TEMP Ft. Sill, Ok. This project is a design build project, it consists of the design and construction of a USACE Center of Standardization Medium | No | The decision to not utilize a PLA was based on market research. Primary factors considered include shortage of needed crafts and trades; and history of PLA's in the area. A | Contracting Officer |