



Community Workforce Agreement

City Council Work Session - February 10, 2014

City Council Goals

- Place San Leandro on a firm foundation for long-term fiscal sustainability.
- Advance projects and programs promoting sustainable economic development, including transforming San Leandro into a center for innovation.
- Maintain and enhance San Leandro's infrastructure.

City Council Direction

- On June 2, 2014 the City Council directed staff to explore policy options related to a Community Workforce Agreement.



CWA Basics

- Often referred to as a “Project Labor Agreement.”
- Contract between a public agency and local or regional building trades unions that governs labor practices for the public agency’s construction projects.
- Establishes the building trades unions council as the bargaining representatives for all construction persons working on public agency awarded qualifying projects.
- Creates requirements for local workforce development.
- Does not impact prevailing wage requirements.



Arguments in Favor

- Minimizes risk of project disruptions due to labor disputes
- Ensures quality salaries and benefits for trades workers
- Sets a goal of 30% participation by San Leandro residents
- Requires hiring San Leandro residents as new apprentices
 - 1 new apprentice for the first \$1m of project costs
 - 1 additional apprentice for each \$5m thereafter



Arguments in Opposition

- Unfair to non-union contractors
 - Non-union contractors can use no more than 5 of their own employees
 - Requires payment into union benefit and trust funds for all employees on the job site
- Has potential to reduce the pool of bidders, thereby increasing project costs
- May negate the policy objectives and benefits to San Leandro businesses inherent in the recently adopted Local Inclusion Policy



Process To-Date

- Staff met with the Building and Construction Trades Council of Alameda County to discuss parameters and terms of a draft agreement.
 - Staff used the City of Berkeley's agreement as a model
- Staff met with and received feedback from:
 - Local contractors
 - The San Leandro Chamber of Commerce
 - Associated Builders and Contractors, Inc. (ABC)
 - Developers



Comparative Research

- Very few examples of CWAs from Bay Area Cities:
 - Berkeley policy and agreement adopted in 2011
 - Martinez adopted a policy in 2014 (not yet implemented)
- More common with other public agencies:
 - School districts, counties, Port of Oakland
- Staff reviewed numerous local policies and contacted policy administrators at other agencies.



Alternative Approach

- The San Leandro Chamber of Commerce submitted a proposed alternative policy for Council consideration:
 - “Local Inclusion Policy - Open Hiring Addendum”
 - Emphasizes equal treatment between union and non-union contractors
 - Outlines objectives for local hire, apprenticeships, and hiring veterans



Request for Council Direction

- Continue to pursue a CWA or explore alternatives?
- If a CWA is pursued:
 - What City resources are available for implementation of a local hire component?
 - What is the City Council's direction on the "core worker" provision as written?
 - What is the appropriate dollar threshold for qualifying projects?