

Submitted by: Assembly Member Traini and
Mayor Berkowitz
Prepared by: Assembly Counsel and
Department of Law
For reading: August 28, 2018

ANCHORAGE, ALASKA
AO No. 2018-74

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE TITLE 7, *PURCHASING, CONTRACTS AND***
3 ***PROFESSIONAL SERVICES*, TO REQUIRE THAT MUNICIPAL**
4 **CONSTRUCTION PROJECTS IN EXCESS OF THREE MILLION FIVE HUNDRED**
5 **THOUSAND DOLLARS (\$3,500,000) BE REVIEWED FOR A COMMUNITY**
6 **WORKFORCE AGREEMENT REQUIREMENT BEFORE SOLICITING BIDS OR**
7 **PROPOSALS, AND RELATED MATTERS.**
8

9
10 **WHEREAS**, pursuant to Anchorage Municipal Code section 7.10.020, the
11 Municipality of Anchorage has a duty to secure the highest and best purchasing
12 value of municipal funds; and
13

14 **WHEREAS**, the use of a Community Workforce Agreement can grow the
15 construction trades workforce available for construction projects by promoting
16 training and priority employment in the building and construction trades, and
17 supporting recruitment and retention of workers who are entering a career in the
18 trades throughout the duration of a qualifying project; and
19

20 **WHEREAS**, other municipal governments, including the City and Borough of
21 Juneau, have recognized the benefits of Community Workforce Agreements (CWA)
22 in developing pathways to good jobs and lifetime careers in the building trades for
23 individuals attempting to obtain licensing and trade skills in the construction industry;
24 and
25

26 **WHEREAS**, work to be performed on certain Municipal projects will require
27 maximum cooperation from many participants: it is the objective of the Municipality
28 to promote that cooperation, mitigate negative impacts on large Municipal projects,
29 minimize disruptions to Municipal residents that affect health, safety and quality of
30 life, and to ensure timely project completion; and
31

32 **WHEREAS**, it is further recognized that projects of a certain magnitude with
33 multiple contractors and different classes of craft employees on the job site at the
34 same time over an extended period of time perpetuate the overriding important
35 objective of the Municipality to ensure continuity, prevent work disruptions, and
36 expeditiously resolve workplace disputes as may arise on such projects; and
37

38 **WHEREAS**, these objectives can be economically and efficiently achieved
39 by requiring an evaluation to determine whether a Community Workforce
40 Agreement is appropriate when large construction projects paid for with Municipal
41 funds are undertaken; now, therefore
42

1 **THE ANCHORAGE ASSEMBLY ORDAINS:**
2

3 **Section 1.** Anchorage Municipal Code section 7.15.040 is amended to read as
4 follows (*the remainder of the section is not affected and therefore not set out*):
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6 **7.15.040 Assembly approval of contracts.**
7

8 *** **

9 D. No contractor may provide supplies, services, professional services,
10 or construction provided to the municipality before the applicable
11 requirements of this section are first satisfied. No contract for
12 construction which exceeds three million five hundred thousand
13 dollars (\$3,500,000) may be executed unless it has first been
14 reviewed for a community workforce agreement as required by section
15 7.15.045.
16

17 *** **

18 (AO No. 79-203; AO No. 82-168; AO No. 93-217, § 1, 2-26-94; AO No. 94-
19 123(S), § 1, 8-25-94; AO No. 2001-122(S-1), § 2, 7-24-01; AO No. 2007-22,
20 § 1, 2-27-07)
21

22 **Section 2.** Anchorage Municipal Code chapter 7.15, *General Contracting*
23 *Procedures*, is amended by adding a new section 7.15.045 to read as follows:
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25 **7.15.045 Community Workforce Agreement requirements for**
26 **construction projects over \$3.5 million dollars.**
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28 A. *Purpose and intent.* It is the intent of the assembly that a community
29 workforce agreement (CWA) review team review and evaluate
30 qualifying municipal construction projects to consider if a CWA could
31 be used to advance important interests held by the municipality. The
32 municipality's public policy is to use CWAs to the fullest extent allowed
33 by law.
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35 B. *Qualifying Project.* A qualifying project shall be a municipal
36 construction project, whether for renovation, new construction,
37 expansion, or demolition, in which the costs are estimated to exceed
38 the amount of Three Million Five Hundred Thousand Dollars
39 (\$3,500,000). For purposes of this subsection, "costs" shall not include
40 the costs of municipal contract management or architectural-
41 engineering services. The overall municipal construction project shall
42 not be divided into smaller components or phases with the intent to
43 avoid application of the CWA policy.
44

45 C. *CWA Review Team.* There is established a CWA review team
46 consisting of the municipal manager, director of project management
47 and engineering, a member of the department with the qualifying
48 municipal project, a representative from the Building and Construction
49 Trades Council of South Central Alaska ("Trades Council"), and a

1 contractor representative. The director of project management and
2 engineering shall serve as the chair of the CWA review team. A
3 decision or recommendation of the team shall be made by a simple
4 majority vote.

5
6 D. *Procedure.*

7 1. When a municipal department proposes a qualifying municipal
8 project, before the purchasing officer procures the construction
9 services for the project, it shall be referred to the CWA review
10 team. The team shall determine whether a CWA is or is not
11 required for the project, and may require a CWA if supported
12 by the review criteria in subsection E. below, and issue a
13 decision in writing that includes a description of the relationship
14 between use of a CWA and the municipal interests. If the team
15 determines that a CWA is required for the project, the municipal
16 manager shall provide the master CWA to the purchasing
17 officer to include in the solicitation.

18
19 2. Construction projects that do not meet the threshold amount for
20 a “qualifying municipal project” but are phases or components
21 of a larger municipal construction project may be referred to the
22 CWA team for review under this section.

23
24 E. *Review criteria.* The CWA review team shall consider the following
25 factors:

26
27 1. Government interests. The government interests and municipal
28 goals that a CWA should fulfill may include, but is not limited to:
29 timely and efficient completion of the municipal project,
30 minimizing costs and delays, workplace safety, ensuring labor
31 peace and stability, providing the municipality with the ability to
32 negotiate and secure meaningful labor concessions,
33 supporting and growing a qualified and competent workforce in
34 the building and construction trades, and developing viable
35 economic activities in the community.

36
37 2. Qualifying municipal project characteristics. The project criteria
38 the CWA review team should consider may include, but is not
39 limited to: scope of the project, complexity, the unique design
40 and construction features, specialized labor needs and volume,
41 number and types of trades required, and timeliness
42 considerations.

43
44 F. The CWA included in the procurement documents may only be revised
45 or modified upon mutual written agreement between the contractor
46 awarded a qualifying municipal project and the Trades Council. The
47 parties to the CWA shall be the contractor and the Trades Council. All
48 contractors and subcontractors shall, as a condition of performing
49 work on the qualifying municipal project, become, and remain for the

1 duration of the qualifying municipal project signatory to and in full
2 compliance with the CWA. The CWA shall, at a minimum, include
3 terms effectuating the following:

- 4
5 1. provide funding through employer contributions for bona fide
6 apprenticeship training programs targeting youth and unskilled
7 adults to place trainees to work on the qualifying municipal
8 project,
- 9
10 2. promote employment on the qualifying municipal project of
11 apprentices enrolled in such programs;
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13 3. encourage the employment of military veterans, members of
14 the National Guard or reservists;
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16 4. promote the employment of socially and economically
17 disadvantaged members of the community,
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19 5. encourage employment of individuals struggling with reentry
20 into the community after leaving a state correctional facility or
21 incarceration, to reduce recidivism, through utilization of hiring
22 halls maintained by the Trades Council or its member labor
23 organizations;
- 24
25 6. ensure that registration on the hiring hall “out of work” lists of
26 the Trade Council’s member labor organizations shall be open
27 to all, whether or not such individuals are members of the labor
28 organization;
- 29
30 7. contain a standardized grievance and arbitration procedure to
31 resolve alleged violations of the CWA; and
- 32
33 8. include a process for an oversight committee to monitor
34 progress of the project and for resolution of project-wide issues
35 and disputes. The oversight committee shall be composed of
36 an equal number of representatives each from the contractor
37 and the Trades Council, and of one representative of the
38 municipality. The committee shall be empowered to address
39 project-wide issues and disputes such as project policies and
40 work rules, project safety, compliance with hiring requirements,
41 apprenticeship utilization, job progress, and other significant
42 issues as may affect the project. The committee shall track
43 implementation of the CWA’s apprentice, military, minority and
44 other hiring preferences and report progress to the municipality.

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46 G. The assembly shall review this section and its efficacy every three
47 years following its enactment.
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Section 3. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2018.

Chair _____

ATTEST:

Municipal Clerk