ANCHORAGE, ALASKA
AO No. 2019-24

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUSPENDING
AND DELAYING THE EFFECTIVE DATE OF AO 2018-74, AS AMENDED, WHICH
REQUIRES COMMUNITY WORKFORCE AGREEMENT REVIEW FOR PROJECTS
IN EXCESS OF $3,500,000, FROM SEPTEMBER 25, 2018 TO APRIL 1, 2019.

WHEREAS, AO 2018-74, As Amended (“CWA” Ordinance) was passed, approved,
and became effective September 25, 2018; and

WHEREAS, the CWA Ordinance sets forth procurement standards and procedures to
determine when a large construction project is deemed an eligible project for review
for a community workforce agreement (CWA); and

WHEREAS, following the determination of eligibility, a CWA is attached to the
Invitation to Bid (ITB) or request for proposal (RFP) for the project; and

WHEREAS, the Administration is in the process of drafting a template CWA; and

WHEREAS, the CWA is necessary before the Community Workforce Agreement
review process, which was enacted by the CWA Ordinance, can effectively take
place; and

WHEREAS, the Administration anticipates completion of the CWA before April 1,
2019; and

WHEREAS, the Administration seeks to avoid delay for projects scheduled for this
construction season while the CWA is being drafted; and

WHEREAS, passing this ordinance will allow the Administration more time to draft the
CWA without causing delays to any projects; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The code revisions that were enacted by AO 2018-74, As Amended are
hereby suspended until April 1, 2019.

Section 2. Solicitations that are issued prior to April 1, 2019, whether or not open
and awarded, shall not be subject to a CWA.

Section 3. The code revisions that were enacted by AO 2018-74, As Amended will
be effective April 1, 2019.
Section 4. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _______ day of ______________, 2019.

Chair

ATTEST:

Municipal Clerk
MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 103-2019

Meeting Date: January 29, 2019

From: MAYOR

Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUSPENDING AND DELAYING THE EFFECTIVE DATE OF AO 2018-74, AS AMENDED, WHICH REQUIRES COMMUNITY WORKFORCE AGREEMENT REVIEW FOR PROJECTS IN EXCESS OF $3,500,000, FROM SEPTEMBER 25, 2018 TO APRIL 1, 2019.

This ordinance would suspend and delay the effective date of AO 2018-74, As Amended (“CWA Ordinance”) to April 1, 2019. The CWA Ordinance was passed, approved, and became effective September 25, 2018. See attachment A. The CWA Ordinance sets forth procurement standards and procedures to determine when a large construction project would be deemed an “eligible project” for review for a community work agreement. Following the determination of eligibility, a community workforce agreement is attached to the invitation to bid (ITB) or request for proposal (RFP) for the project and the successful bidder or responder is bound by its terms.

The Administration is in the process of drafting a template community workforce agreement (CWA). The CWA is a detailed and lengthy contract document, covering responsibilities on the jobsite, the apprenticeship and training program, and other project details. To avoid delaying any projects for this construction season, this ordinance seeks to delay the effective date of the CWA Ordinance, allowing further time to draft the community workforce agreement.

No public or private sector economic effects are anticipated, and a Summary of Economic Effects is thus not included.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by: Department of Law
Approved by: Rebecca A. Windt Pearson, Municipal Attorney
Concur: Lance Wilber, Director, Office of Management and Budget
Concur: Alex Slivka, CFO
Concur: William D. Falsey, Municipal Manager
Respectfully submitted: Ethan A. Berkowitz, Mayor
ANCHORAGE, ALASKA
AO No. 2018-74, As Amended

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

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

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

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

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

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

WHEREAS, these objectives can be economically and efficiently achieved by
requiring an evaluation to determine whether a Community Workforce Agreement
is appropriate when large construction projects paid for with Municipal funds are
undertaken; now, therefore
THE ANCHORAGE ASSEMBLY ORDAINS:

**Section 1.** Anchorage Municipal Code section 7.15.040 is amended to read as follows (the remainder of the section is not affected and therefore not set out):

7.15.040 Assembly approval of contracts.

*** *** ***

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

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

**Section 2.** Anchorage Municipal Code chapter 7.15, General Contracting Procedures, is amended by adding a new section 7.15.045 to read as follows:

7.15.045 Community Workforce Agreement requirements for construction projects over $3.5 million dollars.

A. *Purpose and intent.* It is the intent of the assembly that a community workforce agreement (CWA) review team review and evaluate qualifying municipal construction projects to consider if a CWA could be used to advance important interests held by the municipality. The municipality’s public policy is to use CWAs to the fullest extent allowed by law.

B. *Qualifying Project.* A qualifying project shall be a municipal construction project, whether for renovation, new construction, expansion, or demolition, in which the costs are estimated to exceed the amount of Three Million Five Hundred Thousand Dollars ($3,500,000). For purposes of this subsection, “costs” shall not include the costs of municipal contract management or architectural-engineering services. The overall municipal construction project shall not be divided into smaller components or phases with the intent to avoid application of the CWA policy.

C. *CWA Review Team.* There is established a CWA review team consisting of the municipal manager, director of project management and engineering, a member of the department with the qualifying municipal project, a representative from the Building and Construction Trades Council of South Central Alaska (“Trades Council”), and a
contractor representative. The director of project management and engineering shall serve as the chair of the CWA review team. A decision or recommendation of the team shall be made by a simple majority vote.

D. Procedure.

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

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

E. Review criteria. The CWA review team shall consider the following factors:

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

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

3. Impact on bidding contractors. The CWA review team shall consider the impact on bidding contractors, particularly in regards to the costs of employee benefits.

F. The CWA included in the procurement documents may only be revised
or modified upon mutual written agreement between the contractor awarded a qualifying municipal project and the Trades Council. The parties to the CWA shall be the contractor and the Trades Council. All contractors and subcontractors shall, as a condition of performing work on the qualifying municipal project, become, and remain for the duration of the qualifying municipal project signatory to and in full compliance with the CWA. The CWA shall, at a minimum, include terms effectuating the following:

1. provide funding through employer contributions for bona fide apprenticeship training programs targeting youth and unskilled adults to place trainees to work on the qualifying municipal project,

2. promote employment on the qualifying municipal project of apprentices enrolled in such programs;

3. encourage the employment of military veterans, members of the National Guard or reservists;

4. promote the employment of socially and economically disadvantaged members of the community,

5. encourage employment of individuals struggling with reentry into the community after leaving a state correctional facility or incarceration, to reduce recidivism, through utilization of hiring halls maintained by the Trades Council or its member labor organizations;

6. ensure that registration on the hiring hall “out of work” lists of the Trade Council’s member labor organizations shall be open to all, whether or not such individuals are members of the labor organization;

7. contain a standardized grievance and arbitration procedure to resolve alleged violations of the CWA; and

8. include a process for an oversight committee to monitor progress of the project and for resolution of project-wide issues and disputes. The oversight committee shall be composed of an equal number of representatives each from the contractor and the Trades Council, and of one representative of the municipality. The committee shall be empowered to address project-wide issues and disputes such as project policies and work rules, project safety, compliance with hiring requirements, apprenticeship utilization, job progress, and other significant issues as may affect the project. The committee shall track implementation of the CWA’s apprentice, military, minority and other hiring preferences and report progress to the municipality.
G. The assembly shall review this section and its efficacy every three years following its enactment.

Section 3. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 25th day of September, 2018.

Chair

ATTEST:

Municipal Clerk