

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Department of Law
For reading: January 29, 2019

ANCHORAGE, ALASKA
AO No. 2019-24

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUSPENDING**
2 **AND DELAYING THE EFFECTIVE DATE OF AO 2018-74, AS AMENDED, WHICH**
3 **REQUIRES COMMUNITY WORKFORCE AGREEMENT REVIEW FOR PROJECTS**
4 **IN EXCESS OF \$3,500,000, FROM SEPTEMBER 25, 2018 TO APRIL 1, 2019.**
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6
7 **WHEREAS**, AO 2018-74, As Amended (“CWA” Ordinance) was passed, approved,
8 and became effective September 25, 2018; and
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10 **WHEREAS**, the CWA Ordinance sets forth procurement standards and procedures to
11 determine when a large construction project is deemed an eligible project for review
12 for a community workforce agreement (CWA); and
13

14 **WHEREAS**, following the determination of eligibility, a CWA is attached to the
15 Invitation to Bid (ITB) or request for proposal (RFP) for the project; and
16

17 **WHEREAS**, the Administration is in the process of drafting a template CWA; and
18

19 **WHEREAS**, the CWA is necessary before the Community Workforce Agreement
20 review process, which was enacted by the CWA Ordinance, can effectively take
21 place; and
22

23 **WHEREAS**, the Administration anticipates completion of the CWA before April 1,
24 2019; and
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26 **WHEREAS**, the Administration seeks to avoid delay for projects scheduled for this
27 construction season while the CWA is being drafted; and
28

29 **WHEREAS**, passing this ordinance will allow the Administration more time to draft the
30 CWA without causing delays to any projects; now, therefore,
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32 **THE ANCHORAGE ASSEMBLY ORDAINS:**
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34 **Section 1.** The code revisions that were enacted by AO 2018-74, As Amended are
35 hereby suspended until April 1, 2019.
36

37 **Section 2.** Solicitations that are issued prior to April 1, 2019, whether or not open
38 and awarded, shall not be subject to a CWA.
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40 **Section 3.** The code revisions that were enacted by AO 2018-74, As Amended will
41 be effective April 1, 2019.

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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

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **SUSPENDING AND DELAYING THE EFFECTIVE DATE OF AO**
5 **2018-74, AS AMENDED, WHICH REQUIRES COMMUNITY**
6 **WORKFORCE AGREEMENT REVIEW FOR PROJECTS IN**
7 **EXCESS OF \$3,500,000, FROM SEPTEMBER 25, 2018 TO APRIL**
8 **1, 2019.**

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

19
20 The Administration is in the process of drafting a template community workforce
21 agreement (CWA). The CWA is a detailed and lengthy contract document,
22 covering responsibilities on the jobsite, the apprenticeship and training program,
23 and other project details. To avoid delaying any projects for this construction
24 season, this ordinance seeks to delay the effective date of the CWA Ordinance,
25 allowing further time to draft the community workforce agreement.

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

29 30 31 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

32
33 Prepared by: Department of Law
34 Approved by: Rebecca A. Windt Pearson, Municipal Attorney
35 Concur: Lance Wilber, Director,
36 Office of Management and Budget
37 Concur: Alex Slivka, CFO
38 Concur: William D. Falsey, Municipal Manager
39 Respectfully submitted: Ethan A. Berkowitz, Mayor

ANCHORAGE, ALASKA
AO No. 2018-74, As Amended

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
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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 multiple
33 contractors and different classes of craft employees on the job site at the same time
34 over an extended period of time perpetuate the overriding important objective of the
35 Municipality to ensure continuity, prevent work disruptions, and expeditiously
36 resolve workplace disputes as may arise on such projects; and
37

38 **WHEREAS**, these objectives can be economically and efficiently achieved by
39 requiring an evaluation to determine whether a Community Workforce Agreement
40 is appropriate when large construction projects paid for with Municipal funds are
41 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*):
5

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:
24

25 **7.15.045 Community Workforce Agreement requirements for**
26 **construction projects over \$3.5 million dollars.**
27

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.
34

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

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

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

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

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

44
45 **3. Impact on bidding contractors. The CWA review team**
46 **shall consider the impact on bidding contractors,**
47 **particularly in regards to the costs of employee benefits.**

48
49 F. The CWA included in the procurement documents may only be revised

1 or modified upon mutual written agreement between the contractor
2 awarded a qualifying municipal project and the Trades Council. The
3 parties to the CWA shall be the contractor and the Trades Council. All
4 contractors and subcontractors shall, as a condition of performing
5 work on the qualifying municipal project, become, and remain for the
6 duration of the qualifying municipal project signatory to and in full
7 compliance with the CWA. The CWA shall, at a minimum, include
8 terms effectuating the following:
9

- 10 1. provide funding through employer contributions for bona fide
11 apprenticeship training programs targeting youth and unskilled
12 adults to place trainees to work on the qualifying municipal
13 project,
- 14 2. promote employment on the qualifying municipal project of
15 apprentices enrolled in such programs;
- 16 3. encourage the employment of military veterans, members of
17 the National Guard or reservists;
- 18 4. promote the employment of socially and economically
19 disadvantaged members of the community,
- 20 5. encourage employment of individuals struggling with reentry
21 into the community after leaving a state correctional facility or
22 incarceration, to reduce recidivism, through utilization of hiring
23 halls maintained by the Trades Council or its member labor
24 organizations;
- 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 7. contain a standardized grievance and arbitration procedure to
30 resolve alleged violations of the CWA; and
- 31 8. include a process for an oversight committee to monitor
32 progress of the project and for resolution of project-wide issues
33 and disputes. The oversight committee shall be composed of
34 an equal number of representatives each from the contractor
35 and the Trades Council, and of one representative of the
36 municipality. The committee shall be empowered to address
37 project-wide issues and disputes such as project policies and
38 work rules, project safety, compliance with hiring requirements,
39 apprenticeship utilization, job progress, and other significant
40 issues as may affect the project. The committee shall track
41 implementation of the CWA’s apprentice, military, minority and
42 other hiring preferences and report progress to the municipality.
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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