



CITY COLLEGE OF SAN FRANCISCO

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DATE: February 24, 2005

S5

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

SUBJECT: SPECIAL

**Authorization for a Project Labor Agreement related to the 2001
Bond Issue
(Resolution No. 050224-S5)**

BACKGROUND INFORMATION:

During its October 2001 regular meeting the Board passed Resolution 011025-S3 which authorized the Chancellor to select a consultant who would evaluate the potential benefits of and make recommendations for a consolidated, coordinated labor relations program for the district's construction program, including consideration and recommendation on the use of a Project Labor Agreement. The Chancellor selected Parsons Constructors, Inc. to accomplish this task. In turn, Parsons Constructors developed a document entitled "Project Labor Agreement Feasibility Study" dated August 7, 2002. The Parsons Constructors' report recommended that the District seek labor relations stability, given the construction labor-management climate both in San Francisco and nationally, via a Project Labor Agreement, and recognized that anticipated construction needed to be completed on schedule so that classes and academic programs would not be adversely affected. During its August 2002 regular meeting, the Board of Trustees adopted Resolution No. 020827-S1 specifically directing the Chancellor to move forward with negotiations for a Project Labor Agreement. The resolution also provided specific conditions and principles for the Chancellor to follow during PLA negotiations.

These conditions and principles are repeated below verbatim:

- a. The PLA shall contain effective, time efficient dispute resolution procedures, available to all parties and their employees, covering any potential labor-management or employee-management dispute, including jurisdictional disputes among the signatory unions, which might arise under the Agreement;
- b. The PLA shall contain provisions including a comprehensive no-strike clause, which will prohibit any disruption, work stoppage or lockout that might arise and include a mechanism for the prompt, effective enforcement of such provisions;

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- c. The PLA shall contain provisions permitting the establishment of rules, regulations, and procedures promoting a safe work place for all employees, which may include measures that are beneficial to the Project and to the District;
- d. The PLA shall prohibit employment discrimination of all types and shall not impede, but rather encourage, balanced opportunities among all groups to participate in Project work;
- e. The PLA shall include provisions that seek to ensure a steady, adequate and reliable supply of properly skilled employees to undertake work covered by the PLA;
- f. The PLA shall contain provisions which permit all qualified construction contractors to bid and be awarded work pursuant to the applicable procurement laws, and shall not require such contractors to be signatory to, or to become signatory to, any other Agreement but the Project Labor Agreement for purposes of wages, hours, and working conditions on the Project;
- g. The PLA shall, to the extent possible, standardize and harmonize working conditions on the Project to maximize the efficiency of construction and the coordination among different contractors and work forces;
- h. The PLA shall explicitly define its scope as limited to the construction work authorized by the Board for inclusion within a PLA as contained in the document entitled "City College of San Francisco Bond Projects Report: Proposed Projects for \$195 Million General Obligation Bond" dated June 6, 2001, except as otherwise provided in this Resolution and shall further limit its application to those employees traditionally engaged in the construction process and employed directly by contractors bound by the PLA;
- i. The PLA shall, as the definitive labor relations program for the Project, encourage coordination among the contractors and inter-change between labor and management in order to establish a stable, harmonious work site and permit the timely completion of the Project;
- j. The PLA shall seek to ensure fair and equitable accommodations for both union and non-union workers with regard to both health care and retirement benefits;
- k. The PLA shall seek to encourage and create opportunities for Small Local construction firms to be sub-contractors of larger contractors on District Projects.
- l. The PLA shall provide that the College will use its own Contract Compliance Officer and other governmental agencies to monitor contractors for compliance with appropriate labor laws and regulations.

In an effort to implement Resolution No. 020827-S1 , the Chancellor and the Vice Chancellor for Finance and Administration conducted more than eighteen months of face-to-face negotiations with representatives of the San Francisco building trades unions. In addition the Chancellor and the Vice Chancellor for Finance and Administration conducted numerous meetings with representatives of San Francisco's small business community. The goal of this process was to produce a PLA document that adhered to the conditions and principles contained in the board's August 2002 resolution and at the same time seek, through consultation, input from impacted parties. The result is the proposed PLA dated "January 6, 2005 "(see Appendix B).

Additionally and per the conditions and expectations of the Board approved resolution, the Committee on Facilities hosted a Special Meeting for purposes of discussing the draft negotiated agreement in public on December 6, 2004. At that meeting, a full discussion took place and it was suggested that a few areas within the PLA be looked at again for further refinement. Specifically, the matter related to Article III, Union Recognition and Employment, Section 3(d), the number of core employees (of a local non-union contractor) that could be referred pursuant to Article III, Section 3(a) has been increased from four (4) to five (5).

Furthermore and pursuant to the discussion related to giving priority consideration for project work to residents of the City and County of San Francisco, Article III, Section 3(d) was modified to reflect this concern per my memo to the Board dated December 9, 2004.

Finally, the Board of Trustees specifically requested that the Chancellor ask outside counsel, Mr. Carl Uehlein, to review the "final draft" and to share his insights and observations with the District. This was viewed as particularly important on the matters related to the extent to which the draft conforms to any rational standard for PLA's and/or how it conforms with the original resolution approved by the Board of Trustees. His memo is attached to this resolution (Appendix A).

It should be noted that, since the January meeting and given the fact that we "pulled" the PLA resolution, the District administration received a request from representatives of the SLBE contractors groups to attend a meeting to discuss the impact of the PLA and how contractors would operate within its framework. The Chancellor discussed the matter of conducting the meeting directly with the leadership of this group. It was mutually agreed that we would actually host two meetings. The first meeting would be a general orientation and "Q & A" about the PLA particularly given the fact that some contractors had more knowledge of the PLA than others. The second meeting, actually more of a workshop, would be held in early March and only if the Board of Trustees approved the PLA. This workshop would be more focused and detailed including the review of specific procedural matters related to particular Articles with the PLA. The Chancellor has asked Carl Uehlein to work with staff to develop a more detailed draft of a "step-by-step" procedural guide that will be used to provide direction to both primary and sub-contractors. It is expected that the March workshop will focus on the details of the process with representatives from the primary trade unions, our legal counsel, and facilities planning staff present to provide information and to answer questions.

It should also be noted particularly by interested parties and members of the public that Appendix B of the PLA draft which is the listing of all the applicable Schedule A's that are referred throughout the document are not provided within each copy of the recommended PLA draft. The length and scope of those documents precludes them from being enclosed. All of the Schedule A's are available for review and on-file in the Conference Room at the Gough Street Campus at 33 Gough Street, San Francisco

RECOMMENDATION:

WHEREAS, the District retained a consultant who conducted an extensive study which concluded that a PLA should further the District's governmental interest and meet the competitive bidding laws of California; and

WHEREAS, the successful completion of construction projects is of the utmost importance to the San Francisco Community College District, the students it serves and the surrounding community; and

WHEREAS, it is recognized that on all construction projects the goal is to reduce construction costs to the San Francisco Community College District by ensuring work will be completed efficiently, cooperatively, economically, and without interruption; and

THEREFORE BE IT RESOLVED: that the Board authorizes the Chancellor or his designee(s) to enter into a Project Labor Agreement (Attachment A) with the San Francisco Building Trades Council;

AND FURTHER BE IT RESOLVED: that such PLA not be applicable to those projects as contained in Section IV, entitled "Renovation and Remodeling of Aging Facilities", which is part of the document entitled "City College of San Francisco Bond Projects Report: Proposed Projects for \$195 Million General Obligation Bond", dated June 6, 2001, which, because of their limited size, scheduling, limited employment demands for the individual projects, and differences in applicable funding sources along with the constraints they impose, do not appear to raise the concerns and needs which may require their coverage with the potential benefits of a PLA;

AND FURTHER BE IT RESOLVED: that the Chancellor and/or his designees are hereby authorized to take any and all actions and/or execute any and all documents on behalf of the District to effectuate this resolution.

Originator: Peter Goldstein