EAST BAY MUNICIPAL UTILITY DISTRICT

Chabot Dam Seismic Upgrade Pilot Project Labor Agreement Update

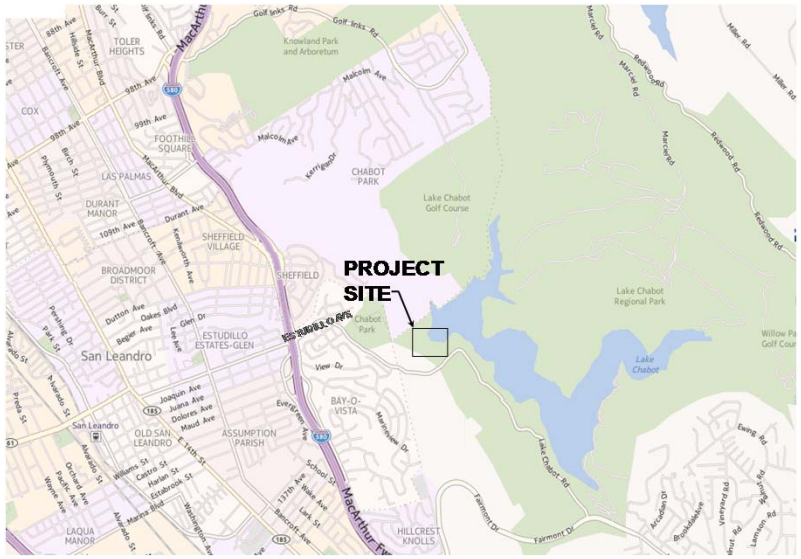
Legislative/Human Resources Committee

October 13, 2015

Background

- PLA Negotiating Principles approved in December 2014
- Draft PLA prepared in May 2015
- Three negotiation sessions between May and August 2015
- Stalemate noted at September 2015 Leg/HR Committee
- Committee directed continued negotiations and requested update in October 2015





Recent Actions and Status

- Four negotiation meetings with ACBTC since September 2015 Leg/HR Committee
- ACBTC provided full list of areas of concern
- ACBTC preparing written counter proposal to draft PLA
- Four negotiation meetings planned in the next week.

Areas of Concern

- Equitable Participation and Efficient and Effective Performance of the Work
  - Double benefit payments
  - Core workforce participation
  - Union initiation and monthly fees
  - Ability to hire non-union subcontractors
  - Owner/Operator and Sole Proprietor participation

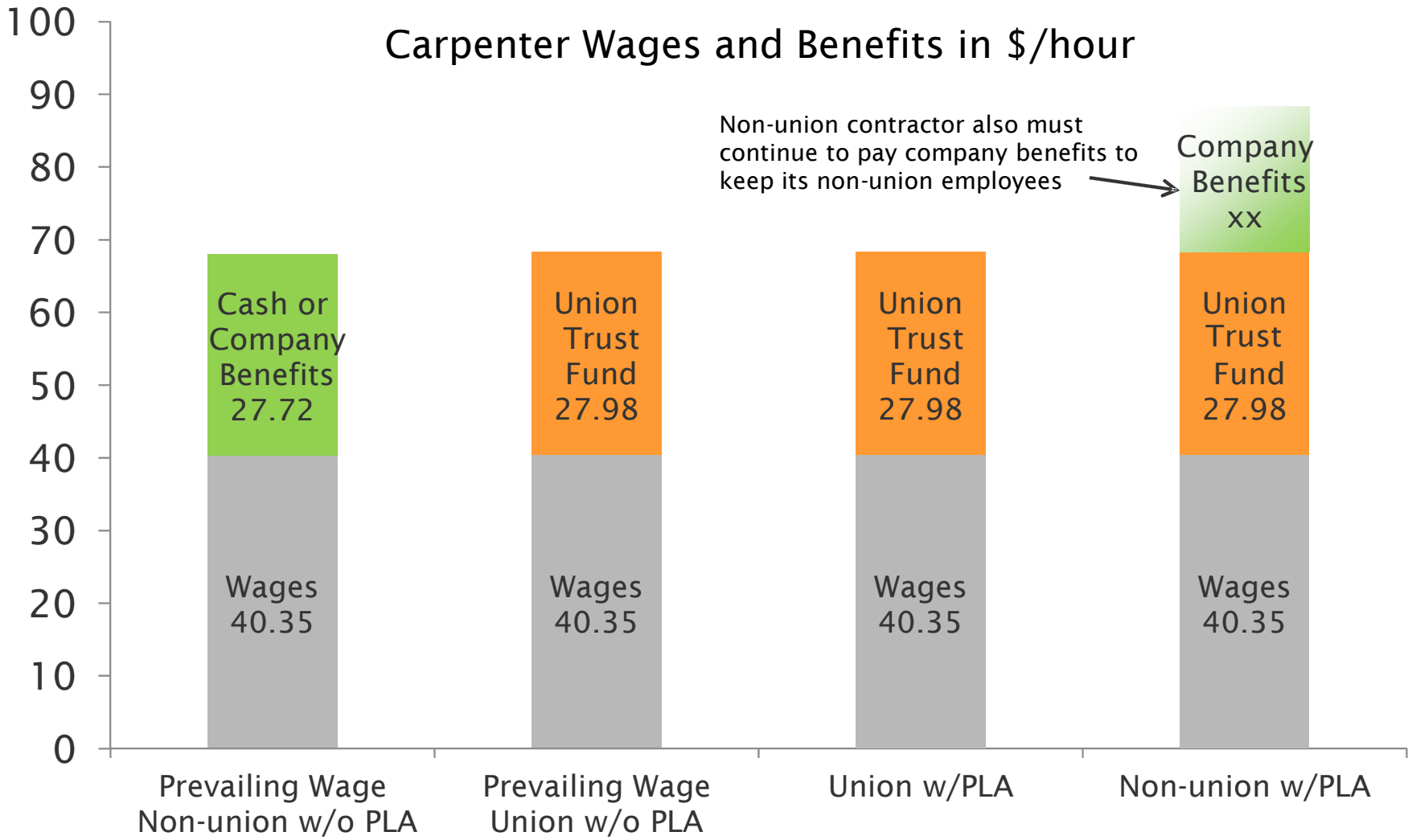
Areas of Concern (contd)

- Preserving Contract Equity and Local Hire Programs
  - "Carve out" exemptions for CEP
  - Incorporation or reference of local hire program
- Preserving construction contract and management processes
  - PLA Signatories
  - Covered work
  - Protecting warranties
  - Selection of arbitrators

Alternatives to Successful Negotiation for Chabot Project

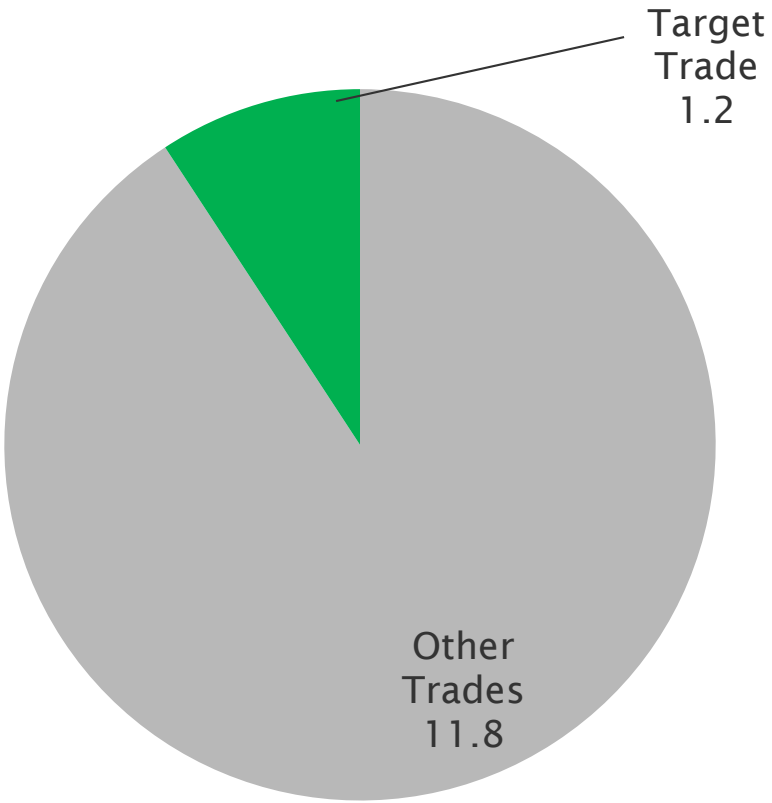
- Continue negotiations with goal of implementing pilot on future project
  - Areas of concern do not change
  - Two possible projects for pilot 6-24 months
- Establish $25-30 million contract threshold above which PLA would be considered
  - Would reduce areas of concern
  - Two possible projects in 3-7 years

Illustrating "Double Benefits" impact of PLA

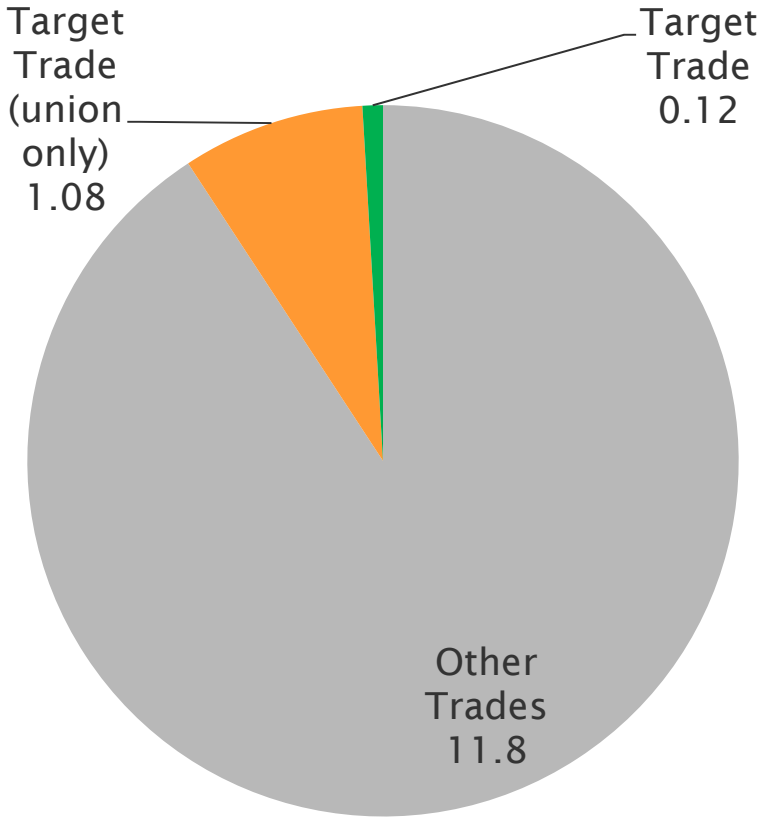


Illustrating PLA Impact on Contract Equity Program

$12 million project without PLA

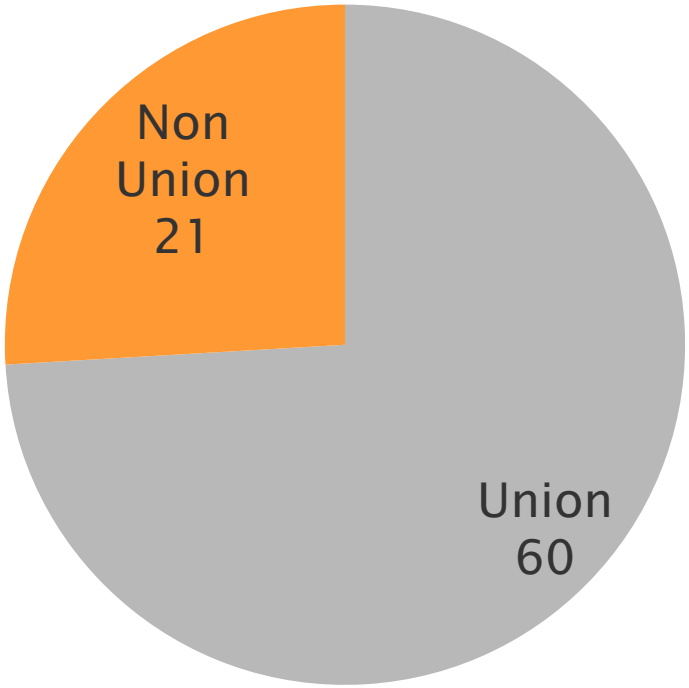


$12 million project with PLA

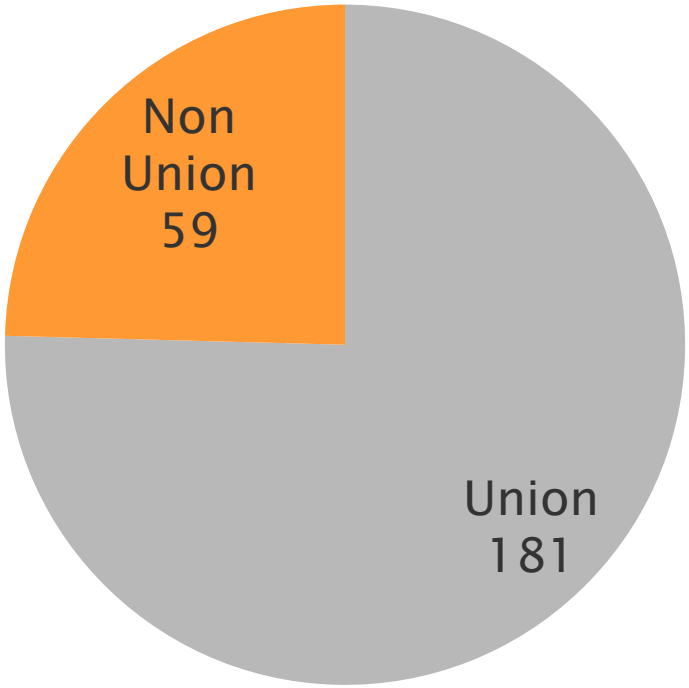


District Contract Statistics

Project Awards on all District Contracts Jan 2009 - Jan 2014



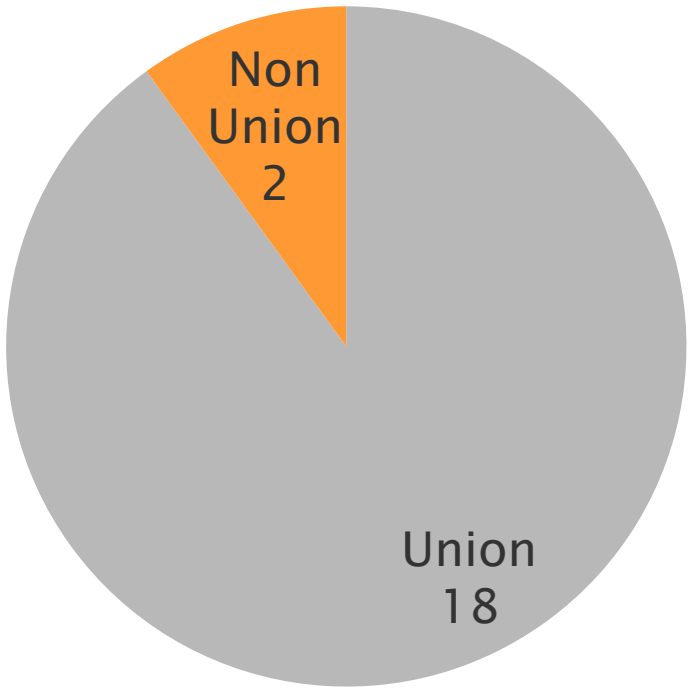
$$ million Awards on all District Contracts Jan 2009 - Jan 2014



Threshold may reduce areas of concern with PLA

- Four FSCC contracts and Digester Upgrade
- Fewer non-union bidders on larger dollar contracts

Bidders on five District projects over $25 million



Next Steps and Required Schedule

Action	Date
Continue Negotiation of PLA	October 2015
Board Consideration of PLA for Approval or discuss alternatives	November 10, 2015
Chabot Dam Construction Contract Advertise for Bids	December 8, 2015
Chabot Dam Construction Contract Award	February 9, 2016