

AGENDA REPORT

Resolution: Authorization for the Executive Director to Extend the Maritime and Aviation Project Labor Agreement (MAPLA) to September 30, 2015 **(SRD)**

MEETING DATE: 6/25/2015

AMOUNT: Approximately \$39,000

PARTIES INVOLVED: Alameda County Building and Construction Trades Council, Oakland, CA,
Andreas Cluver, Secretary-Treasurer

SUBMITTED BY: Amy Tharpe, Director of Social Responsibility

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

This Agenda Report summarizes the history and recent negotiations to amend and extend the Maritime and Aviation Project Labor Agreement (MAPLA) and requests authority to extend the MAPLA to September 30, 2015 as described herein. The current MAPLA will expire on June 30, 2015.

BACKGROUND

On May 4, 1999, the Board of Port Commissioners (the Board) authorized the negotiation of a Project Labor Agreement and the retention of a Project Contractor and Legal Consultant to conduct the negotiations. The team of Davillier-Sloan, Inc. and Parsons Constructors, Inc. (DSI/PCI) was selected as Project Contractor. On May 15, 2000, DSI/PCI, on behalf of the Port, entered into a comprehensive Project Labor Agreement, known today as the Maritime and Aviation Project Labor Agreement (MAPLA).

The MAPLA was designed to ensure project labor stability, employ local residents, and support the implementation of the Port's small local business utilization program through the inclusion of a small business exemption. The MAPLA currently covers all projects in the Maritime and Aviation areas funded through the Port's Capital Improvement Program whose contracts are above \$50,000. On August 2, 2002, the Port and the Alameda County Building and Construction Trades Council (BTC) entered into a Settlement Agreement that extends coverage of the MAPLA to Port tenant construction projects that exceed \$150,000 and until

such time as the Airport Terminal Expansion project was complete, to tenant construction projects in the South Field area of the Airport that exceed \$50,000.

Initially adopted for five (5) years (through December 2004), the MAPLA was extended for two (2) years (through December 2006) as a result of the settlement of an arbitrator's award extending coverage of MAPLA to Port tenants' construction activities. MAPLA was further extended several additional times by Board action and with the concurrence of the BTC through June 30, 2008, with a month-by-month extension thereafter. In June 2010, the Board adopted a five (5) year extension to the MAPLA, and in February 2011, the Port and BTC executed an agreement to extend the MAPLA for five (5) years. The MAPLA is set to expire on June 30, 2015.

Port staff and Davillier-Sloan, Inc. (DSI), the consultant currently providing MAPLA administrative services for the Port, are working with BTC to revise, amend, and reach agreement on a successor MAPLA. However, this process will not be complete before the current expiration date of the MAPLA. This report recommends that the Board approve a short term extension of the current MAPLA, as outlined in the analysis section below, in order to allow additional time for BTC and the Port to reach agreement and to finalize revisions to the MAPLA. At that point, staff will return to the Board to obtain Board approval of the revised MAPLA.

ANALYSIS

In anticipation of the expiration of the MAPLA, Port staff, DSI and BTC began discussions in January 2014 with the intent to come to the Board with a newly revised MAPLA prior to its expiration on June 30, 2015. Over several months, Port staff, DSI, and BTC have continued to meet and discuss potential revisions. Port staff and DSI have also discussed potential MAPLA revisions with the Port's stakeholders most affected by the MAPLA, including selected construction contractors, truckers, work force development entities, and community based organizations.

Although the parties have made significant progress with respect to agreeing on key concepts and proposed revised language, several issues require further evaluation and discussion. Subject to Board authorization, the parties therefore agree to extend the MAPLA for three (3) months, through September 30, 2015, to continue the mutual benefits of the MAPLA – including labor peace, guarantee of a steady labor pool, uniform dispute resolution procedures, local hire requirements, and exemptions for small local contractors for projects placed in the Port's Small Business Program – while allowing for a more thorough opportunity to agree upon potential amendments to the MAPLA.

BUDGET & STAFFING

There is no budget impact. The administrative cost to administer the MAPLA through DSI for three months (for approximately \$39,000) is included in the capital budget.

The proposed action does not have a staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

While the matters addressed are directly related to the MAPLA, the act of extending and revising the MAPLA itself is not within the scope of the MAPLA and therefore the MAPLA does not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Plan (<http://www.portofoakland.com/pdf/about/strategicPlan2011-2015.pdf>)

- Goal C: Objective 2: Conduct comprehensive communication and outreach to stakeholders and strategic partners to improve workforce and small business opportunities.
- Goal I: Objective 2: Build and strengthen an effective partnership with labor unions.

LIVING WAGE

Neither the Port's Living Wage Ordinance (Port Ordinance No. 3666) nor living wage requirements set forth in Section 728 of the City of Oakland Charter apply because there is no compensation to employees of Port contractors or recipients of Port subsidies.

ENVIRONMENTAL

The recommended action is the extension of a currently existing agreement relating to labor utilization and continuity as well as social benefits derived from construction projects. The California Environmental Quality Act (CEQA) applies only to projects that have the potential for causing a significant effect on the environment. There is no possibility that the action recommended may have a significant effect on the environment. Therefore, the action is not subject to CEQA.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility. Therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP) / PROFESSIONAL LIABILITY INSURANCE PROGRAM (PLIP)

This action is not subject to the Port's Owner Controlled Insurance Program (OCIP) or Professional Liability Insurance Program (PLIP) as it is not a capital improvement construction project or design project supporting such construction.

OPTIONS

- Authorize the extension of the Maritime and Aviation Project Labor Agreement to September 30, 2015. This is the recommended action.
- Do not authorize the extension of the Maritime and Aviation Project Labor Agreement. Under this option, the MAPLA will expire on June 30, 2015, after which there will be no agreement in place to support work force development and ensure project labor stability.

RECOMMENDATION

The Social Responsibility Division recommends that the Board authorize the Executive Director to approve the extension of the Maritime and Aviation Project Labor Agreement to September 30, 2015.