

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of March 15, 2011

ITEM # 31

ITEM TITLE:

Consider Approval of Amendment No. 1 to the Agreement for PLA (Project Labor Agreement) Management Services, Davillier-Sloan, Inc

SPECIFIC BOARD ACTION REQUESTED:

Approval is requested for Amendment No. 1 to the agreement for PLA (Project Labor Agreement) Management Services with Davillier-Sloan, Inc. (DSI), in the not-to-exceed amount of \$72,000 for a one-year period (\$6,000 per month) from March 2011 through February 2012.

ITEM SUMMARY:

These administration services are required for the implementation, enforcement, management and operation of the District's Project Labor Agreement. The Board approved entering into an agreement with DSI at the meeting of March 23, 2010. They were selected through a formal Request for Qualifications process. The agreement was prepared for a one-year term, at a not-to-exceed fee of \$72,000. It was stipulated and noted in the Board report that the agreement could be extended for two additional one-year periods at the same fee based on a favorable annual performance review and Board of Trustees' approval. DSI has performed satisfactorily, and it is recommended that the contract be extended for a one-year period.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

Measure A, as approved by the voters in Peralta's constituency and authorized under Resolution 05/06-45, Exhibit A-1, District-Wide Projects, "Classrooms and facilities to enhance the community outreach capabilities of the District among the numerous ethnic communities living and served by the District," and all bond projects under Measures A.

BACKGROUND/ANALYSIS:

Attached is the Proposal from DSI, including an Executive Summary of Services Provided, and the Annual Report for the Project Labor Agreement Local Hire Program prepared by DSI.

ALTERNATIVES/OPTIONS:

Not applicable.

EVALUATION AND RECOMMENDED ACTION:

Approval is recommended for Amendment No. 1 to the agreement for PLA (Project Labor Agreement) Management Services with Davillier-Sloan, Inc. (DSI), in the not-to-exceed amount of \$72,000 for a one-year period (\$6,000 per month) from March 2011 through February 2012.

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ NO X

COMMENTS:

All Board approved contracts are subject to final negotiation and execution by the Chancellor.

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Vice Chancellor Ikharo

DID A BOARD STANDING COMMITTEE RECOMMEND THE ITEM? YES _____ NO X

IF "YES", PLEASE INCLUDE THAT INFORMATION IN YOUR SUMMARY.

PLEASE ACQUIRE SIGNATURES IN THIS ORDER:

DOCUMENT PREPARED BY:
Prepared by: Sadiq B. Ikharmo Date: 3-3-11
Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

DOCUMENT PRESENTED BY:
Sadiq B. Ikharmo Date: 3-3-11
Dr. Sadiq B. Ikharo
Vice Chancellor of General Services

FINANCE DEPARTMENT REVIEW

Finance review required Finance review *not* required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: Ron Gerhard electronically by re Date: 3/11/11
Ronald Gerhard, Chief Financial Officer

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review *not* required

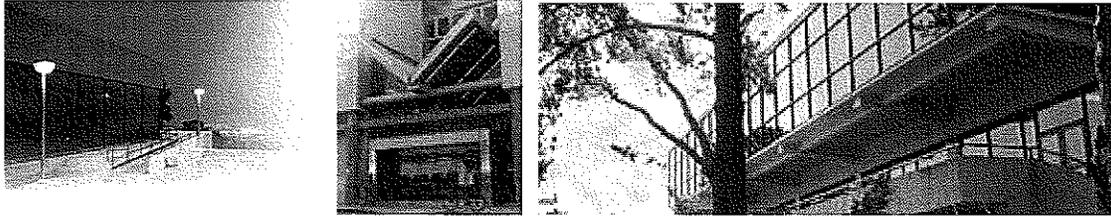
If Legal review is required, determination is: Approved Not Approved

Signature: Thuy T. Nguyen electronically by re Date: 3/8/11
Thuy T. Nguyen, General Counsel

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: Wise E. Allen Date: 3/8/11
Wise E. Allen, Chancellor



**Proposal to Provide Continuing
Consulting Services for
Project Labor Agreement Compliance
For
Peralta Community College District**

Submitted By



LABOR MANAGEMENT CONSULTANTS

DAVILLIER-SLOAN, INC.

1630 12TH STREET
OAKLAND, CA 94607
PHONE: (510) 835-7603
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FEBRUARY 2011

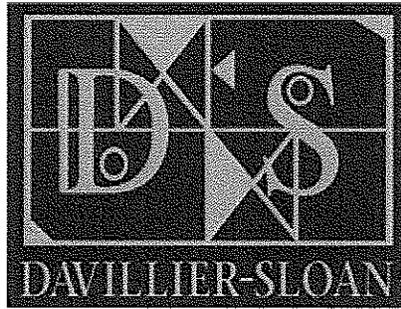
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LABOR MANAGEMENT CONSULTANTS

Letter of Interest

February 12, 2011

Dr. Sadiq Ikharo
Peralta Community College District
501 5th Avenue
Oakland, CA 94606

Subject: Request for Extension of Contract
Consulting Services for Project Labor Agreement Compliance

Dear Dr Ikharo:

Davillier-Sloan, Inc. (DSI) is pleased to submit its request for an extension of the contract for a full range of program management services related to the Project Labor Agreement (PLA) for the Peralta Community College District (District). Based on extensive experience in the industry, DSI is prepared to continue to provide labor relations and dispute resolution services, along with monitoring the innovative local hiring program. DSI is the only locally based firm with experience managing both traditional and non-traditional PLAs. Currently, DSI manage a PLAs for the Oakland Unified School District, BART and the Port of Oakland. DSI co-managed the Vista College PLA for the District and is currently the manager of the District wide PLA, for which it was the lead negotiator. DSI has also been part of the team that managed a PLA for the San Diego County Water Authority. All these PLAs contained provisions and goals for the hiring of local area residents. DSI is firmly committed to negotiating and managing PLAs that provide community benefits

DSI will be supported in providing these services by outside consultants Bradford Coupe and Ed Manning. Mr. Coupe is Counsel in the Labor and Employment Law Group of Verrill Dana, LLP. The construction industry occupies a significant portion of Mr. Coupe's work, involving frequent negotiations with construction, local and international unions and with the Building and Construction Trade Department, AFL-CIO. For most of the 1970s, he devoted more than half of his practice to the negotiation and

administration of the PLA applied to the construction of the Trans-Alaska Pipeline. Mr. Coupe was part of the team that negotiated the ground breaking PLA for the Port of Oakland and assisted DSI in negotiating the District's PLA. Mr. Manning of E.F. Manning Consultants has extensive local experience, including but not limited to the managing the Port of Oakland, the Oakland Unified School District and the San Francisco Public Utilities Commission PLAs. Mr. Manning and DSI work in association on the Port and OUSD PLAs. Mr. Manning provided support to DSI in negotiating the District's PLA. However, all work for this program will be the responsibility of DSI, which can be reached at:

1630 12th Street

Oakland, CA 94607

510-835-7603 (Telephone)

510-835-7613 (Fax)

info@davillier-sloan.com (Email)

Federal Tax ID number:

94-3206493

We look forward to continuing our relationship with the District and to providing collaborative, user friendly and cost efficient services. If you have any questions about our proposal or qualifications, please do not hesitate to contact me.

Sincerely,

Jake Sloan,

Executive Summary Of Services Proposed

DSI proposes to provide the following services to assure the efficient operation and administration of the Peralta Community College District (District) Project Labor Agreement (PLA), which is hereby incorporated by reference.

DSI firmly believes that the District's Project Labor Agreement can serve as a catalyst for not only stimulating local employment but also serve as a vehicle for maintaining sound and cooperative labor relations and to ensuring project labor stability. To this end, DSI anticipates providing the following services in support of this objective.

DATA COLLECTION AND MANAGEMENT

1. Certified payrolls will be used to monitor compliance with the goals for local hiring contained in the PLA. As certified payrolls are received, they will be reviewed to determine if the required data and fields are completed. If DSI discovers missing or incomplete information, the contractor will be notified in writing to correct the problem. Once the payrolls are deemed acceptable, they will be logged into a local hire database, reviewed and reports will be generated on a weekly basis, monthly or as-needed basis.
2. All apprentices listed on the certified payroll reports will be verified to ensure that they are registered and approved by the State of California Division of Apprenticeship Standards. The status of each state approved apprentice will be maintained in the system for the accuracy of the local hire reports.
3. On a monthly basis, DSI will perform a detailed audit to ensure that the contractors have submitted all certified payroll reports and required PLA forms. Notices requesting missing documents will be distributed to the affected contractors.
4. The reporting system will be updated with new project, contractor and worker information, as received. As directed and needed, DSI will modify and develop new local hire reports.
5. DSI will collect the Letter of Assent (LOA) from all contractors performing work on the projects. The LOA will be tracked in the system and monthly reports will be generated and provided to the appropriate persons. If a contractor has not submitted the signed LOA, the District will be advised to withhold payments as appropriate.

WORKFORCE DEVELOPMENT AND COMPLIANCE ENFORCEMENT

1. DSI will conduct project site visits, as needed, to confer with contractors about the ratio of projected local hiring status and to compare what is on site with what is submitted in certified payrolls.
2. DSI will work with participating contractors involved in project work who may be having local hire problems to secure local residents and local apprentices. The cities of Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont will be considered the local area for the District. In this regard, DSI will coordinate with the relevant craft union and apprenticeship program to secure the worker dispatches.
3. DSI will make participating contractors aware of the community-based organizations that are involved in pre-apprenticeship training and the provision of supportive services as potential hiring resources. Local community organizations that can provide contractor assistance may include, but not limited to, the Cypress Mandela/Women in Skilled Trades Pre-Apprenticeship Program, Youth Employment Partnership, Men of Valor Program, TradesWomen, Inc. and the Allen J Temple Alfred Smith Training Center.
4. DSI will work closely with the unions and the District construction training related programs to make staff and students aware of opportunities and requirements for careers in construction.
5. DSI will work closely with the unions to use District students and graduates as a first source for recruiting and indenturing new apprentices.
6. When there is apparent non-compliance, DSI will request a meeting with the contractor(s) in apparent non-compliance to discuss issues and agree on a resolution plan to increase local hiring either on District and non-District projects for local hiring.
7. Contractors who ignore meeting requests and or do not meet the resolution plan will either be referred to the Social Justice Committee, to the District or directly to arbitration.

LABOR RELATIONS ACTIVITIES

1. DSI will coordinate with the participating contractors for the scheduling of pre-job meetings prior to the initiation of project activity. The pre-job meetings will serve as the venue for which contractors will be further acquainted with the provisions of the PLA and in which union work jurisdictional claims will be made and potentially resolved. Additionally, the contractor will have the opportunity to interact with crafts about the dispatch of skilled workers to his particular project.
2. DSI will work with the District and various unions to process grievances through the PLA's established and standardized dispute resolution procedures. Craft jurisdiction remains a key interest of labor but disputes can be resolved away from the construction projects, thereby insuring no work disruptions.

3. DSI will work with the unions to ensure the dispatch of skilled workers needed to ensure sound and on time construction of District's projects.
4. DSI will work closely with non-union contractors working under the PLA to ensure that those contractors will be able to use both their "core" employees and to integrate skilled union members into their work crews.

DISTRICT RELATIONS/MEETINGS

1. DSI will attend the pre bid meetings for all PLA covered projects and explain the PLA provisions for contractors in attendance.
2. DSI will regularly attend District Project Manager meetings, as needed or directed.
3. DSI will participate in District's Construction training programs and Advisory Committees, as requested or directed.
4. DSI will schedule, chair and record minutes of all meetings scheduled to address issues related to local hiring.
5. DSI will attend progress meetings with District, as requested or required.

REPORTING

1. DSI will make weekly, monthly and as needed reports on the progress of local hiring to the District project manager and the contractor project manager or superintendent.
2. DSI will provide monthly and special reports as requested on local hiring, social justice and related issues to District management.
3. DSI will provide payment verification letter compliance with submitting the LOA, as requested or needed.
4. DSI will, as requested, make special reports to the District's Board and Bond Oversight Committee on the overall progress and status of the PLA.

Statement of Qualifications

DSI has extensive experience in negotiating and administering Project Labor Agreements (PLAs) and with related Labor Compliance Programs (LCPs). In addition to the traditional PLA components, such as prohibition of strikes, work stoppages and lockouts, DSI's particular area of expertise is negotiating and administering PLAs that contain provisions for maximizing the hiring of local workers and the utilization of local area businesses. For more than 10 years, DSI has been at the cutting edge in working independently or on teams to negotiate and manage innovative PLAs that maximize community benefits: The services have included but not been limited to:

- Full service negotiations representing public agencies for major programs and projects
- Presenting PLA requirements at pre-bid, pre-construction, and pre-job meetings
- Monitoring and reporting on compliance with any local hiring program goals
- Dispute Resolution
- Establishing and chairing related working committees
- Establishing and administering related Trust Funds, as applicable

For all of these PLAs (see project descriptions below), DSI has had either full management responsibility or responsibility for managing the local hiring components. For all, DSI has had full responsibility for data collection and management for assuring compliance with local hiring goals.

As an example of DSI data collection and management approach, over the last few years, DSI has worked with West Contra Costa Unified School District to increase local hiring and local business participation. DSI has put in place electronic systems and databases to facilitate efficient tracking of certified payroll report and Labor Compliance Program related documents. The database generates a variety of reports based on our clients needs. For example, a local hiring report is submitted on a weekly basis to the general contractor and district's program manager detailing which projects are in

compliance with the local hiring goals. In order to help the contractor achieve the District's goals, DSI has developed a database of local workers and business available, capable and willing to perform work on the district projects. All certified payrolls are monitored for compliance with the prevailing wage scales, utilization of apprentices and related Labor Codes.

As an organization or as individual staff and consultants, DSI has more the 30 years experience in working with the Alameda, Contra Costa and San Francisco Building Trades Councils and their affiliates.

Project Assignments:

- Jake Sloan, Principal in Charge
- Gene Johnson, Project Manager
- Maribel Alejandre, Analyst
- Shanika Ratcliff, Analyst
- Bradford Coupe, Outside Legal Counsel
- Ed Manning, Outside Labor Consultant

References and Past Projects

OAKLAND UNIFIED SCHOOL DISTRICT – MODERNIZATION PROGRAM

DSI is the administrator for the Oakland Unified School District Project Labor Agreement (PLA), covering more than \$500 million in school modernization projects. This is an innovative PLA that includes a Social Justice Program focused on the hiring of local residents. DSI is responsible for managing the Social Justice Program and assisting the District in monitoring prevailing wages on an as needed basis. Monitoring the utilization of local resident apprentices is an important element of the program.

Larry Bridges, Division of Facilities, Planning and Management
Oakland Unified School District
955 High Street, Oakland, CA 94601
Phone: (510) 879-8387
Email: larry.bridges@secmail.ousd.k12.ca.us

PERALTA COMMUNITY COLLEGE DISTRICT – MODERNIZATION PROGRAM

The Peralta Community College District (District) is undertaking a major program for maintenance and modernization. DSI was part of the team that negotiated and administers a PLA for Peralta. This is a PLA that also includes a Social Justice Program focused on the hiring of local residents.

Dr. Sadiq Ikharo, Vice Chancellor for General Services
Peralta Community College District
333 East 8th Street, Oakland, CA 94606
Phone: (510) 466-7200
Email: sikharo@peralta.com

PORT OF OAKLAND – MARITIME AND AVIATION PROJECT LABOR AGREEMENT

In association with Parsons Constructors Inc., DSI negotiated and is administering a PLA for the Port of Oakland, covering over \$1 billion in construction for more than 180 projects. This is an innovative PLA that includes a Social Justice Program focused on the hiring of local area residents. DSI is responsible for managing the Social Justice Program and

assisting the Port in monitoring prevailing wages on an as needed basis. Monitoring the utilization of local resident apprentices is an important element of the program. DSI co-chairs a Trust Fund established to provide financial support for local area pre-apprenticeship and related programs.

Chris Chan, Engineering Administration
Port of Oakland
530 Water Street, Oakland, CA 94607
Phone: (510) 627-1331
Email: cchan@portoakland.com

SAN DIEGO COUNTY WATER AUTHORITY – OLIVENHEIM DAM PROJECT

As a sub-consultant to Parsons Constructors Inc., DSI negotiated and administered a PLA for the San Diego County Water Authority's \$1 billion Olivenheim Dam project. DSI was responsible for managing a local hiring program and periodically monitoring prevailing wages on an as needed basis.

Ed Manning, President
E.F. Manning Consultants, Inc.
Phone: (510) 867-7477
Email: ed@efmanningconsultants.com



Annual Report for
Project Labor Agreement Local Hire Program
July 2009 – February 2011

For
Peralta Community College District



Submitted
By



Davillier – Sloan, Inc.

February 2011

PERFORMANCE REPORT

PERALTA COMMUNITY COLLEGE DISTRICT LOCAL HIRE PROGRAM

PROJECT LABOR AGREEMENT

Executive Summary/Overview

In July 2009, the Peralta Community College District, represented by Davillier-Sloan, Inc., (DSI) and the Building & Construction Trades Council of Alameda County concluded negotiations of a Project Labor Agreement (PLA).

In addition to such traditional components as dispute resolution, stability, safety and provision of a skilled workforce, an important aspect of the PLA was the inclusion of a local hiring provision that emphasized the employment of Local Area Residents and Peralta Community College District students on covered project activity. The local hiring program applies to residents of the cities of Alameda, Albany, Berkeley, Emeryville, Piedmont and Oakland, if they are available, capable and willing to work on PLA covered projects. The goals of the program are that 50 % of all hours performed will be worked by residents of those cities and that 20% of all hours will be worked by apprentices from those cities.

To date, twenty one (21) projects have been covered by the project. As of January, overall, 30% of all hours have been worked by local residents, with 15% by apprentices and 34% by local resident apprentices. Details of the local hiring on a craft by craft basis are presented below.

Data received through February 11, 2011 indicated that a total of 46,607 construction work hours were performed on covered projects during the period. Twenty one (21) different trades recorded craftwork hours.

In addition to managing and monitoring the local hiring Program, DSI has been actively involved in managing labor relations and the resolution of grievances. During the reporting period, four (4) disputes were managed and resolved by DSI. Details of the grievances are described below.

Background/Details of Activities

July 2009 - February 2011

Over the course of program coverage by DSI, the following twenty one (21) projects have been covered by the PLA:

- Build Out: Phase II (3rd & 4th Flr) at Berkeley City College
- Building D Minor Repairs at Merritt College
- Buildings D, P, and Q Roofing and Waterproofing at Merritt
- Building E Finish Replacement at Merritt
- Building Q Improvements at Merritt
- COA Landscape Entry Renovations
- Dental Area Modifications, Bldg A at College of Alameda
- District Wide Security - Sheriff Control Center
- Exterior Lighting Improvements at Merritt
- GSA Site Improvements and Modular Replacement
- Gymnasium Kalwall at the College of Alameda
- Improvements to 860 Atlantic
- Infrastructure Upgrades of 4 New Portables at Laney College
- Laney Student Health Clinic Swing Space
- Laney Tower Swing Space Package #2
- Merritt College Learning Center / Library Renovation
- Merritt College Solar System (Photovoltaic) Project
- Short Term Construction Project at Berkeley City College
- Smart Classroom Electrical & Low Voltage at Merritt
- Smart Classroom Systems (Bid A & B)
- Tennis Court Bleachers at College of Alameda

Monitoring and compliance of traditional labor relations, dispute resolution and local activities on covered projects has included but not been limited to the following:

General Interface / Start up Meetings

- DSI participated and presented the PLA requirements at the pre-bid and pre-construction meetings for all PLA covered projects.
- DSI coordinated with the participating contractors for scheduling of pre-job meetings prior to the initiation of project activity. The pre-job meeting serves as the venue for which contractors are further acquainted with the provisions of the PLA and in which union work jurisdictional claims are made and potentially resolved. Additionally, the contractor has the opportunity to interact with crafts about the dispatch of skilled workers.
- DSI worked with the unions to ensure the dispatch of skilled workers needed to ensure sound and on time construction of Districts projects.
- DSI made participating contractors aware of the community-based organizations that are involved in pre-apprenticeship training and the provision of supportive services as potential hiring resources.

Monitoring and Reporting

- DSI conducted site visits to confer with contractors about the ratio of project local hiring status and to compare what is on site with what is submitted on certified payrolls.
- DSI distributed weekly reports on the progress of local hiring to the District project manager and the contractor project manager and/or superintendent.
- DSI received, reviewed, and tracked compliance plans and Letters of Assent.
- DSI worked with the District and various unions to process grievances through the PLA's established and standardized dispute resolution procedures, thereby insuring no work disruptions.
- DSI worked with participating contractors involved in project work who were having local hiring problems to secure local resident by coordinating with the relevant craft union and apprenticeship program.
- DSI requested a meeting with contractors in apparent non-compliance to discuss issues and agree on a resolution plan to increase local hiring either on District and non-District projects for local hiring.
- DSI met with the District and the Alameda Building Trades Council to review and discuss current and upcoming contract work.
- Each month, DSI prepared a report with a narrative for the District.

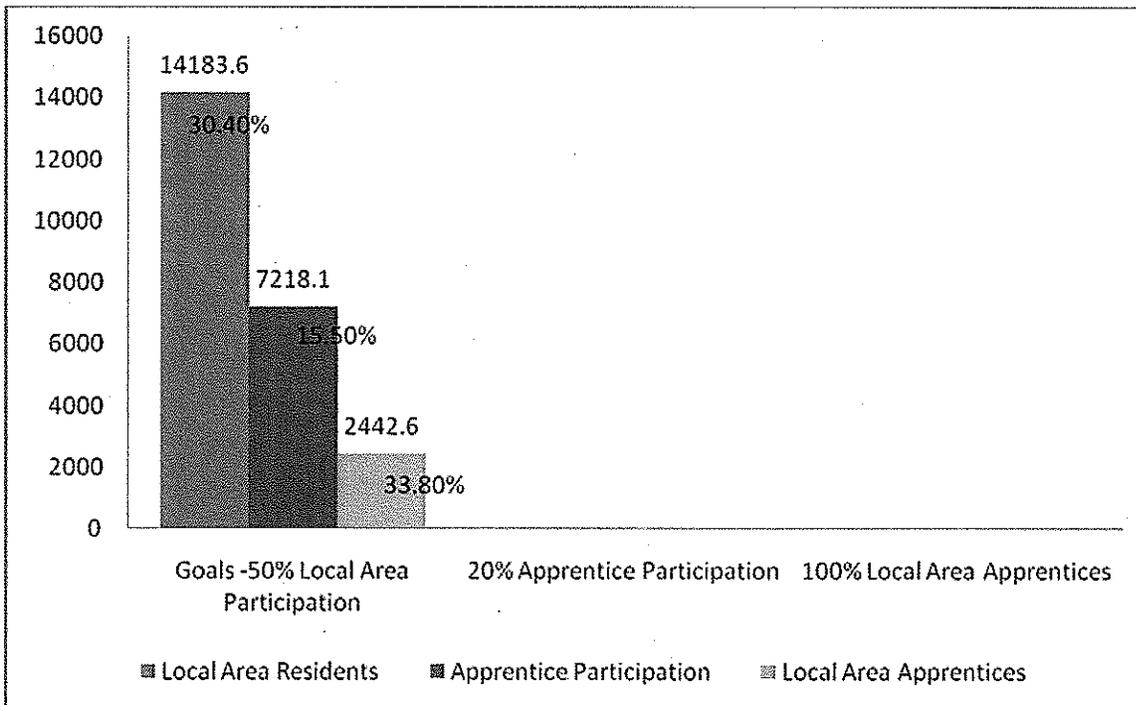
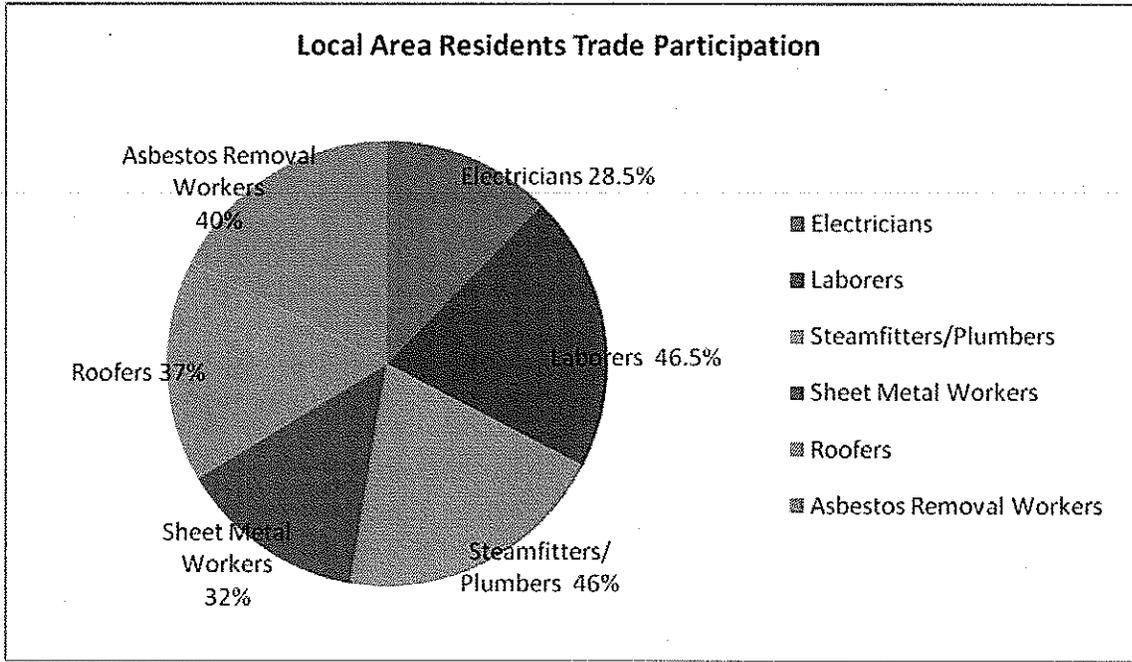
Database Management

- DSI set up computer and paper files, folders and database relative to the projects identified by the District.
- Certified payroll reports were collected and reviewed for accuracy.
- All employee information and hours reported on the certified payroll were entered into the local hire database.
- DSI updated the reporting system with new project, contractor and worker information as received.
- On a monthly basis, DSI performed detailed audits to ensure that the contractors submitted all certified payroll reports and required PLA forms.

Details of local Hiring by Craft

Crafts with a significant amount of work hours compiled the following local hire results during the report period.

<u>Craft</u>	<u>Local Residents</u>	<u>Apprentices</u>	<u>Local Apprentices</u>
Electricians	28.4%	25.7%	42.5%
Laborers	46.5%	3.9%	28.1%
Steamfitter/Plumbers	37.6%	0.1%	100%
Sheet Metal	31.7%	7.8%	97.6%
Roofers	37.2%	9.6%	53.7%



Dispute Resolution

An important aspect of the Project Labor Agreement is the grievance and arbitration procedure. It is always in the interest of the parties in a dispute to attempt to resolve issues at the lowest possible level. Throughout the reporting period, four grievances were submitted to DSI for hearing and adjudication. A synopsis of those grievance findings includes the following.

1. **Berkeley City College – Build Out Phase II-** The Building & Construction Trades Council of Alameda County requested a Step 2 Grievance Meeting against Captains Carpet for alleged violations of the core worker provisions and the payment of appropriate wage and Trust Fund Payments. The Grievance involved the Carpet and Linoleum Layers Union, Local 12. A Settlement Agreement was developed in which Captain Carpets paid \$5,673.60 in Wages and Trust Fund payments.
2. Berkeley City College – Short Term Construction - The Building & Construction Trades Council of Alameda County requested a Step 2 Grievance meeting for The Berkeley City College, Short Term Construction Project. The Grievance involved the Carpet and Linoleum Layers Union and Ortega Flooring. The grievance alleges violation of Article 9 of the PLA, payment of Initiation fees or monthly representative fees, Article 10 involving dispatch of workers through the Union Hall, and Article 11, non-payment of Trust fund payments on the workers. The grievance was dropped by the union upon Ortega Flooring providing documentation of payments being made.
3. Berkeley City College – Short Term Construction -Step II Grievance Meeting-Ortega Flooring and District Council 16 and Local 12 of Carpet Layers - Ortega Flooring filed a grievance against the union alleging a failure to satisfy their request to Dispatch causing Ortega Flooring monetary damages on the Short Term project at Berkeley City College. The Grievance Committee determined that Local 12 did not violate the Worker Dispatch provisions of the PLA. There were no findings that monetary damages were due to the contractor.
4. **GSA Improvements & Modular Replacement** - The Building & Construction Trades Council of Alameda County requested that a Step 2 Grievance hearing be conducted to resolve issues stemming from the GSA Improvements Project. The issue at hand stemmed from an alleged violation of the core worker provisions and the failure of JUV Inc. to secure properly dispatched workers. The crafts involved in the dispute were the Operating Engineers, Cement Masons, Laborers, and Carpenters. The issue was resolved by JUV Inc. hiring two (2) laborers and two (2) carpenters. The contractor also agreed to hiring an operating engineer should any flat work arise and a cement mason should the work warrant such.

Lessons Learned / Recommendations for Going Forward

In evaluating the effectiveness of the District's local hire program over the period July 2009 through February 2011, we must be mindful of the following factors:

- The District's Project Managers need to work closely with DSI to enforce compliance with the PLA Local Hiring Program requirements.
- The need exists to expand the pool of local residents involved in construction in Oakland and Alameda County.
- Monitoring efforts for PCCD projects of short duration must be increased. Contractors must be required to submit certified payroll reports in a timelier manner to facilitate this process.