
City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

BILL NO. 2012-4

SHORT TITLE: Establishment of a Community Workforce Agreements Procurement Policy

SPONSOR(S): Coss, Dominguez, Romero, Trujillo

SUMMARY: A community workforce agreement (CWA) procurement policy will require the use of CWAs by the City for large-scale public works construction projects that involve the expenditure of City funds in excess of \$500,000. A CWA is an agreement between the City and the New Mexico Trade Unions that is intended to benefit both parties because the City agrees to pay union wages and follow union working conditions and in return, the Unions agree to:

- not strike, lockout or slowdown;
- complete the project in a timely and orderly manner;
- avoid labor conflicts, to ensure there are peaceful, orderly and mutually binding procedures for resolving labor issues;
- accurately predict costs;
- allow non-union workers and contractors to work on the project; and
- promote the efficient and expeditious completion of large scale City construction projects

FISCAL IMPACT: No

PREPARED BY: Melissa D. Byers, Legislative Liaison

DATE: February 3, 2012

Attachments: Memo
Bill
FIR
Minutes

City of Santa Fe, New Mexico

memo

Date: January 12, 2012 for Meeting of January 17, 2012

To: Finance Committee

From: Judith Amer, Assistant City Attorney

Via: Geno Zamora, City Attorney

Item and Issue:

Bill No. 2012-4

AN ORDINANCE CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FE PURCHASING MANUAL (“PURCHASING MANUAL”) TO ESTABLISH PROVISIONS FOR COMMUNITY WORKFORCE AGREEMENTS (“CWA”) PURSUANT TO ARTICLE 9.02 OF THE CITY CHARTER AND SECTION 11-13 SFCC 1987.

Background and Summary:

Bill No. 2012-4 was introduced at City Council on November 30, 2011. The bill was on the December 12, 2011 Public Works Committee agenda but was postponed to the January 9, 2012 meeting as a public hearing. The purpose of the bill is to require the use of CWAs by the City for large-scale public works construction projects that involve the expenditure of City funds in excess of \$500,000.

A CWA is an agreement between the City and the New Mexico Trade Unions (“Unions”) that is intended to benefit both parties because the City agrees to pay union wages and follow union working conditions (hours, grievance procedures, overtime and holiday). In return, the Unions agree not to strike, lockout or slowdown; to complete the project in a timely and orderly manner; to avoid labor conflicts, to ensure there are peaceful, orderly and mutually binding procedures for resolving labor issues; to accurately predict costs; to allow non-union workers and contractor to work on the project; and to promote the efficient and expeditious completion of large scale City construction projects.

FREQUENTLY ASKED QUESTIONS

1. What is a community workforce agreement?

A community workforce agreement (CWA) is a pre-hire collective bargaining agreement that sets out in detail the terms of employment and hiring for all workers on entire large scale public works construction projects that require the services of multiple contractors and subcontractors and employ numerous trades over a sustained period of time.

2. What are the common terms in CWAs?

Prohibitions against strikes and lockouts; Procedures for quickly resolving disputes that arise on the project; Provisions for using apprentices and to ensure job training which may also lower

costs; Standards for hiring; Reference to local collective bargaining agreements for other terms including wage rates, fringe benefits for each trade and job referral procedures.

3. What is the difference between a CWA and a usual collective bargaining agreement (“CBA”)?

CBAs are between one trade (one union) and a contractor(s). A project that is not covered by a CWA, will have many different trade workers with many different CBAs with many different terms or non-union workers with no agreement at all. A CWA project will have all trade workers covered by the same basic terms.

4. Why would the City as owner of a public works project be interested in using a CWA?

CWAs have a nationally proven track record of on-time, on-budget, safe, and value-laden success for the cities that have utilized them. Several major cities in the United States have Ordinances in place for the use of CWAs or “project labor agreements”, for example, Canton, Ohio; Portland, Oregon, Cincinnati, Ohio; and Los Angeles, California.

Additionally, the Federal Government, by Executive Order 13502 dated February 6, 2009, ordered that federal government large scale construction projects (in excess of \$25 million) to use project labor agreements where the use of such agreement will: “(i) advance the Federal Government’s interest in achieving economy and efficiency in Federal procurement, producing labor management stability and ensuring compliance with laws and regulations governing safety and health and equal employment opportunity, labor and employment standards, and other matters and (ii) be consistent with law...”

A CWA will provide for a highly trained workforce on City large-scale construction projects without risk of work stoppages or strikes. It will also provide a binding means of resolving workplace disputes, monitoring of workers’ rights issues, and ensuring labor harmony—with New Mexico’s construction labor unions serving as the sole bargaining representative for covered workers—for the duration of the project. The resulting benefits for the City will include: high work productivity, high work quality, long-lasting value, and, the absolute highest of safety standards in the industry. CWA’s establish streamlined standards for hiring, work rules, and dispute resolution on large construction projects, and are also customized to meet the unique needs of the project and City. The economic advantage of using a CWA results from the efficiencies generated by a highly skilled and well trained workforce—as well as the benefits of labor/contractor coordination inherent and foundational in such agreements. Labor availability and quality is ensured through the use of the various union hiring halls—providing a highly trained, safe, and productive workforce throughout the duration of the project. Labor availability concerns and quality problems often arise on projects with no predetermined standards or qualified labor pools at the ready. The use of union hiring halls eliminates such concerns. The stability provided by a steady supply of qualified labor and predetermined work rules improve greatly the likelihood that city projects will be finished on time and within budget.

5. What happens to the local union agreements in the area?

For purposes of the project for which the CWA applies, the CWA's provisions supersede the terms of any other collective bargaining agreements that would otherwise apply because all the trades unions sign the CWA. The CWA refers and incorporates the local collective bargaining agreements for terms such as wage rates, benefits, and job referral procedures. Additionally, CWA's are inclusive. There are no prohibitions that prevent any contractor or worker—whether union affiliated or not—from bidding or working on such projects so as long as they agree to the terms and conditions of the CWA for the duration of the project, including the use of union hiring halls, and acceptance of signatory unions as the workers sole bargaining representative.

6. Is it legal for the City to use a CWA?

If the City, as a home rule municipality, adopts the CWA Ordinance requirement for large-scale construction projects, and, if the City complies with the other provisions of its Procurement Policy and the New Mexico Procurement Code, then yes. All contractors bidding on the City's large-scale construction projects will need to prepare their bids with knowledge of the CWA Ordinance requirement. The City's CWA is only binding on contractors when they are working on that particular large-scale construction project.

7. Do you have to be a union member or a union contractor to work on or bid for a CWA?

No. Any contractor that is willing to comply with the terms of the CWA may bid for the work and only need to comply with the CWA when they are working on that particular large scale construction project. Any workers, including non-union workers, that are willing to comply with the terms of the CWA are free to apply to work on the project and are not required to join a union.

8. How have CWAs been used to achieve benefits for cities?

Cities in the United States have used CWAs to provide opportunities for workers and businesses that are disadvantaged by creating and providing apprenticeship programs that target minorities and/or disadvantaged youths or set hiring targets for city residents and businesses.

Requested Action:

Please review and make a recommendation to the Governing Body regarding Bill No. 2012-4.

1 CITY OF SANTA FE, NEW MEXICO

2 BILL NO. 2012-4

3 INTRODUCED BY:

4 Mayor David Coss

5 Councilor Carmichael Dominguez

6 Councilor Rosemary Romero

7 Councilor Ron Trujillo

8
9
10 AN ORDINANCE

11 CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FE PURCHASING
12 MANUAL (“PURCHASING MANUAL”) TO ESTABLISH PROVISIONS FOR
13 COMMUNITY WORKFORCE AGREEMENTS PURSUANT TO ARTICLE 9.02 OF THE
14 CITY CHARTER AND SECTION 11-13 SFCC 1987.

15
16 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

17 Section 1. A new Subsection 28.8 of the Purchasing Manual is ordained to read:

18 28.8 [NEW MATERIAL] COMMUNITY WORKFORCE AGREEMENTS

19 28.8.1 Legislative Findings. The Governing Body finds that:

- 20 (1) The use of community workforce agreements for construction projects in excess
21 of \$500,000, is in the best interest of the City, in building large capital outlay
22 projects funded by Gross Receipts Tax and General Obligation bonds.
- 23 (2) Community workforce agreements will ensure that:
- 24 (a). Time schedules are met for large-scale construction projects;

- (b) Large-scale construction projects will be completed with highly qualified workers;
- (c) The project will meet the highest standards of safety and quality;
- (d) There are peaceful, orderly, and mutually binding procedures for resolving labor issues to:
 - (i) Avoid labor conflicts; and
 - (ii) Promote overall stability throughout the duration of the project by providing legally enforceable guarantees that the projects will be carried out in an orderly and timely manner without strikes, lockouts, or slowdowns in light of complex project elements and diversity or numerosity of contractors.

(3) Community workforce agreements will allow the City to more accurately predict the costs of large-scale construction projects and ensure fair and reasonable working conditions for all workers for large-scale City construction projects.

28.8.2 Applicability; Contracts Over \$500,000. Public works Construction contracts in excess of \$500,000 shall be governed by a Community Workforce Agreement (“CWA”) and shall be known as “Covered Projects.”

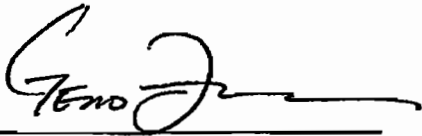
28.8.3 Incorporation by Reference. CWAs shall be included in any invitation for bid packet used to initiate competitive sealed bid procurement for Covered Projects, which shall include all contractual terms and conditions applicable to the procurement, as described in Section 22.1 of this Purchasing Manual.

28.8.4 Variable Terms. The terms of any construction project CWA may vary in accordance with the scope, duration, cost, or other characteristics of any Covered Project and such terms shall be determined by the City in any Invitation for Bid Packet on a project-by-

1 project basis. Provided, however, that any CWA shall incorporate terms to promote the
2 following objectives:

- 3 (1) Make available a ready and adequate supply of highly trained and skilled trade
4 and craft workers;
- 5 (2) Accurately determine project labor costs at the outset of any construction project;
- 6 (3) Establish working conditions for all construction trades and crafts for the
7 duration of the project;
- 8 (4) Negotiate legally enforceable commitments with all parties to a construction
9 project to ensure labor stability and labor peace over the life of the project;
- 10 (5) Facilitate increases in the number of trained and skilled local construction
11 workers through cooperative procedures and apprenticeship programs; and
- 12 (6) Promotes the hiring of local subcontractors in the construction of large-scale
13 public works projects funded by gross receipts tax and general obligation bonds.

14 APPROVED AS TO FORM:

15 

16 _____
17 GENO ZAMORA, CITY ATTORNEY

**City of Santa Fe
Fiscal Impact Report (FIR)**

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: X 2012-4 Resolution: X
(A single FIR may be used for related bills and/or resolutions)

Short Title(s): COMMUNITY WORKFORCE AGREEMENTS

Sponsor(s): COUNCILORS DOMINGUEZ AND ROMERO, MAYOR COSS AND COUNCILOR TRUJILLO

Reviewing Department(s): PURCHASING/CITY ATTORNEY'S OFFICE

Person Completing FIR: ROBERT RODARTE Date: 1/12/12 Phone: 955-5712

Reviewed by City Attorney: Judith Aron (Signature) Date: 1/12/12

Reviewed by Finance Director: M. Morgan (Signature) Date: 1/12/12

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution.

AN ORDINANCE CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FE PURCHASING MANUAL TO ESTABLISH PROVISIONS FOR COMMUNITY WORKFORCE AGREEMENTS PURSUANT TO ARTICLE 9.02 OF THE CITY CHARTER AND SECTION 11-13 SFCC 1987.

Section C. Fiscal Impact

Note: Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*

1. Projected Expenditures:

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

X Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected
	Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Professional Services	\$ _____	_____	_____	\$ _____	_____	_____	_____
	All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____
	Total:	\$ _____			\$ _____			

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected
	_____	\$ _____	_____	\$ _____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	_____	\$ _____	_____	\$ _____	_____	_____
	Total:	\$ _____		\$ _____		

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

NO REVENUE IMPACT: A CWA would be used by the City in bids of large-scale public works construction projects that exceed \$500,000. A CWA requires the City to pay prevailing wage rates which the City is currently paying on its construction projects so there is no fiscal impact. A CWA could save the City money by ensuring projects are completed on time, on budget and without disputes.

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

The local preference section of the Purchasing Manual is referenced in the CWA itself.

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

NO

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

NO

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

The goal is to continue to revise the Purchasing Manual in ways that will help to stimulate the economy of the City and find alternative solutions to help ensure the employment of the local work force. Further, on large scale City construction projects, a CWA will provide for a highly trained workforce on City large-scale construction projects without risk of work stoppages or strikes. It will also provide a binding means of resolving workplace disputes, monitoring of workers' rights issues, and ensuring labor harmony—with New Mexico's construction labor unions serving as the sole bargaining representative for covered workers—for the duration of the project. CWAs also contain provisions for using apprentices and to ensure job training which may also lower costs. The resulting benefits for the City will include: high work productivity, high work quality, long-lasting value, and, the absolute highest of safety standards in the industry. CWA's establish streamlined standards for hiring, work rules, and dispute resolution on large construction projects, and are also customized to meet the unique needs of the project and City. The economic advantage of using a CWA results from the efficiencies generated by a highly skilled and well trained workforce—as well as the benefits of labor/contractor coordination inherent and foundational in such agreements. Labor availability and quality is ensured through the use of the various union hiring halls—providing a highly trained, safe, and productive workforce throughout the duration of the project. Labor availability concerns and quality problems often arise on projects with no predetermined standards or qualified labor pools at the ready. The use of union hiring halls eliminates such concerns. The stability provided by a steady supply of qualified labor and predetermined work rules improve greatly the likelihood that city projects will be finished on time and within budget.

Form adopted: 01/12/05; revised 8/24/05; 4/17/08

**ACTION SHEET
CITY COUNCIL MEETING OF 01/25/12
ITEM FROM FINANCE COMMITTEE MEETING OF 01/17/12**

ISSUE:

14. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FE PURCHASING MANUAL ("PURCHASING MANUAL") TO ESTABLISH PROVISIONS FOR COMMUNITY WORKFORCE AGREEMENTS PURSUANT TO ARTICLE 9.02 OF CITY CHARTER AND SECTION 11-13 SFCC 1987 (MAYOR COSS, COUNCILORS DOMINGUEZ, ROMERO AND TRUJILLO) (ROBERT RODARTE)

Committee Review:

Public Works (approved)	01/09/12
City Council (request to publish)	01/25/12
City Business & Quality of Life (scheduled)	02/14/12
City Council (public hearing)	02/29/12

Fiscal Impact – No

FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR WURZBURGER	X		
COUNCILOR ROMERO	excused		
COUNCILOR BUSHEE	X		
COUNCILOR DOMINGUEZ	excused		
CHAIRPERSON ORTIZ	X		

**ACTION SHEET
ITEM FROM THE
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING
OF
MONDAY, JANUARY 9, 2012**

ITEM 13

REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FE PURCHASING MANUAL ("PURCHASING MANUAL") TO ESTABLISH PROVISIONS FOR COMMUNITY WORKFORCE AGREEMENTS PURSUANT TO ARTICLE 9.02 OF THE CITY CHARTER AND SECTION 11-13 SFCC 1987 (MAYOR COSS) (COUNCILORS DOMINGUEZ AND ROMERO)(ROBERT RODARTE)

PUBLIC WORKS COMMITTEE ACTION: Approved

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP: Add Councilor Trujillo as a sponsor

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON DOMINGUEZ			
COUNCILOR CALVERT	X		
COUNCILOR CHAVEZ	X		
COUNCILOR ROMERO	X		
COUNCILOR TRUJILLO	X		

Chair Dominguez asked that staff consider that to make sure they had covered the bases.

Also the memo mentioned a current base rate and a reduced base rate and asked what the difference was. That was in the cover memo to the packet.

Mr. Siqueiros said W21 did work out something with SFRCC to reduce the rate.

Chair Dominguez understood.

Councilor Chávez said this new latest proposal caught him off guard a little. He would be open to it to see how it could work out. They needed to be clear about why the Council was willing to assist W21 and not others because of the contractual arrangement.

He asked if Youth Shelters received funds from the City. Mr. Pino agreed.

Councilor Chávez thought if they could consolidate the services it would be better.

Mr. Bonifacio Armijo was invited to speak on behalf of the W21 Board and added that W21 initially came up with half of the amount of what the building would cost - well over \$3 million was spent on the building. The City came up with \$1.2 million and W21 came up with the rest. That was where many of these agreements came up. The reduced rate from SFRCC was temporary and was a reduction in the interest.

The Board hoped to have a reduction in the lease since the economy changed the value of the ground lease from when it was first negotiated to now.

Councilor Chávez moved to approve the resolution as presented with the amendments on the amendment sheet and the option staff presented on the Youth Shelter component. Councilor Trujillo seconded the motion and it passed by unanimous voice vote.

Councilor Romero arrived at this time.

PUBLIC HEARING

13. REQUEST FOR APPROVAL OF AN ORDINANCE CREATING A NEW SUBSECTION 28.8 OF THE CITY OF SANTA FÉ PURCHASING MANUAL ("PURCHASING MANUAL") TO ESTABLISH PROVISIONS FOR COMMUNITY WORKFORCE AGREEMENTS PURSUANT TO ARTICLE 9.02 OF THE CITY CHARTER AND SECTION 11-13 SFCC 1987 (MAYOR COSS) (COUNCILORS DOMINGUEZ AND ROMERO) (ROBERT RODARTE)

Committee Review:

Public Works (Postponed)

12/12/11

Finance Committee (Scheduled)	01/17/12
Council (Request to publish)	01/25/12
Council (Public Hearing)	02/29/12

Mayor Costello said what they had introduced called for community workforce agreements. This Council had worked hard on good jobs for Santa Fé and how to keep the work local. This was another step along the way. We want to get more people into skilled trades. The memo summarized the ordinance and presented FAQ on what it would do. The City was investing over half million dollars and needed quality work to be done on time. These agreements would help with that. It also required apprentice and training programs to help move trades along. That was higher education that gets the workforce ready to be skilled labor. So this was a perfect step along with the other provisions. The public would invest and insure the jobs were good and work done well.

Mr. Ray Barea Executive Director for New Mexico Building Trades Council said he represented all unions across New Mexico in construction trades. He expressed their strong support for this ordinance. CWA's have a record of being on time and within budget for their work. It would lead to family sustaining jobs and far less transient work force and a stronger local work force. It had rules for hiring and dispute resolutions and helped target disadvantaged companies/individuals. CWAs were inclusive and not hamper fair bidding on projects.

Mr. Jess Senteria said he had seen CWAs work and it would be good for our community and surrounding areas.

Ms. Jennifer Garcia applauded the Council for bringing forth the CWA agreement. She was in support of it.

Mr. Pat Vigil was currently working for Local 953 and had been a member for 38 years. The union had enabled him to make a good living for these years and the benefits of good insurance for self and family and to develop a pension plan so he could retire at 62 and not even need his social security to live. When you have a job like this, you want to take care of it and do a good job. We want to do quality work and take pride in our trade.

Mr. Mike Gomez represented sheet metal workers providing things that make us comfortable. He was in support of CWA. They had a lot of members here and in Los Alamos and now work was slow and families were hurting. Their schools and apprenticeships were second to none. They had 100 apprentices coming up to keep things going strong. When you go with quality workers who care, you get a quality job.

Mr. Joe Sanchez represented Local 611 electricians. Their members were all in support of this agreement. A lot of our members lived in the city and surrounding area and would like to see it passed.

Mr. Bernie Archuleta represented Local 16 labor. He lived in the local area and many of their members work in building here in Santa Fé. Good workmanship and safety were qualities that could be brought forward. They had concern for youth. Some of us were not destined to go on to college and CWA could

give a good option for those not going and not be a burden on the city.

There were no other speakers from the public and the public hearing was closed.

Chair Dominguez said one thing that inspired him about this was the apprenticeship programs. He recognized the disappearance of Vo-Tech opportunities in public schools and especially for minority students. While school funds got depleted, these programs helped prepare young people

Councilor Romero moved for approval. She said as a consultant who had no pension she understood the needs. They built into many of the contracts an option for training. This was one of the key components.

Councilor Trujillo seconded the motion.

Councilor Chávez said, like Councilor Romero, he was self-employed - a union of one. He had 35+ years of experience in the construction field and the school of hard knocks as a fine furniture and door maker. He didn't know what benefits were but these workers had earned them. It was his choice to be self-employed and wouldn't trade it for anything. Chair Dominguez was right - he was not fortunate to have vo-tech in the schools either.

His concern had to do more with the promotion of hiring local subcontractors and other local businesses that happened to be non-union. He asked what could be done to protect their viability and future business here in Santa Fé. One thing that pushed them out was not being able to get bonding because banks wouldn't lend them the money and without that someone else would get the work.

He asked staff how they could help other local businesses with bonding or whatever was needed to keep them viable. That was last on the list on page 3.

Mr. Zamora said it was important to remember when it comes to CWA agreements that they were projects \$500,000 and larger. The smaller ones were not subject to this agreement and local companies would still be able to compete for those smaller projects and be able to benefit for local preference at 10% advantage in bidding. When CWA kicks in, local business could compete directly or as subcontractors. Then their employees were eligible for those benefits.

Councilor Chávez said many small businesses and subcontractors would be eliminated from bidding without bonding

Mr. Zamora pointed out that the number of projects above \$500,000 were far less than those under \$500,000.

Councilor Romero said regarding implementation that getting more contracts locally depended on procurement policy. She asked what the City was doing from the perspective of these smaller contracts. She believed Robert Rodarte had been working on the procurement code to find ways to work around

those problems like bonding. Perhaps he could speak to some of those things. There were two separate things and CWA was about those above \$500,000.

Councilor Chávez agreed and there needed to be clarity in the purchasing manual for both strata.

Mr. Rodarte said the primary contractor could receive local preference percentages in procurement for hiring local subcontractors. As Mr. Zamora mentioned, a few of them could get bonding but the majority could not so he was working on language to help that.

Councilor Chávez said he gave Mr. Rodarte the names of some who had contacted him and hoped Mr. Rodarte could get in touch with them.

Mr. Rodarte said they could change the bonding capacity requirements on some of the projects and that would help on projects under \$100,000.

Councilor Chávez related that last month the Council approved a contract for a PV system and granted a 2% loan to a California company. When he asked about where the panels would be purchased, he was told it was somewhere in Asia. Buying them in America would be better. It was 30% less cost from China but asked if Santa Fé was not willing to invest in American jobs. He hoped we could expand our horizons a little bit here to buy American.

Councilor Fomero pointed out that ARRA funds had built in their contracts that a requirement that materials must be American made. So she hoped those things could be included in the procurement manual and city procedures. That would make a difference.

Councilor Chávez agreed they definitely needed to move in that direction. It made no sense not to invest in American companies. He didn't know how often the City would do 2% loans for construction but the loans should be contingent on using American made products.

Councilor Calvert arrived at this time.

Chair Domínguez caught him up and asked if he had any questions.

Councilor Calvert said he had one basic question on how it would affect the cost of a project.

Mr. Zamora said it allowed the City on projects over \$500,000 to eliminate work stoppage and would bring skilled workers and it had brought public works projects to finish on time and under budget.

Councilor Calvert explained that he supported it but wanted to know if it would have an effect on the bottom line. He was not that familiar with them.

Mr. Rodarte said the testimony earlier from union representatives indicated that there were hundreds of people living here to work on the projects and it would give the City an opportunity to use apprentices

supervised by journeymen. He didn't know what kind of savings they would realize but the opportunity to use entry level workers would help drop the price down.

Councilor Calvert just asked for a more definitive answer to it as it moved forward. He asked what other cities had experienced with it.

Chair Dominguez noted the Civic Center was built with this arrangement.

Mr. Baca said he could declare that whoever did the City's engineering estimates - the price wouldn't go up because of the cost of labor. Sometimes some contractors didn't pay correctly which cheated the worker out of that wage and cheated the city out of the quality level for that kind of work.

Councilor Calvert said although our staff would do an estimate but then put it out to bid and that was where he wondered how it would work. He understood it might not affect the bids.

Mr. Baca said it would not cost more under CWA. They would be making sure the local workers were being paid correctly.

Chair Dominguez saw it as a good thing for our community.

Councilor Tujillo asked to be listed as a cosponsor.

The motion passed by unanimous voice vote.

14. MATTERS FROM STAFF

There were no matters from staff.

15. MATTERS FROM THE COMMITTEE

Councilor Romero asked how the City staff prioritized the repair of potholes.

Mr. Pino said they took them as they came in and it might depend on the number of complaints. The crew was out every day. They also needed fairly dry conditions. Those potholes in the shade had more ice.

Councilor Romero said on the corner of Bray and Navajo was a big and obnoxious pothole. Tires were getting hurt.

Councilor Chávez said a pothole at the corner of Baca and Sierra Vista was close to sports car size. He asked if there was anything that could be done short term to band aid it until it dried out.