

CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING

MINUTES

MONDAY, OCTOBER 21, 2019
10:00 AM

(Paragraph numbers coincide with agenda item numbers)

A special meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order in the Valley Water Conference Room A-124, 5700 Almaden Expressway, San Jose, California, at 10:00 a.m.

1. CALL TO ORDER/ROLL CALL.

Committee members in attendance were District 6 Director T. Estremera, District 4 Director L. LeZotte, and District 5 Director N. Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were N. Camacho, Chief Executive Officer, L. Orta, Senior Assistant District Counsel, N. Dominguez, Assistant Deputy Clerk II, M. Baratz, S. Berning, T. Bramer, J. Collins, R. Fuller, C. Hakes, B. Hopper, E. Meeks, N. Nguyen, and J. Villarreal.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

3. ACTION ITEMS

3.1 Information on Project Labor Agreements.

- Recommendation:
- A. Receive information from staff regarding how Project Labor Agreements may impact Valley Water's capital projects; and
 - B. Provide input to staff and discuss recommending to the Board whether Valley Water should pilot a Project Labor Agreement on a capital project.

Mr. Michael Baratz, Labor Relations Officer reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1, and Handouts 3.1-A through 3.1-C.

Mr. Kenneth Wong, County of Alameda, discussed factors affecting Project Labor Agreement (PLA) efficacy, economy and market conditions, general contractor

and subcontractor relationships, size and sophistication of general contractors, labor disputes and general availability of crafts in the area, size and duration of projects, collective bargaining contract expiration during PLA projects, impacts of government delays in contract award and performance, project delivery methods, political climate, signatories, and the pros and cons of PLAs, as contained in Handout 3.1-E. A copy of the Handout was distributed to the Committee, and made available to the public.

Mr. Joe Flatley, former Milpitas Unified School District employee, discussed his experience negotiating a Project Stabilization Agreement (PSA) for a modernization project, which included a core worker provision. He discussed his experience working with the Santa Clara and San Benito Counties Building and Construction Trades during the negotiation process, and the benefits of pre-project meetings, which included scope of work review and agreement of duties by trade.

Mr. Thomas Esch, Purchasing and Consultant Contracts Unit Manager, discussed his experience negotiating PLAs during his tenure with Valley Transportation Authority and the benefits of PLAs.

Ms. Nicole Goehring, Associated Building and Contractors Northern California, expressed opposition to PLAs.

Mr. David Bini, Santa Clara and San Benito Counties Building and Construction Trades, discussed prevailing wages and benefits in regard to PLA projects.

Chairperson Hsueh acknowledged receipt of the attached correspondence from Victor Gomez, Executive Director, Business San Jose Chamber Political Action Committee Board of Trustees, identified as Handout 3.1-D, opposing PLAs.

It was moved by Director Estremera, seconded by Chairperson Hsueh, and approved by a vote of 2:1, to support a recommendation to the Board as follows: If the CIP Committee's concerns regarding supporting small businesses can be addressed, along with any additional concerns that the Board may identify, then the Board should consider moving forward with supporting a Project Labor Agreement. Director LeZotte voted no.

6. CLERK'S REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS AND RECOMMENDATIONS:

Ms. Natalie Dominguez, Assistant Deputy Clerk II, read the new Committee recommendations into the record, as follows:

In regard to Item 3.1:

The Committee voted to support a recommendation to the Board as follows: If the CIP Committee's concerns regarding supporting small businesses can be addressed, along with any additional concerns that the Board may identify, then the Board should consider moving forward with supporting a Project Labor Agreement.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 12:05 p.m., to the special meeting at 10:30 a.m., on October 24, 2019, in the Valley Water Headquarters, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Natalie F. Dominguez, CMC
Assistant Deputy Clerk II

Approved: