



Legislation Details (With Text)

File #: 17-195 **Version:** 1 **Name:** March 7 2017 Finance Committee Meeting Minutes
Type: Minutes **Status:** Passed
In control: Finance Committee
On agenda: 4/17/2017 **Final action:** 4/17/2017
Enactment date: **Enactment #:**
Title: Highlights of the Finance Committee Meeting of March 7, 2017
Sponsors: David Baum
Finance Director
Indexes:
Code sections:

Attachments: 1. March 7 2017 Finance Committee Meeting Agenda, 2. Finance Comm - CWA update 030717

Date	Ver.	Action By	Action	Result
4/17/2017	1	City Council	Approved as Submitted	Pass

Highlights of the Finance Committee Meeting of March 7, 2017

CITY OF SAN LEANDRO

FINANCE COMMITTEE

March 7, 2017
5:00 - 6:30p.m.

San Leandro City Hall
835 East 14th Street
San Leandro, California
(Sister Cities Gallery)

HIGHLIGHTS

1. CALL TO ORDER

Councilmember Lee called the meeting to order at 5:00 p.m.

1.A. Attendance

Committee members present: Councilmember Lee, Councilmember Hernandez

City staff present: City Manager Zapata, Assistant City Manager Kay, Finance Director Baum, Engineering & Transportation (E&T) Director Cooke, Assistant Finance Director Fuentes, Budget/Compliance Manager Perini, Engineering & Transportation Administrative Services (E&T) Manager Foley

Public present: Donald Azevedo, Tony Lam, Brian Azevedo, Craig Williams, Angelica Gomez, Craig

Alt

1.B. Announcements

City Manager Zapata announced that a quorum is present with two Councilmembers in attendance.

2. DISCUSSION ITEMS

2.A. 17-130 Community Workforce Agreement - Update to Finance Committee

E&T Director Cooke introduced Kirsten Foley as the project manager for the Community Workforce Agreement. Foley provided the key components of the Community Workforce Agreement: Minimum Project Cost Threshold, Labor Peace, Union Hiring Hall and Impact on Non-Union Contractors, Local Hiring, Apprenticeships, and Joint Administrative Committee.

There are two projects the City of San Leandro is currently working on that qualify under the Community Workforce Agreement. The two projects are the Annual Overlay Rehabilitation 2015-16 Project and the Climatec Energy and Water Efficiency Project. A goal is to hire as many City of San Leandro residents in both journeyman and apprentice capacities as possible, with residents of Alameda County being the second tier.

The Joint Administrative Committee (JAC) is a panel of experts that meet at a minimum of once per quarter. The JAC consists of five members including Foley, the project manager, two representatives of the signatory Unions and Alameda County Building and Construction Trades Council, and one industry representative. The JAC works to ensure that all other provisions of the agreement are adhered to.

Unfortunately, due to the recent weather, the Annual Overlay Rehabilitation Project has been delayed, and is only 18% complete. The Climatec Energy and Water Efficiency Project has also been delayed due in part to negotiations and requirements of the agreement, e.g. having to hire a San Leandro resident for a specific job when the contractor may have a qualified employee. Additionally, some subcontractors elected not to work on the project once they became aware of the requirements of the CWA, resulting in additional delays. The Climatec project should be near completion but unfortunately, it is not expected to be completed until the end of 2017.

City Manager Zapata stated that with the Capital Improvement Project requests that will be presented to Council for the upcoming Biennial Budget, there will be many other opportunities for the Community Workforce Agreement to be utilized.

Councilman Lee would like to see a list of projects for both 2016 and 2017 calendar years that are under \$1M, specifically projects that are between \$500K - \$1M.

E&T Director Cooke and Administrative Manager Foley stated that this is a new process and we are all in a learning stage.

Finance Director Baum stated that the Climatec delay may defer the promised energy and water savings. The project debt was structured with an interest reserve to cover the first 12 months interest

cost. The first principal payment is due January 2018. There needs to be a conversation between the City and the vendor to determine who will pay if energy and water cost savings are not realized as early as anticipated. There is a "Measurement and Verification Agreement" which will determine if Climatec will pay debt service in January 2018 if the project is not generating sufficient water and energy savings. The project was expected to be completed in February 2017.

3. PUBLIC COMMENTS

Brian Azevedo stated apprenticeship programs are needed, as this country is falling behind European countries in providing to our youth.

Perhaps look at the Community Workforce Agreement to hire from Union halls located in the City of San Leandro, no matter where the workers live.

4. COMMITTEE MEMBER COMMENTS

Councilmember Lee would like to ensure that the City work with leadership groups, e.g. apprentice programs, on the structure of the Community Workforce Agreement to make it smoother.

Councilmember Lee reiterated that if there were no available workers that live within the City of San Leandro, workers that live in Alameda County would be hired.

5. ADJOURN

The meeting was adjourned at 6:01 p.m.