

**CBJ DOCKS AND HARBORS BOARD**  
**SPECIAL MEETING AGENDA**  
**For Wednesday, May 12, 2010**

- I. Call to Order (5:00 p.m. at Room 224.)
- II. Roll (Donek, Etheridge, Jardell, Jebe, Kueffner, Mehrkens, Preston, Williams and Wostmann).
- III. Approval of Agenda

**MOTION: TO APPROVE THE AGENDA AS PRESENTED.**

- IV. Approval of Previous Meeting Minutes.

**MOTION: NOT APPLICABLE**

- V. Public Participation on Non-Agenda Items (not to exceed 5 minutes per person, or twenty minutes total time).
- VI Items for Action.

- 1. Discussion of Project Labor Agreement for Port Customs Building  
Presentation by the Port Director

Public Comment

**MOTION: TO BE DEVELOPED AT THE MEETING**

Board Discussion/Action

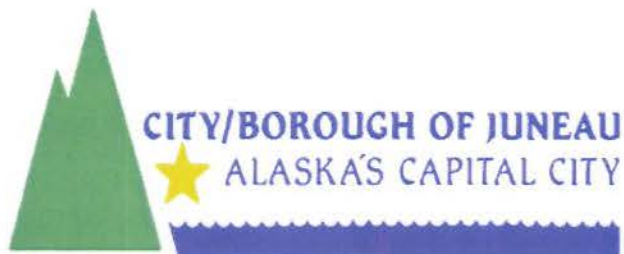
- VII. PRAC Representative Report
- VIII. Committee and Board Member Reports
- IX Assembly Liaison Report
- X Administrative Officer's Report.
- XI Port Engineer's Report
- XII. Harbormaster's Report
- XIII Port Director's Report.

XIV Committee Administrative Matters

1. Operations Committee Meeting – May 18, 2010
2. CIP/Planning Committee Meeting – May 20, 2010
3. Finance Committee Meeting– May 25, 2010
4. Board Meeting – May 27, 2010

XV. Adjournment

**MOTION: ASK UNANAMOUS CONSENT TO ADJOURN THE SPECIAL BOARD MEETING.**



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## Port of Juneau MEMORANDUM

**To:** CBJ Docks and Harbors Board

**CC:** John Stone, Port Director  
Rod Swope, City Manager  
John Hartle, City Attorney

**From:** Gary Gillette, Port Engineer 

**Date:** May 10, 2010

**Re:** PLA Discussion for Port Customs and Visitor Center

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### Background

The Port Customs and Visitor Center project has been advertised for bids that were due on May 20, 2010. The bid date has been postponed until further notice to address the issue of including a Project Labor Agreement (PLA).

The CBJ Assembly has expressed support of PLAs on large scale projects to the extent allowed by law. The Assembly's action stopped short of requiring PLAs on all construction projects and offered no threshold for determining the scale of a project. The practice by the Engineering Department has been to consider PLAs on a project by project basis. Recent projects such as JDHS Renovation, Thunder Mountain High School, Bartlett Hospital Remodel and Addition, Valley Swimming Pool, and Public Works Center have required PLAs. These facilities have many special elements within them that require a multitude of specialized trades and coordination. The Downtown Transit Center and Parking Garage did not require a PLA. It was determined to be a large scale project but without complex systems and integrations thus a low level of specialized labor requirements.

### Analysis

The criteria used in an analysis of whether or not to require a PLA was contained in an opinion rendered in January 1999 by the Attorney General of the State of Alaska (File No. 665-98-0098) regarding the "Legality of Project Labor Agreements." The opinion cited nine elements for upholding the inclusion of PLAs under competitive bidding. The nine elements are in italics and discussed below. In addition, the Assembly has previously used an additional element that is also discussed.

1) *The construction project is very complex.*

The Port Customs and Visitor Center project is generally comprised of two basic elements: the infill dock areas and two small buildings. The estimated construction cost of the project totals \$7,465,570. The dock element of the project is 74% of the project (\$5,544,719) and the buildings element is 26% of the project (\$2,220,851).

The dock construction is not particularly complex being of typical steel piling, pile caps, wood decking, and concrete decking. This construction is similar to the adjacent dock areas and to that constructed at other locations at CBJ docks. No other dock and piling projects have been constructed with PLAs. Local labor forces experienced with this type of dock construction are limited in Juneau.

The buildings of the project would be constructed of simple wood frame construction clad with metal siding and PVC roofing. The Visitor Center is 924 square feet, has one toilet room, electric base board heating, and standard electrical components. There is no mechanical air handling equipment, no electronic control system, and no specialized equipment.

The Port/Customs Building is 3,421 square feet, has two toilets, electric base board heating, simple air handling equipment with no air conditioning, simple electronic controls, standard electrical components, and no specialized equipment. There is a dock security system that will be installed at the facility but it already exists thus is just a matter of moving it from the existing location. The bulk of the building features open ceilings to the roof deck. Only a small corridor has dropped ceiling as this is used as an air plenum chamber thereby eliminating the need for complicated sheet metal work.

We find that the dock construction is straight forward standard construction and the buildings are relatively simple construction with minimal systems. Therefore this criterion is not met.

2) *The project is to be constructed over an unusually long period.*

The project would be constructed over a period of about 23 months. However, due to the operations of the area for the tourist season construction would be shut down 10 months of that period. Therefore the actual construction period is only 13 months. This is not a particularly long construction period for this type of project or to projects where PLAs have been used in the past. There are no critical time deadlines other than the entire project must be completed by May 1, 2012. The bid period was specifically set early to allow lead time for procurement and fabrication such that the project would be accomplished within the proposed schedule. Thus this criterion is not met.

3) *There has been a history of labor strife on past projects concerning the same facility.*

This criterion does not apply as this is a new facility and there has never been labor strife on previous dock projects.

- 4) *There are demonstrable cost savings or other efficiencies flowing from a project labor agreement.*  
The PLA may offer cost saving provisions including a no-strike clause, grievance arbitration, and the waiver of per diem, double and triple time, and shift pay. These provisions may be a benefit to the project, especially if an out-of-town contractor brings their own work force to the project.
- 5) *The Owner-agency is operating under court mandated deadlines.*  
This criterion does not apply as there are no court mandated deadlines.
- 6) *There is some unique feature of the project which necessitates the use of an agreement.*  
As stated above the elements of the project are standard, of typical construction, and contain no specialized equipment. Thus this criterion does not apply as there are no unique features of the project that would necessitate the use of an agreement.
- 7) *The project unquestionably present(s) special challenges to the owner-agency.*  
The project is relatively simple and straight forward and presents no special challenges to the owner-agency thus this criterion is not met.
- 8) *The project requires multiple general contractors or an unusually large number of contractors or subcontractors.*  
This criterion does not apply as the project would be under one general contractor in charge of building the entire project.
- 9) *The scope of the project could result in conflicts between competing labor unions regarding jurisdiction over the same type of work.*  
Compared to other recent CBJ projects that utilized PLAs (high schools, pool, hospital) this project is not complex, features typical construction techniques, and does not feature complex specialized systems such that coordination of various labor trades would be difficult. Thus this criterion is not met.
- 10) *Multiple Projects in Juneau*  
The Assembly included this additional criterion to consider the impact of having multiple large projects under construction in Juneau at the same time. Currently there are not a multitude of large projects under construction thus this criterion may no longer have merit. The economy remains weak, bid prices have fallen on recent projects, and multiple bids have been received on the most recent projects. In addition, there has been a lot of interest in this particular project which currently has a bid holders list of over twenty five companies.

## **Conclusion**

The Assembly has stated its support for the use of PLAs where allowed by law and they have been successfully used on larger complex projects in recent years. Based on the facts and discussion presented above about the Port Customs and Visitor Center project, and after consultation with the City Attorney, a good faith attempt has been made to apply the criteria in a meaningful analysis of the facts of the project. In conclusion, we do not believe this project meets the criteria requirements for mandating a PLA to be incorporated into the project.