BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Findings and purpose.

Public works projects involve numerous contractors and employees in different trades, have critical timelines for completion, and require skilled and properly trained workers to successfully complete the work in a safe and timely manner. To avoid delays and additional expense to the City and County of Honolulu ("City"), it is essential that public works projects proceed without labor disruptions, whether due to external labor relations factors or the frictions that can arise when a large number of contractors and their employees and subcontractors work in proximity to one another on a job site.

As the City grows in size and connects more communities via infrastructure development, the City has an overriding interest in maintaining the continuity of efficient construction work by using skilled and trained labor. In a complex and urban environment such as Honolulu, it is essential to avoid delay in completing public works projects so that public funds are utilized prudently and residents and visitors are not adversely impacted by interruption in public services or delay in the use of facilities that are important to the essential operations or infrastructure of the City.

A Community Workforce Agreement ("CWA") is a form of Project Labor Agreement ("PLA"), which is a construction industry collective bargaining agreement applied to a particular public works project or set of projects. CWAs have been used for many years to achieve high-quality construction performance and the economic benefits that result from having a guaranteed source of skilled workers and avoiding work disruptions.

In the private sector, CWAs have been and are being used successfully on a variety of projects, such as the United States Navy's privatized military housing stabilization agreement, and other large and small private developments, including the retrofitting and remodeling of existing buildings and facilities. In the public sector, CWAs have been and are being used successfully by governmental entities, including the Honolulu Authority for Rapid Transportation and the State Department of Accounting and General Services.

The construction crafts that work on public works projects require a supply of new apprentices to perpetuate those crafts into the future. It is essential to train a local pool of skilled labor in the construction sector who will be able to competently and safely construct future public works projects. Through their apprenticeships, local construction
unions provide genuine opportunities for long-term, well-paid careers in the construction industry. Entry into and employment through these apprenticeships can be facilitated by a formal understanding between the City and the local construction unions who fund and operate such apprenticeships.

In addition, veterans may be seeking employment on public works projects and training opportunities for entrance into the construction industry. Such training opportunities are available through a program known as "Helmets to Hardhats," which is founded and operated by construction unions locally and nationally and incorporated into community workforce agreements, nationwide.

Economic exclusion and the City's housing crisis have led, and will continue to lead, to significant displacement and out-migration of Honolulu residents. There is a need to provide economic opportunities to enable such displaced residents to return to Honolulu.

CWAs have proven to be a valuable mechanism across the United States in addressing many of these issues, and have been a major factor in producing high quality construction work and projects that are completed on time, within budget, and without labor strife or disruptions. This ordinance is intended to require the City to negotiate a CWA for larger public works projects in order to achieve and promote efficient, high-quality construction, improve City services, and ensure a steady local supply of labor on proprietary construction projects, as well as train the next generation of construction workers for future public works projects.

SECTION 2. Chapter 2, Revised Ordinances of Honolulu 1990 ("The Mayor and Executive Agencies — Additional Powers, Duties and Functions"), is amended by adding a new article to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Article __. Community Workforce Agreements

Sec. 2__.1 Definitions.

As used in this article:

"Agreement to be Bound" means the agreement attached to the Community Workforce Agreement that must be executed by each and every Contractor as a condition of working on a Covered Project, under which the Contractor agrees to be bound by the CWA.
"Community Workforce Agreement" or "CWA" means the multi-craft collective bargaining agreement between the city, the Hawaii Building and Construction Trades Council and its affiliated labor unions, and the Hawaii Construction Alliance and its affiliated labor unions, and that governs the terms and conditions of employment on all Covered Projects.

"Contractor" means any individual, firm, partnership, corporation, or other business entity (including but not limited to a general contractor, project manager, construction manager, or primary employer, or combination thereof), including joint ventures, and any successors and assigns of the foregoing, that has entered into a contract to perform, assign, award, or subcontract any part of the construction work on a Covered Project, and all contractors and subcontractors of any tier.

"Covered Work" means all work covered by Master Agreements of the Unions.

"Covered Project" means any public works project in which there is a contract for construction procurement in excess of $250,000, as those terms are defined in HRS Section 103D-104, including any such projects receiving funding from a bond issuance of the City.

"Local Area" means the City and County of Honolulu.

"Master Agreement" means the master collective bargaining agreement of each Union signatory to the Community Workforce Agreement.

"Union" includes the Hawaii Building and Construction Trades Council ("HBCTC") and the Hawaii Construction Alliance ("HCA"), and their affiliated labor organizations, acting on their own behalf and on behalf of their own respective affiliates and member organizations, whose names are subscribed to the Community Workforce Agreement. The parties to the Community Workforce Agreement may mutually agree, in writing, to amend or modify the list of affiliated labor organizations in the event there is a change in affiliation. Nothing in this article is intended to imply that the city has the authority to approve which local unions may affiliate with the HBCTC or HCA.

Sec. 2- Required terms for citywide community workforce agreement.

The citywide Community Workforce Agreement ("CWA") must include the following terms:

(1) The CWA must be binding on all Contractors at all tiers, and all Contractors shall condition the engagement of each subcontractor on the subcontractor's execution of an Agreement to be Bound;
A BILL FOR AN ORDINANCE

(2) The CWA must include all construction work on a Covered Project that is included in a Master Agreement;

(3) The CWA must prohibit discrimination on any basis prohibited by federal, state, or local law;

(4) Alleged violations of the CWA must be resolved by a mandatory, final, and binding arbitration procedure;

(5) The Unions shall refrain from strikes, picketing, and other labor actions on or arising from a Covered Project and the Contractors shall refrain from lockouts or similar actions on or arising from a Covered Project;

(6) Contractors shall request referral of residents of the Local Area, and the CWA must contain a goal that not less than eighty percent of all hours on Covered Projects will be worked by residents of the Local Area. To the extent allowed by law, and consistent with the Unions’ hiring hall provisions, as long as they possess the requisite skills and qualifications, residents of the Local Area shall be referred to Contractors working on Covered Projects. In the event there are insufficient residents in the Local Area to meet the needs of Covered Projects, Contractors may request referral of residents from other counties in the State of Hawaii;

(7) All apprentices must be indentured in a state-approved joint labor-management apprenticeship program;

(8) Incorporation of the "Helmets to Hardhats" program, which creates pathways for careers in construction to returning veterans;

(9) The wages, hours, shift schedules, holidays, and other terms and conditions of employment must be governed by the Master Agreement of the applicable craft; and

(10) The CWA must be in effect for a five-year term, and unless otherwise ordered by the City, will roll over for successive five-year terms thereafter. The CWA must apply to each Covered Project until completion of the project.
Sec. 2-.___.3 Local business preference.

The city has an interest in the use of local businesses in order to support the local economy and local infrastructure development. Therefore, to the maximum extent possible, Contractors on Covered Projects are encouraged to contract with businesses that are owned by residents of the city or have their primary business located within the city.

Sec. 2-.___.4 Contract awards.

The award of a contract on a Covered Project must be conditioned upon the execution of an Agreement to be Bound by the CWA, and all Contractors on all Covered Projects must execute an Agreement to be Bound by the CWA as a precondition of performing, assigning, awarding, or subcontracting work on a Covered Project."

SECTION 3. No later than 90 days after the effective date of this ordinance, the Mayor shall:

(1) Negotiate with the Unions and execute on behalf of the City a Community Workforce Agreement to apply to all Covered Projects; or

(2) Seek an extension of time from the Council, if necessary to complete negotiations. However, the Mayor is directed to negotiate and execute the Community Workforce Agreement with all deliberate speed. The Council may grant the extension of time by adopted resolution.

SECTION 4. Conflict with federal or Hawaii State law. Nothing in this ordinance shall be interpreted or applied so as to conflict with federal or State law, or to create any requirement, power, or duty in conflict with any federal or State law.

SECTION 5. Severability. If any provision of this ordinance, or the application thereof to any person or circumstances, is held invalid, the invalidity does not affect other provisions or applications of the ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.
SECTION 6. This ordinance takes effect upon approval.

INTRODUCED BY:

DATE OF INTRODUCTION:

JUN 25 2019
Honolulu, Hawaii

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of ______________, 20 ______.

KIRK CALDWELL, Mayor
City and County of Honolulu