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May 20, 2008

REPORT OF THE COMMITTEES ON LEGISLATIVE MATTERS AND FINANCE
MEETING IN JOINT SESSION AS A COMMITTEE OF THE WHOLE

The Committees on Legislative Matters and Finance convened on May 20, 2008 in Joint Session as a Committee of the Whole with Chairmen Thomas Taylor and Maryann Heuston presiding and Committee Members Aldermen John Connolly, Bruce Desmond, Rebekah Gewirtz, William Roche, Dennis Sullivan, Robert Trane and William White also present and voting. Also present were Chief of Staff Michael Lambert, Purchasing Director Rositha Durham, Assistant City Solicitor Matthew Buckley, Finance Director Edward Bean and interested members of the public, (list attached).

The committee discussed the proposed Responsible Employer Ordinance (REO), asking the following questions and receiving answers, where indicated:

- Alderman Connolly asked the Administration in some construction companies are trying to circumvent labor relations regulations, and if so, which ones. Mr. Lambert will provide the information.
- Alderman Connolly asked Ms. Durham if the city would have any contracts over \$100,000 and Ms. Durham replied that the East Somerville Community School is one that she is aware of. Mr. Bean added that there may be several more by June. Alderman Connolly asked for a review of those contracts.
- Alderman Connolly asked Ms. Durham to provide a list of the top 10 contractors who have secured bids of over \$100,000 and to note whether or not they are union contractors.
- Alderman Connolly asked if the city has held up payment for a company's non-performance and Ms. Durham said that she was not aware of any instances but would research it and provide the information to the Board.
- Alderman Connolly asked Ms. Durham if she has looked into encouraging minority women to apply for contracts and she replied that as the Affirmative Action Officer she has not. Alderman Connolly asked that she look into the proposed REO and determine how it might impact minority contractors when applying for contracts.
- Alderman Connolly asked Mr. Bean to provide an estimate for the construction at the East Somerville Community School and Mr. Bean replied that the insurance hasn't been determined yet, but that the job would be expensive.

- Alderman Connolly asked about the legality of the proposed ordinance and Mr. Buckley replied that if it doesn't conflict with state bidding process it would encourage competition and ensure lower bids.

- Alderman Connolly asked Mr. Buckley to look into the legal aspect of minority contractors as it relates to the ordinance and to report his findings to the Board of Aldermen.
- Alderman Connolly asked Mr. Buckley if apprentice programs reduce the costs of contracts and if he was aware of any such contracts, and if so, to provide the information to the committee. Mr. Buckley will research this and provide the information to the Board.
- Chairman Heuston asked if anyone would raise the \$100,000 cap in the ordinance and Mr. Buckley replied that raising the cap is up to the Board of Aldermen. Chairman Heuston suggested that the city examine raising the cap and Alderman Gewirtz stated her opposition to that suggestion.
- Alderman White asked if vocational schools could be tied in under the proposed ordinance and Chairman Heuston wants the City Solicitor to broaden the language for apprentice programs to include vocational training as an option.
- Chairman Taylor asked if the Ordinance could be repealed and Mr. Buckley said that it could.
- Chairman Taylor asked if there would be a cost overrun if the ordinance was passed and Mr. Bean replied that he could not offer an opinion at this time.
- Alderman White said that under the bid law, there is an alternative. The city could accept bids submitted under the guidelines of the proposed REO or it could accept bids that were submitted without regard to the proposed REO. Alderman White suggested that the Administration bring all such bids to the Board of Aldermen for consideration and selection.
- Alderman Desmond requested that the union representatives provide the Board with information on the cost effectiveness of apprenticeship programs and an opinion on why it may be expensive. He further asked to know why companies aren't bidding and he asked the WRRB to provide information on non-union apprenticeship programs.

Roberta Shaffer from the Worcester Regional Research Bureau, (WRRB), told the members that much of what is the REO is contained in state law. She said that the playing field is not level and that there is a major impact on minority contractors. The state places a limit on how much work contractors may perform and there is an extra burden placed on the city to oversee contractors. Ms. Shaffer told the members that 19% of apprentice programs in the Commonwealth are operated by non-union firms.

Rich Rogers from the Greater Boston Labor Council said that the union opposed the ordinance, noting that tax dollars are used to enforce it. The City of Cambridge was the first to pass such an ordinance. If a contractor wanted to bid on a contract and they didn't have an apprentice program, it would take 45 days for contractor to set one up.

Chairmen Taylor and Heuston will schedule a joint meeting for June 3, 2008 at 6:30 PM to continue discussion on this issue.

No papers were acted on.

Alderman Thomas F. Taylor, Chairman
Committee on Legislative Matters

Alderman Maryann Heuston, Chairman
Committee on Finance

COMMITTEE REPORT

Report of the committees on Legislative Matters
and Finance meeting in Joint Session as a
Committee of the Whole, May 20, 2008

In Board of Aldermen

Clerk