

# Community Workforce Agreement Consideration

Special SMUD Board of Directors Meeting  
Monday, January 28, 2019, scheduled to begin at 6 p.m.  
Customer Service Center, Rubicon Room

Powering forward. Together.



# Proposed Projects

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- ***Power Control Center (PCC)***
  - ✓ House control centers for Power and Distribution system operations; data centers for corporate and energy management system applications
  - ✓ Project scheduled for completion in late 2022
- ***Solano IV***
  - ✓ Proposed to develop a wind generation project on the SMUD-owned Collinsville/Roberts properties and repower Phase 1 of SMUD's Solano Wind Project
  - ✓ Expected to generate approximately 90 MW of Renewable Portfolio Standard eligible power by 2023

# SMUD's History with Project Labor or Community Workforce Agreements (CWA)

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- Carson ICE-GEN Project – 1992
- Procter & Gamble Cogeneration Project – 1995
- Cosumnes Power Plant Project – 2005
- Solano Wind Project – 2010
- East Campus Operations Center (EC-OC) – 2010
- Headquarters Building & Site Rehabilitation - 2017

# Board Guidelines for HQ Agreement

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- Ensure the CWA was informed by a range of perspectives
- Exempt SEED contractors receiving less than \$150,000 in aggregate
- Allow SEED contractors and subcontractors to utilize a certain number of their “core” employees
- Support the achievement of the Board’s SEED goal
- Include an apprenticeship program

# Consultative Process for HQ Agreement

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- ✓ Sacramento-Sierra's Building & Construction Trades Council
- ✓ Representatives of the three consultative parties:
  - SMUD's Community Advisory Panel (now called Business Advisory Council)
  - Associated Builders & Contractors
  - National Electrical Contractors Association
- ✓ SMUD Executive Management

# Key HQ Agreement Provisions

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- **SEED Vendor Exemption:** Single contract of up to \$250,000 and aggregate of \$300,000 for SEED vendors
- **Core Workers:** 1 for 1 alternating between union hall and core worker up to five core workers
- **Local Hiring:** Emphasizes the goal of facilitating local hire from Sacramento and surrounding counties.
- **Apprenticeships:** Relies on standards under state prevailing wage and apprenticeship laws. State certification serves as the minimum requirement.

# HQ Project SEED Results

- SMUD's CWA for the HQ Renovation Project resulted in \$20.4 million in SEED spend commitment, which accounted for 27% of the project cost.

Contract		Actual		Variance
<b>Amount</b>	\$73,683,747.00	<b>Prime Spend</b>	\$49,276,808.57	(\$24,406,938.43)
<b>SEED</b>	\$20,272,576.00	<b>SEED Spend</b>	\$8,785,630.75	(\$11,486,945.25)
<b>SEED %</b>	27.50%	<b>SEED %</b>	17.83%	-9.67%