



Board Policy No. 491

Local Workforce Engagement Policy

ADOPTED: __/2024

RECENT AMENDMENT: N/A

SEE ALSO: 201, 213, 218, 465

SUBJECT CATEGORY: SECTION 400, OPERATIONS

SUBSECTION: CONSTRUCTION

CONTROL DEPARTMENT: COMPLIANCE & DIVERSITY

I. PURPOSE

The District seeks to invest in and contribute to a resilient, diverse, and sustainable regional economy as part of advancing necessary capital projects throughout AC Transit’s service area. This Local Workforce Engagement Policy (Policy) aims to advance these goals by applying enhanced workplace anti-discrimination protections in the District’s fixed-price construction contracts, procuring construction services from responsible contractors, advancing opportunities for local and disadvantaged construction workers, and encouraging training of new apprentices in living-wage construction careers.

This Policy is intended to build upon the District’s past success with Board Policy 410 – Bus Rapid Transit (BRT) Construction Careers, as adopted by the Board of Directors on October 23, 2013, and repealed on February 22, 2023. The Construction Careers Policy established a targeted hire and local investment policy for the construction phase of BRT. The Policy is intended to expand both the breadth and depth of the BRT Construction Careers Policy, apply its tools to a wider set of District construction contracts, and guide accomplishment of related District equity objectives.

II. PERSONS AFFECTED

All District staff who are involved in capital construction project procurement and contract administration. All vendors responding to District-issued solicitations and awarded contracts that are subject to this Policy.

III. DEFINITIONS

“Living Wage” means a socially-acceptable level of income that provides adequate coverage for basic necessities such as food, shelter, child services, and healthcare. The Living Wage standard allows for no more than 30% of a worker’s wages to be spent on rent or a mortgage, and is deemed to be sufficiently higher than the poverty level.

IV. POLICY

A. This Policy applies to firm-fixed-price construction contracts of \$3 million or more.

- B. Contracts subject to this Policy must include requirements that advance employment and training opportunities in ways calculated to do the following:
- i. help mitigate the harms caused by geographically-concentrated poverty (such as through local hiring goals);
 - ii. reduce unemployment and underemployment in vulnerable populations, including populations with barriers to employment (such as through disadvantaged population hiring goals and workforce demographic reporting);
 - iii. advance the skills of targeted workers and thereby enable workers to earn Living Wages that will assist them in transitioning from poverty (such as through enhanced benefits or training standards, or through required contributions to workforce pipeline development efforts);
 - iv. provide links to career paths for targeted workers (such as through apprentice utilization goals);
 - v. reduce workplace discrimination (such as through strong monitoring and enforcement systems for discriminatory conduct); and
 - vi. facilitate completion of the covered contracts.
- C. The Policy's requirements are intended to supplement, and not replace, existing contracting requirements, such as prevailing wage payment and licensing requirements. The requirements are designed to be implemented consistently and seamlessly with any project labor agreement or community workforce agreement applicable to one or more District construction contracts.

V. AUTHORITY

A. Board Authority

The Board of Directors may hear protests regarding the implementation of this Policy on contracts awarded by the Board, as well as appeals of protests denied by the General Manager. Any such protests must be in accordance with Board Policy 468: Procurement Protest Procedures.

The Board of Directors has the authority to amend this policy as it deems appropriate or as otherwise required by law.

B. General Manager's Authority

The General Manager or designee **must** ensure development and implementation of an Administrative Regulation necessary to implement this Policy. The Administrative

Questions concerning interpretation of this policy are to be referred to the General Counsel.

Regulation must detail the Policy's requirements and provide for such requirements to be incorporated as material terms of construction or vendor contracts and/or bid specifications for firm-fixed-price public works contracts of at least \$3 million.

The General Manager **may**, if in accordance with the Administrative Regulations issued under this Policy:

- i. direct application of the Policy and associated Administrative Regulations to lower-value construction contracts or to other capital project contracts (e.g., professional services or equipment purchases required for completion of District capital projects),
- ii. exempt or modify application of this Policy and the associated Administrative Regulation to certain contracts, when deemed necessary to advance District goals and/or in the District's best interest.

The General Manager may hear protests regarding the implementation of this Policy on contracts awarded within the General Manager's and Board's procurement authorities, as well as appeals of protests denied by the Procurement and Materials Director. Any such protest must be in accordance with District Board Policy 468: Procurement Protests Procedures.

C. Compliance Administrator

The Compliance Administrator is responsible for managing and administering this Policy and the associated Administrative Regulation. The Compliance Administrator also is responsible for developing such Administrative Regulation.