

SUPPLEMENTAL AGENDA REPORT

Resolution: Adoption of Airport Labor Pool Program(SRD)

MEETING DATE: 6/11/2015

AMOUNT: NoneChoose an item.

PARTIES INVOLVED: None

SUBMITTED BY: Amy Tharpe, Director of Social Responsibility

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Proposed adoption of a “labor pool” program for Oakland International Airport concessionaires, enabling retention of qualified displaced concession workers.

BACKGROUND

As part of the Settlement and Mutual Release Agreement entered into by the Port of Oakland, UniteHere! Local 2850, and Host International, Inc., on September 12, 2014, the Executive Director, through the Social Responsibility Division, agreed to present to the Board of Port Commissioners for its consideration an Airport-wide labor pool program, substantially in the form proposed below.

The Port of Oakland has a financial, proprietary, safety, and security interest in business operations that have concessions in the Terminal Complexes at the Oakland International Airport (Airport). These operations base their concession payments to the Port in part on the revenue they generate, and because the passenger experience at the airport concessions contributes to the decisions made by potential airport passengers as to which San Francisco Bay Area airports to patronize. It is essential that concession operations conduct business efficiently and retain workers who have relevant customer service and experience, and safety and security training.

ANALYSIS

Under the Airport Labor Pool Program, each Concessionaire at the Airport would be obligated to participate in a Airport concessions employee labor pool established and administered by the Social Responsibility Division, requiring that all Concessionaires offer employment to qualified displaced badged concession employees (not including managerial, supervisory, professional, paraprofessional, and confidential employees) by seniority by job classification, and prior to offering such employment opportunities to other potential employees.

Under the Program, "Concessionaires" means all individuals and businesses that enter into a new or amended tenancy agreement after the effective date of the adopted Airport Labor Pool Program to operate food/beverage, retail, news/gifts and/or duty free concessions at the Airport, together with their tenants, lessees, subtenants, sublessees, successors and assigns. "Terminal Complex" means all buildings and structures located within the Airport open to the public for the purpose of flight ticket purchase, passenger enplanement and deplanement, and those other services related to public passenger air travel. "Qualified displaced badged concession employee" means a former employee of a food/beverage, retail, news/gifts and/or duty free concession at the Airport who had been employed by such concession for ninety (90) days or longer who had received security training and had been issued an airport security badge if, and only if, (a) such employee's airport security badge was not revoked for cause, (b) such employee was not terminated for good cause, and (c) with respect to the open employment position, the job from which such employee was displaced involved similar duties and responsibilities. Placement of a qualified displaced employee in the Program would be triggered in an instance if a Concessionaire left the Airport.

Offers of employment to qualified displaced badged concession employees would be made in order of seniority by job classification based on original date of hire at the Airport. Such information would be monitored and maintained in a preferential reinstatement list by the Social Responsibility Division.

BUDGET & STAFFING

The proposed action will have staffing and administrative cost implications. The labor pool program will require significant staff time from existing Contract Compliance staff to design, develop and administer the Pool. Additional legal and software development/maintenance costs are also anticipated.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

This action does not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The actions described herein would help the Port achieve the following goals and objectives in the Port Strategic Plan:

- Goal A – Objective 1: Create sustainable economic growth for the Port and beyond by maximizing the use of existing assets
- Goal B – Objectives 1 & 5: Maintain and aggressively grow core businesses by retaining existing customers and tenants and by— enhancing customer services
- Goal G – Objective 5: Sustain healthy communities through leading edge environmental stewardship by developing effective relationships with regulatory and resource agencies
- Goal I – Objective 3: Align the Ports workforce, organization structure and personnel management practices for optimal performance of the Port by aligning responsibilities, authorities and incentives to ensure accountability and transparency in achieving the Port’s strategic goals

LIVING WAGE

Living wage requirements, in accordance with the Port’s Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the “Living Wage Regulations”), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

ENVIRONMENTAL

The request to approve the Airport Labor Pool Program was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA), and the Port CEQA Guidelines. General policy and procedure making, such as the proposed action, is not a project pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(b)(2), so no environmental review is required.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)/ PROFESSIONAL LIABILITY INSURANCE PROGRAM (PLIP)

This action is not subject to the Port’s Owner Controlled Insurance Program (OCIP) or Professional Liability Insurance Program (PLIP) as it is not a capital improvement construction project or design project supporting such construction.

OPTIONS

Staff has identified the following options for the Board’s consideration:

1. Approve the Airport Labor Pool Program. This is the recommended action.
2. Do not approve the Airport Labor Pool Program and take no further action.

RECOMMENDATION

Staff recommends that the Board adopt a resolution approving the Airport Labor Pool Program detailed in this Agenda Report and authorizing the Executive Director, or his designee, to draft and adopt guidance and implementation rules and/or guidelines to clarify and further the operational requirements and logistics of the Airport Labor Pool Program.