

CODE ORDINANCE

Sponsored By: Assemblymembers Sumner and Sykes  
Introduced: 08/20/19  
Public Hearing: 09/03/19  
Amended: 09/03/19  
Adopted: 09/03/19

**MATANUSKA-SUSITNA BOROUGH  
ORDINANCE SERIAL NO. 19-103**

AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ADDING MSB 3.08.450 APPRENTICESHIP UTILIZATION RELATING TO THE PERFORMANCE OF BOROUGH CONSTRUCTION PROJECTS IN EXCESS OF \$1,000,000; ADDING DEFINITIONS TO MSB 3.08.010, AND PROVIDING FOR A WAIVER PROCESS

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WHEREAS, recognizing the that Borough has led the state in population growth and the Alaska Department of Labor and Workforce Development predicts the Borough will increase another 61 percent between 2017 to 2045;

WHEREAS, the continued growth of the Borough will create many opportunities in the construction industry;

WHEREAS, well-trained construction workers in the Borough are critical to the ability of the Borough to construct road and facilities;

WHEREAS, the efficient and economical construction of roads and facilities will be harmed if the Borough does not have an ample supply of well-trained construction workers;

WHEREAS, apprenticeship training programs may act as an effective tool in providing training and experience to individuals seeking to enter or advance in the construction workforce in the Borough;

WHEREAS, the Borough School District's Career and Technical Education Program created the "Mat-Su Construction Trades" in 1971 and has since worked with area programs and apprenticeships to ensure local opportunities for students advancing in the construction industry; and

WHEREAS, the Borough acknowledges the benefits of the Alaska State Administrative Order 226, that promoted apprenticeship programs as an effective way to provide on-the-job training experience for those seeking a career in the construction industry.

BE IT ENACTED:

Section 1.     Classification.     This ordinance is of a general and permanent nature and shall become part of the Borough Code.

Section 2.     Amendment to Section. MSB 3.08.450 is hereby enacted to read as follows:

(A) Apprenticeship utilization. When allowed by the funding source, any Borough project that falls within the requirements of AS 36.05.010 in excess of \$1,000,000 shall require a minimum of 10 percent of all labor hours worked to be performed by apprentices. The contractor shall calculate labor hours based on total hours worked on the project including the general contractor and all subcontractors. The contractor may calculate apprentice hours based on hours worked in any trade or combination thereof.

(B) Waiver of apprenticeship utilization. Only when apprentices are not sufficiently available to fulfill the requirements of Subsection (A), the Purchasing Officer may waive the apprenticeship requirement and must report such a waiver to the assembly as provided in MSB 3.08.170 (F) .

Amendment to Section. MSB 3.08.010(A) is hereby amended to read as follows and to delete the definition numbering:

[(1)] "Agency" means any department or office of the Borough.

[(2)] "Agency head" means the department director or other chief administrative officer of an agency.

"Apprentice" means an apprentice enrolled in a state-approved apprenticeship training program or in a federally registered apprenticeship training program approved by the Office of Apprenticeship Training Employer and Labor Services, United States Department of Labor, under 29 U.S.C. 50 and 29 C.F.R. 29.1 - 29.13.

[(3)] "Architectural-engineering-land surveying services" means those professional services within the scope of the practice of architecture, engineering or land surveying, as defined by Alaska law.

[(4)] "Certifying officer" means the chief fiscal officer of the Borough or the officer's designee.

[(5)] "Construction" means the on-site erection, alteration, extension or repair of improvements to real property, including painting or redecorating buildings, highways or other improvements, under contract for the Borough, but does not include:

(a) routine operation, repair or maintenance of existing buildings or improvements which are recurring services nominally performed in connection with the ownership, occupancy or use of the building or improvement;

(b) building or installation of an improvement to real property by the property owner when the improvement is expressly required by this code.

[(6)] "Contract" means all types of Borough agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, professional services or construction, but does not include collective bargaining agreements, subdivision agreements, water or sewer main extension agreements or other similar agreements in which the owner or a person acting under the direction of the owner of real property

agrees to construct improvements of a public nature on property to be dedicated to the Borough.

[(7)] "Contract amendment" means any change in the terms of a contract accomplished by agreement of the parties, including change orders.

"Cost" shall not include the cost of Borough contract management or architectural services. The overall Borough construction project shall not be divided into smaller components with the intent of avoiding the application of Borough code.

[(8)] "Finance director" means the chief fiscal officer of the Borough.

[(9)] "Grant" means the furnishing by the Borough of assistance, whether financial or otherwise, to implement a program authorized by law. The furnishing by the Borough of anything of value in exchange for supplies, services, professional services or construction required to perform a function of the Borough is a contract and not a grant. (See MSB 3.08.710 for definition of "state and federal grants.")

"Labor hours" means the total hours of work performed by construction workers on the project, but does not include hours worked by superintendent, owners, and

workers who are not subject to prevailing wage requirements of AS 36.05.070.

[(10)] "Person" means any individual, or any business or non-business association recognized by law, whether or not organized for profit, or any governmental unit or entity.

[(11)] "Professional service" means those advisory, consulting, architectural, engineering, research or developmental services which involve the exercise of discretion and independent judgment together with an advanced or specialized knowledge, expertise or training gained by formal studies or experience.

[(12)] "Purchasing officer" means the Borough employee appointed by the Borough manager to perform the functions of the position under the title of purchasing officer or designee.

[(13)] "Services" means those services of a non-professional nature which are described within contract specifications and which are needed or desired by the municipality.

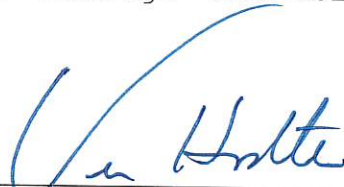
[(14)] "Supplies" means any tangible personal property.

Section 3. Amendment to Section. MSB 3.08.170(F) is hereby amended to read as follows:


For all construction contracts where the final contract value is greater than \$250,000, the administering agency or department shall submit informational memoranda to the assembly that, at a minimum, lists the contractor name and project identity, the original contract amount, any waivers of the apprenticeship requirement, and all contract amendments or change orders processed against the contract. Informational memoranda shall be submitted no later than 45 days after issuing the final pay estimate.

Section 4. Effective Date. This ordinance shall take effect thirty (30) calendar days after adoption to allow for closure of current contracts in the bid process.

ADOPTED by the Matanuska-Susitna Borough Assembly this 3 day of September, 2019.

  
VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk  
(SEAL)

PASSED UNANIMOUSLY: Sykes, Beck, McKee, Leonard, Mayfield, Sumner, and Boeve