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## COMMUNITY BENEFITS AGREEMENT (CBA) DRAFT MEETING MINUTES

**Wednesday, September 26, 2018, 1:00 p.m. - 3:00 p.m.**

**2350 MARKET STREET, ST LOUIS MO**

**1ST FLOOR**

**CONFERENCE ROOM #109**

1. Roll Call – In attendance were (Quorum): (Attendance sheet is attached)

MSD – Brian Hoelscher

NAACP City Branch – Adolphus Pruitt

CORE – Jesse Lofton

NAACP County Branch – John Gaskin II

CBTU – Lew Moye

NSBE – Jan Walker

MOKAN – Yaphett El-Amin

UAPO – Zaki Baruti

2. There were no public comments.

3. Meeting Minutes from June 19, 2018 were unanimously approved.

4. FY2018 Annual Diversity Report by Shonnah Paredes

MSD: Shonnah Paredes presented the FY2018 Annual Diversity Report that was presented during the September 2018 MSD Board Meeting. Also provided was a copy of MSD Diversity's first professional publication of Diversity's FY2018 Annual Report.

CBA: The CBA requested an update on the tunnel site-visits. Brian Hoelscher responded that the dates will be sent out to the CBA Signatories soon by Rich Unverferth.

NAACP (St. Louis City Branch): Adolphus Pruitt requested clarification on Page 3 of the Diversity Annual Report presentation regarding the difference between M/WBE Commitments and M/WBE Active Contract Payments. Brian Hoelscher explained that the M/WBE Commitments are those commitments made for contracts awarded during FY2018. M/WBE Active Contract Payments, on the other hand, are those payments that were actually made to M/WBEs during FY2018 regardless of contract award date.

NAACP (St. Louis City Branch): Adolphus Pruitt asked if it would be possible to identify if M/WBEs who received commitments during FY2018 are local subcontractors (within the St. Louis region). Brian Hoelscher responded that MSD does not currently have any data at hand regarding which subcontractors are local. Adolphus would like to identify gaps that local minority companies are not fulfilling that non-local minority companies are fulfilling. For example, if there



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is a minority company needed for tunneling, but there is no local minority company who performs that scope of work, how does the DBA identify and address that gap to build the pool of minority companies who can perform that work.

NAACP: Adolphus Pruitt asked about the details of the participation of the 4 State Funded projects. Brian Hoelscher responded that MSD will provide the information of the 4 State Funded projects that were awarded in FY2018.

UAPO – Zaki Barutti asked in those companies that are MBE and WBE are double counted. Brian Hoelscher responded that those companies are not double-counted.

NAACP – Adolphus asked if the Apprentice data listed on page 4 was for all apprentice hours. MSD responded that yes the does include all apprentice hours. However, on page 5 of the presentation, it details that 79% of apprentice hours have been worked by minorities and/or women.

CBTU – Lew Moye asked how the numbers “Compared to Goals” are determined. Brian Hoelscher explained the math behind these calculations.

CBTU – Lew Moye asked what has contributed to the growth of minority and women workforce since FY2016. Brian Hoelscher answered that MSD is holding its prime contractors accountable for meeting the workforce goals. He also stated that the BUD Training Program has helped supply our Prime Contractors with a larger pool of diverse applicants. Diversity’s presence as well as the cooperation with the labor providers helps support the success of this program. The industry (AGC/SITE) are also helpful in relaying to the contractors that MSD is serious about meeting these workforce goals.

NAACP – Adolphus Pruitt asked that as the workforce numbers have increased, has it increased the cost of doing business with MSD. Brian Hoelscher responded that in general it does not increase the cost of doing businesses, but there may be rare instances where it does. Adolphus requested a case study that speaks to that question because the CBA Signatories group receives that question often. Brian Hoelscher stated that MSD will discuss the option of doing such a study.

CBTU – Lew Moye stated that when the CBA started, that MSD wanted this to be a model program; therefore, he believes it would be in the interest of the District to provide a case study to detail if the cost of doing business increases with Diversity Goals or not. Brian Hoelscher responded that in MSD’s particular situation, MSD has not seen an increase in the cost of doing business.



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NAACP – Adolphus asked a question on Page 8 about the decrease in minority participation from FY2016. Shonnah responded that women far outweigh minorities for the local office workforce. Brian H further explained that the professional services workforce goals are for the local office of the Prime Consultant only. Adolphus stated that this is a possible gap that could be addressed.

MOKAN – Yaphett El-Amin asked how the Disparity Study determined that M/WBEs were being over-utilized on Professional Services contracts. Brian Hoelscher responded that the Disparity Study compares the availability of M/WBEs against the actual utilization of M/WBEs. This method determined where disparities did and did not exist. Where disparities were found to exist, MSD implemented M/WBE subcontracting goals to address those disparities.

UAPO – Zaki Baruti asked a question on Page 9 (Small Contractor Program) regarding the breakdown of MBE and WBE separately. Brian H responded that MSD will provide that breakdown.

NAACP – Adolphus asked a question on Page 11 regarding FSH. He asked if MSD knows the number of hires out of the FSH program. Shonnah responded that she will supply that information before the next scheduled meeting.

MOKAN – Yaphett El-Amin asked if the Journeyman on the First Source Hiring list are going through the unions. MSD responded that the Journeyman may also go through the unions as well as the First Source Hiring list. Lew Moye commented that unemployed minority and women workers should utilize all avenues to find employment.

NAACP – Adolphus asked if all three scholarship recipients completed the program. Shonnah responded that yes, all three completed the program. Adolphus also asked what which schools the MSD sponsored SLIP Interns attended. Shonnah stated that that information will be provided on the next report. Adolphus asked that MSD explain the SLIP Program. Shonnah responded that SLIP has been around since 1992. The program has expanded to St. Louis City, St. Louis County, and Magnet schools. The program now works with UMSL for a 12 week professional development program. Those students who complete the program are eligible for 8-week paid internships. MSD sponsored 5 interns in FY2018 and those interns were placed based off their future career interest (Finance, IT, etc.). MSD pays the salaries for those interns during the 8-week internship.

NAACP – Adolphus Pruitt asked which projects have the MSD funded tunnel OJT Programs. Shonnah responded that those are on Upper Maline, Maline Creek, and Deer Creek. SAK has voluntarily used the program on Jefferson Barracks tunnel project. Adolphus asked about those individuals who are no



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longer employed. Shonnah responded that she was made aware that one of the trainees allowed another individual to get on top of a piece of equipment and drove the equipment off the job site; another refused to leave their cell phone outside of the tunnel when requested; and another left on their lunch and decided that they did not want to return. Shonnah stated that she meets with the contractor and they communicate to her some of the reasons why they did not retain an employee. The first point of contact is usually the union since that is who they are affiliated. Shonnah stated that they are very aware that she is watching and tracking how the trainees are being retained. The Prime includes the status of the trainees on a monthly basis to MSD. Brian further explained that while the OJT tunneling trainees are being sponsored by MSD, the Prime cannot include those hours on their workforce reporting to meet MSD's goals. Once they complete the training program, the Prime may start counting their hours towards meeting the workforce goals.

CBTU – Lew Moyer asked how does the Prime recruit for the OJT program. Shonnah responded that the prime recruits through various agencies, fairs, and union affiliates. Yaphett El-Amin with MOKAN stated that SAK had just attended a MOKAN event looking for candidates.

NAACP – Adolphus asked about the 0% retention on Upper Maline (page 15). Shonnah stated that SAK had a very large piece of equipment go down, which greatly affected OJT opportunities. Adolphus asked why those who had not completed the program on Upper Maline were just let go. Shonnah stated that she has inquired about why those trainees could not be migrated to another project, but does not have a response at this time. Shonnah will ask SAK if those who did not complete the Upper Maline Creek OJT program were moved to Jefferson Barracks. Brian Hoelscher stated that when the equipment came back-up, SAK went straight into production, which does not allow sufficient time for training.

#### 4. OJT Cost Breakdown

MSD provided a cost breakdown sheet for the tunnel OJT Program to the CBA Signatories. Shonnah provided a detailed explanation of the breakdown to the CBA.

NAACP – Adolphus asked about the rationale behind the tunnel OJT program. Brian H responded that MSD has the majority of the tunneling work here in St. Louis; therefore, MSD wants to help build a local workforce pool of diverse individuals who have tunnel work experience.

NSBE – Jan Walker asked what the “a,b,c,d,e” letters correlate to on the form. Shonnah will update the form to be clearer by the next meeting.



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MOKAN – Yapett El-Amin stated that a program like the tunnel OJT program could also help contractors with smaller contracts. MSD responded that MSD is currently sponsoring the Diversity Incentive Program, which will reimburse contractors \$10 per hour for each minority/women apprentice hours that exceeds the 40% goal. The prime has to meet all workforce goals. At this time, there have been no contracts completed under this program.

5. Contractor Performance Evaluation

MSD provided link to the evaluation process documents on the MSD website. The CBA will review and let MSD know if there are any questions.

6. Dispute History

MSD provided the CBA with a document detailing the outcomes of payment disputes in the MSD Diversity Reporting system.

CBTU – Lew Moye asked if the MSD Diversity Reporting system tracks late payments. MSD responded that the system provides an automatic payment verification process for M/WBE subcontractors when a Prime reports a payment to the company. MSD performs separate investigations when a subcontractor reports to MSD that they are not being paid in a timely manner.

The CBA did not have any outstanding questions regarding the information provided.

7. Unbundling

NSBE – Jan Walker sent a copy of the Unbundling Policy (Prof Services) with suggested changes. Brian Hoelscher will review and respond with any further suggested changes (via “track changes”) and send it out for review by the CBA group.

8. Immediate Need and Emergency Projects

MSD provided a breakdown on the M/WBE participation on Immediate Need and Emergency contracts awarded in FY2018.

NAACP – Adolphus Pruitt asked about the utilization being so low. Brian Hoelscher responded that the Emergency/Immediate Need Primes are required to hold a list of M/WBE companies who they will call to try to gain M/WBE participation for these jobs. Since these jobs are performed under short time restraints, participation is depended on the immediate availability of M/WBE subcontractors. MSD will provide the policy for the Immediate Need/Emergency





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Contracts regarding the use of M/WBEs to the CBA before the next scheduled meeting.

9. Contractor Performance Sanctions

MSD provided a list detailing all warnings and sanctions taken against Prime Contractors since FY2009.

UAPO – Zaki Baruti asked what happens when a contractor is sanctioned. Brian Hoelscher responded that various sanctions exist. Some examples are as follows: a formal written warning; only allowing the prime contractor to hold one contractor at a time; removing the contractor from the bidder's list for a year, etc. Sanctions are usually in place for one calendar year. Brian also explained that the information included on the provide list is just for construction, not design. Since the design bids are not a low-bid prequalification process, their performance is evaluated in the event that the prime consultant tries to bid with MSD again. The CBA Signatories will review the information and let MSD if there are any questions.

10. Insurance Requirements

MSD provided the insurance requirements mandated for Prime contractors. Yaphett El-Amin with MOKAN stated that the cost of insurance for small companies may create challenges. The thought was to look at the Insurance requirements and lower the amount of insurance required by the Prime to the subcontractors. At this time, MSD does not mandate insurance requirements for subcontractors. Adolphus stated that MOKAN and NSBE will review with their members and let MSD know of any suggestions before the next scheduled meeting.

11. Mentor/Portege

MSD provided an example of the current language in Diversity's policy. Adolphus requested that this item stay on the agenda for the next meeting.

12. General Discussion Regarding Action Items from Meeting

MSD: Brian Hoelscher stated MSD will provide responses to the questions regarding Agenda Item #4 (FY2018 Annual Diversity Report) before the next scheduled meeting via email to the CBA Signatories. Agenda Item #5 (Contractor Performance Evaluation Process) will remain on the agenda for the next scheduled meeting. Agenda Item #8 will not remain on the Agenda for the next scheduled meeting, but MSD will provide a copy of the Emergency/Immediate Need Policy regarding M/WBE participation. Agenda Item #10 (Unbundling) will remain on the Agenda for the next scheduled meeting and



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Brian will provide suggested changes via e-mail. Finally, Agenda Item #11 (Insurance) and #12 (Mentor/Protégé) will remain on the Agenda for the next scheduled meeting.

NAACP: Adolphus Pruitt suggested that the CBA Signatories make an effort to review the information provided before the next scheduled CBA meeting and have feedback ready. Brian Hoelscher will send out a list of outstanding items along with the actions agreed to in an effort to hopefully resolve some items before the next scheduled meeting.

14. Schedule Next Meeting

The CBA Signatories requested that the next CBA meeting be scheduled for early December 2018. Brian Hoelscher will send out a list of possible dates via e-mail.

15. Meeting adjournment was approximately 3:25 p.m.

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**COMMUNITY BENEFITS AGREEMENT (CBA)  
REGULAR MEETING  
Sign In**

**September 26, 2018, 1:00 – 3:00 p.m.**

**2350 MARKET STREET, ST LOUIS, MO 63103  
CONFERENCE ROOM #109**

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3.	MSD	Katlynn Woodruff	314-768-6216
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6.	C.O.R.E.	JESSE LOFTON	(314) 799-4746
7.	NAACP	A. M. Pruitt	314-361-8600
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10.	Yaphett El Amin ←	MOKAN	314.454.9675
11.	Zaki Baruti ←	LIAPU	
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