

**MINNEAPOLIS CITY COUNCIL
OFFICIAL PROCEEDINGS
REGULAR MEETING OF
AUGUST 31, 2007**

(Published September 8, 2007, in *Finance and Commerce*)

**RESOLUTION 2007R-454
By Ostrow**

Requiring review of Requests for Proposals and service contracts for new labor peace language.

Whereas, the City of Minneapolis needs to make prudent management decisions to ensure efficient management of its business concerns and to maximum benefit and minimize risk, including the possibility of labor/management conflict; and

Whereas, the City of Minneapolis has financial interests, economic investments or proprietary interests in certain of its contracts for services and acts as a market participant in entering into those contracts for services; and

Whereas, the City of Minneapolis has in the past required "labor peace agreements" as a condition precedent to certain contract for services in order to protect the City's financial, economic or proprietary interests against the risk of disrupted services; and

Whereas, the City of Minneapolis wishes to formalize the process in which it reviews contracts for services for the need to include labor peace language into contracts for services; **726 AUGUST 31, 2007**

Now, Therefore, Be It Resolved by the City Council of the City of Minneapolis:

That the Permanent Review Committee review all proposed all service contracts and Request for Proposals (RFP) for the necessity to include labor peace language in any service contract or RFP.

Be it Further Resolved that in considering whether to recommend the inclusion of a labor peace provision in service contracts, the Permanent Review Committee shall consider whether the City has a proprietary interest in the contract for services. In considering the need and appropriateness of labor peace language, the Permanent Review Committee shall consider, on a case-by-case basis, any relevant factors, including but not limited to, the dollar value of the contract, the duration of the contract, the adverse financial or economic impact of any disruption of services, the cost associated with finding replacement services, the risk of disruption of services, whether or not City owned property is involved, and any other relevant factors. The review of contracts or RFPs for possible inclusion of labor peace provisions shall be done only in those situations where the contract amount is reasonably expected to be in excess of \$250,000.00. After its review of the preceding factors, the Permanent Review Committee shall make an initial determination whether a labor peace provision is appropriate or necessary in any contract or RFP. The Permanent Review Committee, after its determination, shall prepare findings and recommendation on the need for a labor peace provision and such findings and recommendation shall be provided in a report to the appropriate City Council Committee for final Council action.

Be it Further Resolved that if the City Council determines that the inclusion of a labor peace provision in an RFP or contract is necessary or appropriate to protect its proprietary interests, the Permanent Review Committee shall include in the appropriate RFP or contract the following language or language substantially similar as determined as appropriate by the Office of the City Attorney:

Labor Peace Agreements; No work stoppage; Arbitration. A contractor performing services for the City of Minneapolis ("Contractor") shall be or become signatory to a valid collective bargaining agreement or other contract under 29 U.S.C. Section 185 with any labor organization seeking to represent employees employed to perform services under Contractor's contract with the City as a condition precedent to its contract with the City. Such collective bargaining agreement or contract must contain a provision prohibiting the labor organization and its members, and in the case of a collective bargaining agreement, all employees covered by the agreement, from engaging in any picketing, work stoppages, boycotts or any other economic interference with the services performed by the Contractor for the City for the duration of Contractor's contract with the City (the "No-strike pledge"). Such agreement must provide that during this time period, all disputes relating to employment conditions or the negotiation thereof shall be submitted to final and binding arbitration. Each and every contractor and employer of employees hired to perform such services shall require that any work under its contract or contracts with the City to be done by the contractor's or employer's subcontractors or any entity substantially under the control of contractor or employer shall be done under collective bargaining agreements or other contracts under 29 U.S.C. Section 185 containing the same provisions as specified above. Contractor shall be relieved of the obligations of this provision with respect to a labor organization if the labor organization places conditions under its No-strike pledge that the City Council finds, after notice and hearing, to be arbitrary or capricious.

Be it Further Resolved that all service contracts or RFPs involving special services to be performed within a special service district created under Minn. Stat. Ch. 428A and the Minneapolis Code of Ordinances shall be exempted from review by the Permanent Review Committee for the necessity of inclusion of labor peace language.

Adopted 8/31/2007.

Absent - Lilligren.