

Construction Careers Advisory Committee

Small Group Meeting Notes

- **May 12, 2014**
- **May 5, 2014**
- **April 17, 2014**
- **April 16, 2014**
- **April 2, 2014**
- **March 19, 2014**
- **March 5, 2014**
- **December 10, 2013**
- **November 12, 2013**

DRAFT
Construction Careers Advisory Committee
Meeting Notes - 5-12-14

After introductions, the facilitator announced this was the final CCAC meeting, thanked everyone for their participation, and reminded everyone of the schedule for completion of the CCAC report.

Next, Bob Armstead, president of Armstead Consulting, provided a Powerpoint presentation on solutions that allow for effective WMBE utilization when a project labor agreement (PLA) is used (see attached).

He emphasized the importance of providing protections for WMBEs through a series of slides, one illustrating the dramatic drop in WMBE usage on Seattle public works projects during the recession, another on the distribution of median household incomes by race and ethnicity in King County, showing that African-Americans and Hispanics have significantly lower incomes than other groups. Another slide illustrated that African Americans had the lowest median household income by percentage when compared to white households and that median income had declined from 63% in 2000 to 51% in 2007. He also showed the construction contracting rates for WMBEs at UW (0% in 2013) and Washington state (2.87% in 2010). He explained that a correction of Washington state's contracting rates actually resulted in a .8% utilization rate for WMBE. He compared that to the pre-I-200 state's contracting rates, which for WMBE firms was more than 20%. He said these figures demonstrate the need for the city and other agencies to have policies that will help correct this inequity for WMBE and DBEs.

He provided Seattle Seawall data illustrating that, as a percentage, WMBE firms tend to utilize economically disadvantaged workers, women, people of color and apprentices at a higher rate than non-WMBE firms.

Finally, in surveying public agencies and WMBE firms he developed his suggested list of the top 5 best local practices to ensure WMBE utilization when a PLA is used: 1) trigger for PLA consideration of \$25 million; 2) project-only PLAs; 3) WMBE reimbursement for duplication of benefits; 4) 5 core employees per project and 5) training on PLA requirements, processes and dispute resolution.

To counteract some of the disadvantages WMBEs experience in construction, Bob suggested remedies such as: advance training on the requirements of working under a PLA; the use of one standardized labor agreement for projects; target hire requirements that are developed independent of WMBE to ensure needs of both considered; regional consistency of PLA requirements; easy access and standardized reporting systems; forums for WMBE feedback; independent board to address complaints.

Targeted Hire Proposal

Andra Kranzler shared the community's proposal for targeted hire. Some members suggested threshold changes: \$1 million for targeted hire, \$10 million for the PLA, \$25 million for the PLA.

One member stated his opinion that any PLA will create a barrier for WMBEs and cited an executive order that seeks to develop policies making it easier for WMBE firms to participate.

One member reminded the group that union contractors would not be able to do targeted hire without a PLA and that would put them and unionized workers at a disadvantage in the market.

One member expressed his opinion, for the record, that the community's proposal had been negotiated without WMBE participation.

One member reminded the group that all elements of the proposal had been discussed at the small group meeting in April and at the May 5 meeting, with WMBE participation in those meetings.

One member stated his concern, for the record, that raising the threshold for targeted hire would limit the effectiveness of a targeted hire program, which was supposed to be this group's mission.

One member suggested that WMBEs and workers get together and advocate for mutual benefit.

After discussion, the group, by majority vote (votes shown below), adopted the following targeted hire program encompassing a City ordinance and a project labor agreement (PLA).

1. The ordinance will require all projects at or above \$5 million to have target hire requirements and a mandated PLA. (8 yes, 4 no, 1 okay¹)
2. In 2 years from the start of the first PLA project, the City would analyze to determine if a higher or lower threshold is appropriate. (Unanimous)
3. ²FAS would set the highest practicable requirements for employment of underrepresented workers. The requirement will be built for each project, using a formula that considers the type of work, past performance and aspirational improvements. The requirements would be required of every contractor on the project. (Consensus from the FAS Proposal discussed and modified on 5/5/14)
4. The contractors may also count underrepresented workers in administrative and construction management positions to fulfill the requirement. (From Best Practices/Standards Poll of CCAC - Consensus)
5. Contractors that fail to comply are subject to enforcement up to and including withholding payments and debarment. (Consensus from notes on 5/5/14)
6. The PLA will include mechanisms to accommodate WMBEs. (From the FAS proposal discussed and modified on 5/5/14)
7. The PLA will allow for pre-apprenticeship preferred entry, as well as community-extended entry up to 18 months total. (6 yes, 2 OK)
8. Provide dispute resolution and independent complaint investigation - a City Contracts Ombudsmen (9 yes)
9. Do you recommend the following support mechanisms to assist WMBE firms and other companies that have similar needs?
 - a. 5 core workers on each contract, on each project (10 yes)
 - b. Fund to pay for secondary benefits (11 yes)

¹ OK = "It's not my preferred option, but I can live with it." (From the *CCAC Ground Rules*.)

² Notes indicate that items 3-6 had been discussed and agreed upon prior to the 5/12 meeting.

- c. Technical support such as during bidding and award, dispute resolution and help with paperwork and compliance software (10 yes)
- d. Process to ensure fair treatment (8 yes)
- e. PLA clause: In the event a Contractor is unable to find qualified and competitive WMBE subcontractors and needs to satisfy WMBE participation goals, then the Union whose work is involved and the Contractor by mutual agreement may waive the requirement of becoming signatory to the PLA. (8 yes, 1 OK)

10. Do you adopt the recommendation for a Hybrid Ordinance/PLA? (10 yes, 1 OK, 2 general contractor representatives not voting)

The meeting adjourned at 5:00 p.m.

Meeting Attendees

CCAC MEMBERS:

Mark	Beaufait
Diane	Davies
Gregory	Davis
Jerry	Dindorff
Adriana	Gamboa
Andrew	Kashyap
Andra	Kranzler
Frank	Lemos
Elton	Mason
Todd	Mitchell
Marilynn	Moch
Lee	Newgent
Marge	Newgent
Gus	Sestrap
Halene	Sigmund
Jermaine	Smiley
Bob	Watrus
Brian	Webber
Keith	Weir
John	Welch
Michael	Woo
Marty	Yellam

OTHER ATTENDEES:

Fred	Anderson
Bob	Armstead
Kelsey	Beck
Carlo	Caldirola-Davis
Jeanne	Fulcher
Esther	Handy
Rhonda	Hilyer
Steve	Lee
Patricia	Lee
Nancy	Locke
Anna	Pavlik
Ginny	Ratliff
Shelley	Seacrest
Mark	Wheeler

DRAFT
Construction Careers Advisory Committee
Meeting Notes - May 5, 2014

After introductions, the facilitator explained the schedule for finalizing the report to be sent to the Mayor and Council on May 21. This compressed schedule will ensure CCAC recommendations can be considered by the Council and allow for possible implementation in 2015. Here's the schedule:

- **May 15:** CCAC members will receive an advance copy of the report and are asked to review for errors, such as spelling or incorrect depiction of a "consensus" recommendation. Please do not review or add wording because there, unfortunately, is not time to vet new language with the entire CCAC.
- **Noon, May 19:** Report feedback due. Also, minority reports are due and should be emailed to HQ@agreementdynamics.com.
- **May 21:** Agreement Dynamics will correct any errors in the report and submit the final report to the Mayor and Council.

Nancy Locke reminded members that the report will provide the general intent of the group, indicating where they agreed, and she encouraged CCAC members to continue to stay engaged in the conversation as the work continues toward policy adoption and implementation.

She also indicated that at the May 12 meeting we'll finish our discussions, including discussing findings from WMBE firms working in the PLA environment.

Hybrid Approach Recommended by CCAC Small Group

A small group, with one representative from each of the CCAC stakeholder groups, met on April 17 to discuss and make recommendations to the full CCAC \ on a targeted hire policy approach. Those representatives were: Andra Kranzler, Halene Sigmund, Jermaine Smiley, John Welch, and Bob Watrus. The facilitator acknowledged and thanked the group for their efforts.

The small group recommended a hybrid approach with an ordinance mandating targeted hiring goals and a blanket PLA for projects over a TBD dollar value. Subcontracts below a TBD dollar value may be exempt from the PLA and the City would evaluate projects for targeted hire based on specific criteria related to project size, labor hours, etc.

FAS provided an outline of a proposed targeted hire approach (see below) and the CCAC members provided feedback and revision as shown in edited form.

CCAC DRAFT ORDINANCE/PLA STATEMENT (AS EDITED BY CCAC ON 5-5-14):

Create a Targeted Hire Ordinance which requires the City to execute a Project Labor Agreement (PLA) that shall include all public works projects meeting certain criteria.

Develop Seattle Municipal Code (SMC) Ordinance to require:

~~For all projects, require practicable targeted hire goals for hours of work to be performed by under-represented individuals. City shall review each project (CONSENSUS) to determine and implement practicable target hire requirements (MAJORITY) for hours of work to be performed by under-represented individuals.~~

Under-represented workers are women, people of color, residents of economically distressed zip codes in Seattle and King County and those who are otherwise socially or economically disadvantaged. (CONSENSUS: With “requirements” as a condition for targeted hire, CCAC gives the Law Department the authority to adapt the language on gender and race to fulfill CCAC’s intent.)

Targeted hire goals would be set considering the type of work for the project, past performance by type, and aspirational improvements. FAS shall use appropriate mechanisms to establish ~~goals requirements~~. ~~Goals-Requirements~~ shall be enforceable by contract, imposing process steps to ensure compliance (similar to those used by FAS in the WMBE program). (CONSENSUS ON PROCESS STEPS.)

A Blanket Project Labor Agreement will be executed and shall apply to all public works projects above \$1,000,000 (MAJORITY) using criteria establishing sufficient work hours to ensure target hire is achievable. City Finance and Administrative Services (FAS) would implement on projects below \$X,XXX,XXX if appropriate, such as high volumes of work hours.

Signatories shall include all Prime Contractors and Subcontractors that have a subcontract of any tier valued more than \$XXXXX TBD.

The Blanket PLA will include appropriate mechanisms to accommodate WMBE (small) firms as needed and agreed upon (such as payment of dual benefits and agreements on the appropriate number of core workers).

CCAC discussions included:

- All members preferred that the city determine if targeted hire was achievable for each project (based on project type, size, past performance, aspirational improvements, etc.) rather than make all projects targeted hire.

- A majority of CCAC members preferred requiring targeted hire on applicable projects, rather than setting goals.
- CCAC’s targeted workers are defined as “under-represented workers in construction who are women, people of color, residents of economically distressed zip codes in Seattle and King County and those who are otherwise socially or economically disadvantaged.” Because of potential legal constraints raised around race/gender language, the CCAC agreed to let the City Law Department review and revise the definition of targeted hire individuals, as long as it meets the group’s intent.
- CCAC members, by consensus, agreed that requirements will be enforced by imposing process steps to ensure compliance (before debarment), similar to the steps used by FAS on WMBE projects.
- A majority of CCAC members supported a PLA that applies to public works projects above \$1,000,000 (based on project type, size, past performance, aspirational improvements, etc.).
- Yet to be determined by CCAC are potential size exceptions for subcontractors involved in PLAs and other WMBE accommodations.

Nancy Locke provided a handout illustrating that for public works construction projects completed between 2011-2013, 85 out of 192 were projects totaling \$1 million or more. Those would be projects considered for PLAs in the future.

A second chart revealed that out of 269 WMBE construction subcontracts completed during 2011-2013, a vast majority of the projects (91%) were valued below at \$300,000 or less.

At the request of some CCAC members, the City will provide data illustrating at what project size level (hours, dollar amount) the most labor hours are captured.

The meeting adjourned at 5:00 p.m.

Meeting Attendees

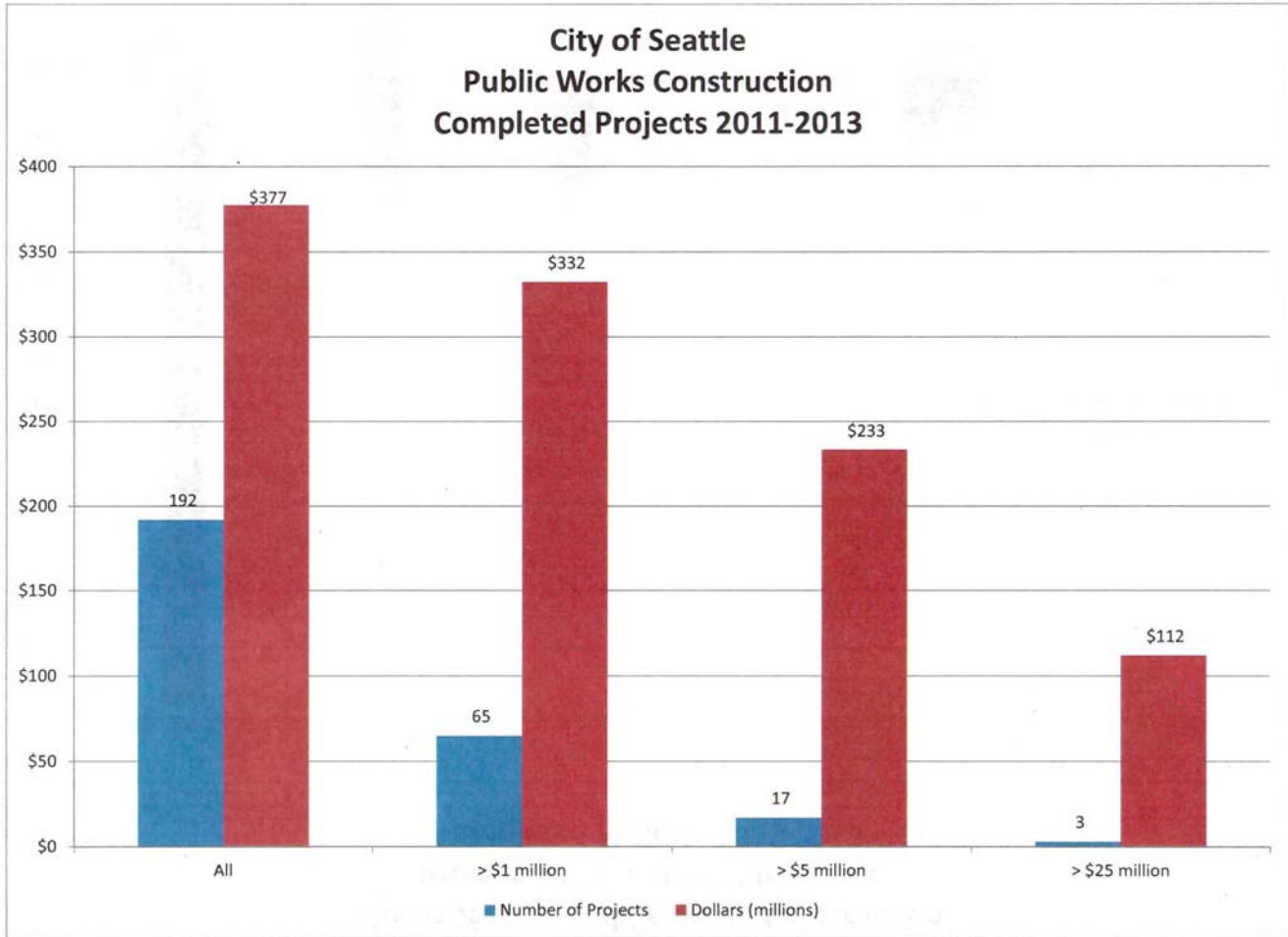
CCAC MEMBERS:

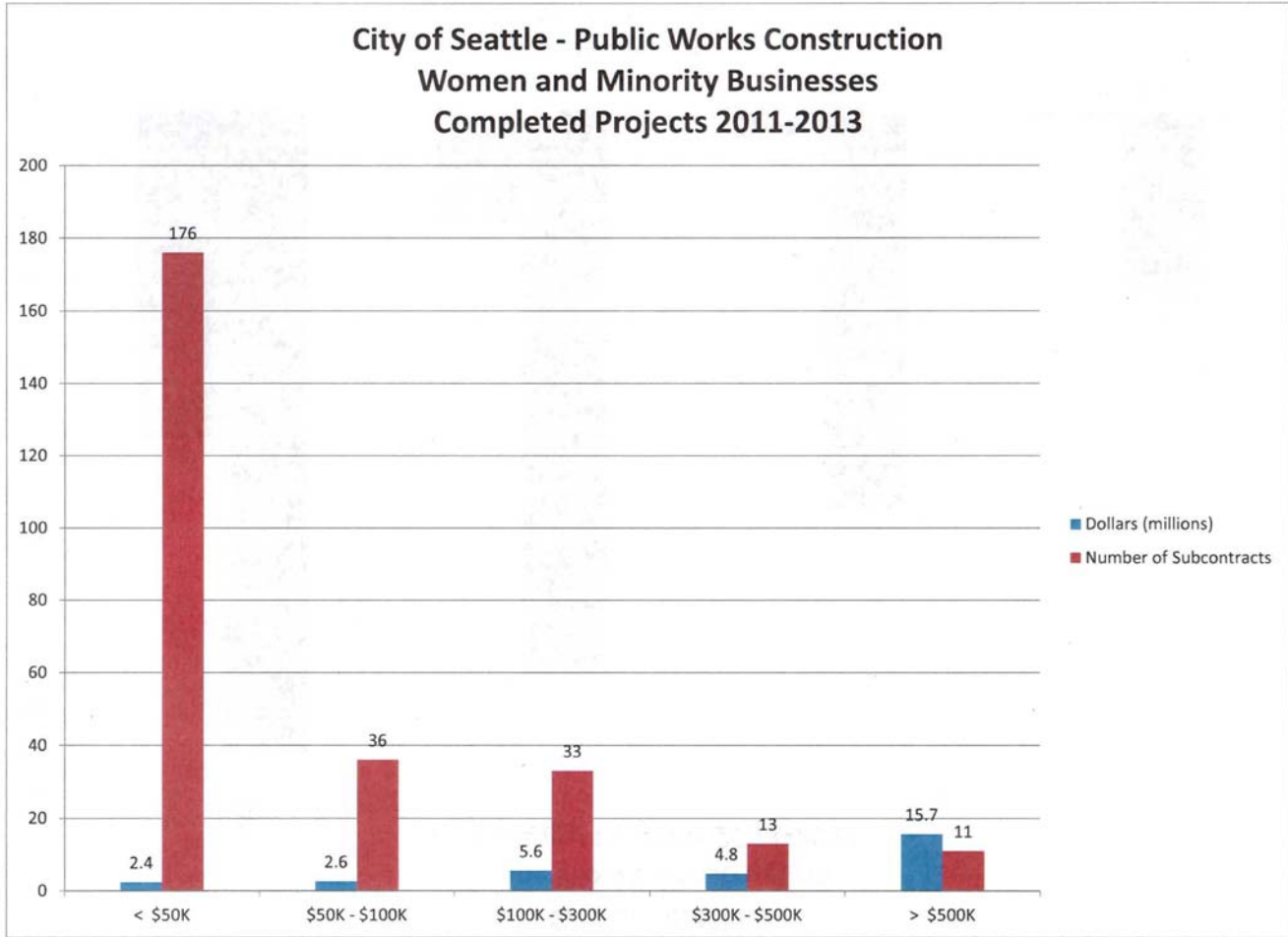
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Gus	Sestrap
Halene	Sigmund
Hilary	Stern
Keith	Weir
Michael	Woo

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Kassa	Amare
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Jeanne	Fulcher
Mary	Guthmiller
Esther	Handy
Lisa	Herbold
Rhonda	Hilyer
Nancy	Locke
Anna	Pavlik
Ginny	Ratliff
Daniel	Villao
Harold	Wright
James	Yoo





Construction Careers Advisory Committee Small Group Meeting Notes

April 17, 2014

A small group, with one representative from each of the CCAC stakeholder groups, met on April 17 to discuss and make recommendations to the full CCAC Committee on a targeted hire policy approach. Those representatives were: Andra Kranzler, Halene Sigmund, Jermaine Smiley, John Welch, and Bob Watrus. Other attendees included: Howard Greenwich (SAGE), Rhonda Hilyer, Patricia Lee, Nancy Locke, Anna Pavlik, Ginny Ratliff, Daniel Villao and Jerry Dinndorf.

After introductions, Nancy Locke from Finance and Administrative Services provided the parameters for the discussion. She first asked the group to, for the moment, table the discussion of WMBE impacts on any policy the group recommends since a report from Armstead Consulting is coming soon. She said that would be examined and addressed later to work with with the CCAC's recommendation. She asked the group to advise whether the City should pursue a PLA, an ordinance or a hybrid (ordinance with a PLA) to achieve its targeted hire objectives. When asked, the small group didn't wish to add another potential approach for discussion.

The facilitator asked the group to share their interests and concerns vis-à-vis each policy:

Labor Stakeholder: Jermaine Smiley provided his perspective as one labor representative. He opposed a stand-alone ordinance to achieve targeted hiring goals, saying unions can't participate in a stand-alone ordinance because of their dispatch rules. He said petitioning to change the rules with the US Department of Labor was nearly impossible. He also explained that where stand-alone ordinances have been implemented (DC, Cleveland, Milwaukee) they have been subject to legal challenges. He said a stand-alone ordinance would reduce unionized work and eliminate access to about 2/3 of all the trades' possible apprentices because the CITC program trains apprentices for fewer trade types than the union apprentice

programs. He said his preference was for a hybrid approach because it could have strong labor language and ensure equity for small contractors and the community. He also said the City would be assured of union apprenticeship, labor harmony, and union accountability for achieving targeted hire provisions. He said that since unions are giving up something by asking their members to step aside for targeted hires, in return they need the assurance of union work that a PLA, with a low threshold to encompass more work opportunities, provides them.

Contractor Stakeholder Prefers an Ordinance Approach: John Welch said his first choice is for the City to implement an ordinance with targeted hiring goals because it allows the industry to work toward achieving goals without showing preference to certain contractors (open versus union). He said a qualified targeted hire candidate would be able to come to a job site and be immediately put to work. He also said many smaller contractors would have difficulty meeting the targeted hiring goals and that many open shop contractors are opposed to working under PLAs. He explained that was because of their desire to maintain their existing crews intact. He said PLAs limit competition and that under an ordinance all contractors can engage on equal footing and unions are able to participate by incorporating the ordinance requirements in their collective bargaining agreements. He suggested the hybrid was his second choice and should include a minimum threshold.

Training Stakeholder Prefers Stand-Alone Ordinance: Halene Sigmund explained her preference for an ordinance because it gives CITC-registered apprentices more opportunity and access to work. She opposed a PLA-only approach because small contractors can't use a majority of their work force and they don't understand the requirements. She said a hybrid would be her second choice.

WMBE-Minority Contractor Prefers Hybrid Approach: Eric Alozie stated his preference for a hybrid approach as long as there are thoughtful objectives, the plans are well communicated and there are customized, aggressive

targeted hire goals on a project by project basis. Eric said it's important that goals be achievable because if goals are not met, it can foster distrust among the stakeholders. He also suggested reviewing the new programs' progress in three years. He closed out his comments by saying that the prime contractor community has not, on their own, increased the hiring of women and people of color.

Community Prefers Hybrid Approach: Andra Kranzler expressed the community's support for an ordinance with a PLA housed in it as long as there are community workforce provisions embedded in it. She saw this approach as providing greater accountability for contractors and unions and resulting in more meaningful engagement of the community. This approach provides a mechanism for targeted hire in distressed zones and provides an incentive for the trades to partner with the community and WMBEs. She said the community would also like to see more use of CITC apprentices. A stand-alone ordinance was their second choice and a PLA-only represents their third choice because it's not likely to address targeted hiring issue.

Policy Advisor Prefers Hybrid Approach: John Watrus expressed his support for a hybrid, because from a policy perspective he said it provides the most clarity, consistency, transparency, enforcement infrastructure and also addresses the legal concerns of an ordinance-only approach. He also saw it as the next logical step after the Seawall CWA.

After a break, Nancy compiled the results indicating there was the most support for a hybrid policy with an ordinance mandating the following for all projects:

- Targeted hiring goals (women, POC, socio-economic zips, Seattle-King County)

- A blanket PLA for all projects greater than \$____
 - exceptions for subcontractors less than \$ ____
 - WMBE as needed; i.e., core workers
 - Addressing specific criteria.

She noted that it would be the CCAC's responsibility to fill in the blanks.

The group agreed to recommend this approach to the CCAC meeting on May 5.

The meeting adjourned at 12:00.

DRAFT
Construction Careers Advisory Committee
Meeting Notes - April 16, 2014

After introductions, Nancy Locke of Finance and Administrative Services (FAS), provided background on each of the questions the CCAC was asked to answer at the meeting. She explained the first two questions on the agenda addressed how the City might set goals, while the third question related to a potential jobs coordinator position and the fourth queried whether to require cultural competency training on City contracts.

She said the City Law Department would advise FAS as to when the City may be limited to setting goals for targeted hiring, WMBE utilization and apprenticeship and when the City may be able to set contract requirements. In either case, Nancy explained that the City will utilize the strongest possible compliance tools available.

The facilitator noted that an important point to include in the report is that throughout these discussions she has heard CCAC as a group say they want compliance, accountability, and mechanisms that get results. The group and the City agreed that this is a consensus-based recommendation.

The group discussed the first question: “Should workforce diversity goals/requirements be project specific or standard across projects.”

First Nancy compared two approaches the City takes: in city code there is a **requirement** for up to 15% apprentice utilization, and that is standard across all projects. On WMBE projects, **goals** are set based on the type of project (roadway, parks, etc) and are updated each year based on past performance and include a **required** good-faith effort.

One labor member expressed a preference for a standard amount on all projects and that standard would be revisited in 5 years.

One community member expressed the desire for a consistent number across all projects, across all city departments. He didn’t think this number should be left to the discretion of the individual departments.

One contractor member suggested that the goal should be based on a dollar volume that is logical for the type of work being done. He said some projects were too small to require apprentices and targeted hire requirements.

A labor member suggested a \$ 1 million threshold for projects and that WMBE contractors should also be targeted by the same zip codes, using the example of a subcontractor coming from Yakima.

Nancy explained that the threshold for apprenticeship is \$1 million and for WMBE inclusion is \$300,000.

In response to a suggested \$1 million threshold, a contractor member said there needs to be a due diligence study to ensure the dollar volume and type of work would be appropriate for apprenticeship. He indicated the need to research \$1-\$5 million projects.

Nancy indicated she'd review the data and report back to the group.

A community member noted the need to hear from contractors and suggested there may be a large number of projects below \$1 million that could be lost opportunities for hiring the targeted hire group.

A contractor member noted that looking at labor hours was a more realistic trigger than dollar volume. He cited high dollar volume projects that have low labor hours. He said the City should be able to come up with anticipated labor hours on a project and use it as a guide. He also advocated establishing the targeted hiring and apprenticeship goals based on anticipated labor hours and as history is developed. Goals should be project specific he concluded because one size does not fit all. Another contractor noted that some contractors won't bid on City jobs with targeted hiring policies or agreements in place and that will result in less competition and higher building costs to the city and taxpayers.

Nancy said that where the City had been most successful getting WMBE participation was when the goals were set based on work hour data for the specific industry; e.g., roadway work versus landscaping. There is a table used, and it has percentage goals for each kind of project city wide.

A community member encouraged contractors both small and large to hire from the disadvantaged communities, even if it meant leaving some of their core workers off the job. Another community member echoed his suggestion and encouraged everyone to consider this an investment in our community and to reflect on abundance, rather than scarcity.

After discussion concluded, the group determined by majority vote to recommend a standard workforce diversity objective (either as a goal or requirement) across all projects with break points and thresholds that are data driven by type of project, dollar volume or anticipated labor hours, whichever is proven most appropriate after analysis and leads to aggressive, yet realistic goals.

Next, the group discussed the question: Should the City set workforce diversity goals/requirements annually based on changes in data (like the City WMBE goals) or set a permanent goal?

One labor member suggested a 5 year review, while another member suggested annual review for the first three years to allow for modifications to the program, after which he suggested a review every three years.

A community member noted that San Francisco reviews annually and has an escalator if appropriate. She agreed with a 3 year review.

After more discussion, the group voted and the majority agreed to a three year review.

Next the CCAC considered the question posed by the City: Should we build a jobs coordinator function within the City or put funds into existing programs to fill identified recruitment and referral gaps and funding needs?

Nancy explained that the consideration for placing a jobs coordinator was to ensure a regional outlook and broad scale coordination between the community, training entities, recruiters, etc.

One training expert noted the need to fund existing pre-apprentice programs, given that many run on shoestring budgets.

One community member supported the idea of a jobs coordinator but suggested that the jobs coordinator should be community based. He said a community-based person could better help contractors achieve their good faith efforts because they could refer people directly from the community.

Another community member noted that most apprentices are referred by a family member or friend knowledgeable about the industry, and that there would be limited success for a recruiter from outside the community. He said a coordinator from the inside can work with all parties.

A labor member expressed support for a coordinator, who is a community member, but who would not be tied to or work in any specific community, so that economically disadvantaged workers could be recruited from all zip codes of the City.

A contractor member noted the need for two functions: 1) recruitment and 2) referral. He cited the San Francisco model where a contractor could call up a referral agency and get a list of names of individuals who meet the targeted hire requirements and have them dispatched to the job. He said referrals were very important to contractors.

A labor member reflected on his opinion that some past efforts to set up referrals had failed and that the money would be better spent in pre apprentice funding and getting people put in the pipeline.

A training member noted the need for more education to alert potential apprentices of the opportunities in construction, stating that 90% of her students came from family referrals. She said the success of people working in the industry is what's feeding more people into the industry. She cautioned against more bureaucracy, particularly if that person(s) wasn't knowledgeable of the industry. She reiterated the need for funding to pre-apprenticeship programs.

Daniel Villao from FAS explained the need for an agency to take the lead on facilitation and coordination at the regional level to bring the various stakeholders together. He said FAS would do a good job of that. He also said their office can set the tone for the region's development in targeted hire efforts.

One contractor member noted that the money would be better spent on existing programs, citing Helmets to Hard Hats, SVI, ANEW as examples. He also gave his opinion that the City may not be in the best position to be a clearing house to generate regional support.

One community member stated the need for a paid community member to provide these services because so many are now volunteers, with limited time to devote to the substantial need for outreach, recruitment and referral.

One training advisor suggested hiring someone from the community but housing them at the city, citing the need for accountability, authority, and having a city-wide perspective.

When asked, the group voted against hiring a new jobs coordinator position in the City but voted yes to adding funding to existing pre-apprenticeship programs. The facilitator noted that minority opinions could be included in the report and to submit those reports by May 1.

The group then turned to the next question if cultural competency training should be a contract requirement.

In response, one contractor noted this was unnecessary because all federal contractors have EEO requirements and conduct this training. He said they are conducting training for superintendents and workers and that a contractor would be subject to audit and fines if this training weren't taking place.

Lastly, in response to a CCAC member's request, Nancy provided preliminary social equity performance results from the Seawall CWA for the past 5 months (attached). In closing she suggested members email their questions to Anna Pavlik and she'll respond back to the group with the answers. Anna's email is: anna.pavlike@seattle.gov.

The meeting adjourned at 5:00 p.m.

Meeting Attendees

CCAC MEMBERS:

Eric	Alozie
Diane	Davies
Gregory	Davis
Jerry	Dindorff
Adriana	Gamboa
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Rhonda	Hilyer
Patricia	Lee
Marisa	Ordonia
Anna	Pavlik
Ginny	Ratliff
Pastor	Willis

DRAFT FAS/Locke/4-10-14

Social Equity Performance Measures*				
	Goal	Q1 2014	Project to Date**	Past Performance on City Projects***
Percent of total project hours from workers living in economically distressed zip codes	15	17.2%	20.1%	12%
Percent total project hours performed by Apprentices	15	13.6%	13.5%	13.4%
Percent total project hours performed by women	12	12.9%	15.5%	4.5%
Percent total project hours performed by people of color	21	23.4%	24.5%	25.4%
Percent of total project hours from workers living in City of Seattle	N/A	11.2%	13.9%	5%
Percent of total project hours from workers living in King, Pierce, and Snohomish counties	N/A	84.0%	85.6%	76%

*Percentages calculated from data entered as of April 11, 2014.

** Project to Date percentages are based on work conducted November 18, 2013 – March 31, 2014.

***Past Performance on City Projects is based on a sample from 2009-2013. Sources are the "Worker Profile in City of Seattle Construction Projects" report and City of Seattle – Construction Workforce Diversity Report.

WMBE Utilization Performance Measure			
	Goal	Project to Date	Past Performance on City Projects
WMBE Firms	13	23%	16%

DRAFT
Construction Careers Advisory Committee
Meeting Notes - April 2, 2014

After introductions, the UCLA consulting team was introduced to the CCAC: Saba Waheed, Lucero Herrera, and Tia Koonse. Saba Waheed, lead researcher, explained the purpose of the study was to examine how public agencies around the country have used targeted hire approaches. She said they looked at project labor agreements (PLAs) and ordinances (14 case studies and 35 stakeholder interviews) and 6 additional approaches with 20 examples. She thanked CCAC members who provided interviews to the group.

Saba explained that, in addition to PLAs and ordinances, the other six tools that have been used for targeted hire include: contract provisions, contractor standards, community benefits agreements, executive orders, resolutions, and free market.

Next, she described the use of ordinances for targeted hire. Saba defined an ordinance as legislation requiring contractors to hire targeted workers in public projects and noted that once passed, it applies to all projects under purview. She explained this approach's advantages as threefold. First, it allows local government to manage hiring practices on its construction contracts. Secondly, it's durable and can endure changes in leadership and third, provides uniform criteria that are clear, transparent and consistent. Saba explained that the disadvantages of an ordinance are: potential conflict with the union hiring hall dispatch system, its broad reach inhibits addressing opportunities or constraints of particular projects, it is very susceptible to legal challenges, and may require investment into new programs.

Next Saba turned PLAs. A PLA is signed by the project owner and unions and sets forth workplace rules, conditions, and other provisions, such as targeted hire requirements. A PLA can be project specific, cover multiple projects or be agency wide. She explained the advantages of a PLA for targeted hire to be that it can influence union hiring and dispatching practices, it can offer increased control and coordination of different contractors and unions on large projects, it encourages labor peace and it offers a dispute resolution mechanism. The disadvantages of a PLA are that it may potentially increase barriers to small and WMBE firms, it can discourage open-shop contractors and workers, and it may require investment in new program administration.

Next she reviewed hybrid models and listed them as:

- Ordinance mandating PLA with community workforce provisions
- Resolution or executive order calling for PLA with Community workforce provisions
- Ordinance mandating apprenticeship training and goals
- Ordinance with responsible contractor requirements

Saba Waheed then listed advantages that can result from the use of the targeted hire tools. Each advantage examined is followed by the targeted hire tool(s) that matches that advantage(s).

- Flexibility - PLAs; community benefits agreements; contract provisions.
- Uniformity—Ordinances; resolutions; executive orders; master or blanket community agreement and PLAs.
- Duration – Ordinances; PLAs and contract provisions.
- Community participation – PLA and CWA.

- Job and worksite guidelines – PLAs are workplace constitutions; ordinances can have worksite rules but have to be added through contract provisions.
- Worker referral and hiring – PLA and ordinances.

Saba explained other factors considered when contemplating targeted hiring approaches:

- Size/scope of projects is a key factor in assessing which targeted hiring approach works.
- Minimum contract threshold for targeted hire varies by agency.

Lucero Herrera shared what the research team found to be best practices that can be used with any targeted hire approach.

1. Engage stakeholders, facilitate collaboration and partnership and address stakeholders concerns. She provided examples:
 - Los Angeles County Metropolitan Transportation Authority (LACMTA) community hearings and resulting PLA with minority-inclusive language.
 - Addressing resident contractor concerns through a credit for hiring of new Richmond, CA residents on any Bay area job.
2. Create inclusive, equitable and realistic targeted hiring goals that can be clearly communicated and measured. She suggested researching targeted communities and the industry conditions, defining targeted workers, establishing clear system to track workers, and set goals for hours worked, rather than number of workers. For example:
 - Milwaukee’s Resident Preference Program where three community programs certify targeted workers for up to 5 years.
3. Educate stakeholders and communicate goals. She recommended pre-bidding conferences, educational tools for stakeholders, sharing goals within the agency, requiring an employment hiring plan, hiring a jobs coordinator or similar management mechanism as well as engaging and educating community partners. She cited:
 - LACMTA’s PLA requires contractors to hire an approved jobs coordinator to identify and recruit targeted workers.
4. Develop a strong system for contractor engagement and promote WMBE participation. She suggested developing contractor training programs, providing technical assistance, and creating mentorship and networking opportunities between large and small contractors. Examples she provided were:
 - LAUSD small business boot camp.
 - Portland Technical assistance fund.
 - LAUSD job fairs and “Meet the Prime Contractor” events.
5. Create partnerships and secure funding to identify and recruit target workers. She suggested connecting outreach and recruitment partners with contractors, providing recruits with necessary support services, and providing funding and resources for outreach and recruitment. She gave an example:
 - San Francisco’s neighborhood access points throughout the city are community-based workforce development partners provide job seekers with a wide range of support services like career planning, job prep, access to resources, child care, etc.
6. Invest in pre-apprenticeship programs. She included facilitating networking opportunities for pre-apprenticeship programs and key stakeholders, dedicating funding for pre-apprenticeship programs, and developing direct-entry apprentice programs. For example:

- Sound Transit has a nickel-an-hour (worked) fund where proceeds support pre-apprenticeship programs for targeted hiring.
7. Support registered apprentices, which includes, setting apprentice utilization goals, incentivizing the retention of apprentices in their 2nd-5th year of apprenticeship and promoting contractor engagement with apprentices. For example:
 - Most programs reviewed for the study included apprentice goals, ranging from 20-30%, some calling for specific goals for minority and women apprentices.
 8. Support job placement and worker retention, including developing a referral system to place apprentices and journey-level workers on jobs sites as well as improving jobsite conditions to increase worker retention. For example:
 - Oakland’s Local Construction Referral Program has a registry of eligible workers to assist contractors in meeting hiring goals.
 - Portland’s community benefits agreement not only includes hiring goals, but also jobsite environment/quality of life goals to promote positive working conditions for people of color and women.
 9. Create, staff and fund an active compliance system with a stakeholder advisory board. This best practice includes the municipality overseeing compliance through staff. The program has clear incentives for compliance and penalties for non-compliance and uses reporting technologies to monitor efforts. Examples provided were:
 - Port of Oakland PLA has a social justice committee to oversee implementation of the targeted hire provisions.
 - LACMTA PLA can assess prime contractors up to \$500/day in damages for falling short of targeted hire goals.
 - Seattle uses LCP trackers and B2Gnow systems for reporting online.
 - When turn-around complaints occurred, Sound Transit implemented a direct entry program.

Tia Koonse provided targeted hire considerations for the City of Seattle within I-200 constraints, noting that the City can implement voluntary, aspirational workforce diversity goals and require good faith efforts that are measurable and enforceable. She recommended race- and gender-neutral criteria targeting socio-economic factors like unemployment and poverty thresholds or specific communities like single parents, transition-aged foster youth and returning veterans. She also indicated that those organizations that provide clear justification for targeting preference tend most to survive legal challenges.

Saba said that Seattle has begun a number of steps toward achieving a successful targeted hire program, including:

- Establishing the CCAC
- Automating real-time payroll and compliance monitoring
- Implementing the Seawall PLA, the first PLA with community workforce agreement provisions
- Funding key research

Next, CCAC members asked questions of the research team and received responses:

Question: How did you pick the local PLAs and what is the dollar threshold for Oakland work?

Answer: We selected case studies for the report based on a literature review of what was available. In Seattle, we focused on two PLAs with the most info available. The Oakland ordinance applies to projects in excess of \$50K.

Question: Page 89 of report shows that apprentice utilization in Seattle public works projects from 2007-2013 is below 15%.

Answer from City: That's true, however, about 28% of apprentices were people of color and women are about 6-7% and that's been consistent over the years.

Question: Your report calls for more support for second- to fifth-year apprentices; is that found in other agreements?

Answer: It varies, some agreements have goals for first year apprentices, some have goals for other years in apprenticeship. The Portland agreement contains on-the-job mentorship for workers struggling in construction careers and also encourages women and minorities to become recruiters in the community.

Question: From our information, local hire is unconstitutional and targeted hire can be legal when clear criteria is used.

Answer: The Privileges and Immunities Clause states you can't discriminate against citizens of one jurisdiction over another.

Question: Can you create a list of these practices which are in existence in the city now?

Answer from the City: Yes, we'll create a table get that to you before the next CCAC meeting. Also, briefly, here's what the City has done to date:

- We have engaged stakeholders and facilitated collaboration through the formation of the CCAC process (committee includes all stakeholders, City department, Council and Mayor's staff) as well as other initiatives over time;
- We have an apprenticeship ordinance with specific goals for women and people of color.
- We have promoted stakeholder education through our CCAC studies and discussions.
- We've hired a consultant to research and report on the barriers for WMBE firms and options to overcome those barriers.
- The CCAC has shown commitment to pre-apprentice programs and providing support will likely be included in CCAC's recommendations. There's also strong commitment from the City, Council and the Mayor's office.
- The City and Mayor understand that staffing an enforcement and compliance effort is critical.

Next, CCAC members provided commentary on the presentation. One member expressed concern that there wasn't sufficient data to support incentivizing 2-5 year apprentices. He welcomed additional data.

Another member suggested feedback on how apprentice programs are addressing failures for women and people of color. She asked, "What do you do to help keep them in the program?" She noted the availability of resources to assist.

One CCAC member stated that the participation of people of color and women on the Seawall are good for the City's first community workforce agreement. He also indicated that the industry has improved over time and that the apprenticeship graduation rates are better than college graduation rates.

Several CCAC members noted how the recession has impacted apprentice graduation rates because of a lack of work for the on-the-job portion of their studies. One CCAC member cited an upswing in apprentice completions but noted it's a slow process. Another member indicated it was important to consider why there are high drop-off rates for 2nd and 3rd year women and people of color apprentices. Another member stated his belief that targeted hire is the best way to address this issue going forward.

Another CCAC member praised the mentorship best practice, sharing that Sound Transit has an evening networking session for contractors and subcontractors to meet and network.

Next, the public was asked to provide comments to the CCAC.

First, Deepa Sivarajan from the Sierra Club connected local hire to environmental and social justice concerns. She said hiring locally reduces commutes, promotes use of public transportation and decreases displacement. She also said that in order for residents to have greater opportunities, the City should require that 33% of its public works hours be worked by local residents, resulting in tax dollars returning to the communities and the local businesses from which it came.

Next, Hashim Banks expressed his support for local hire, noting his four-and-one-half years of experience working in the trades with people from outside his community. He said it's important that this work not be given to others and he hoped that this will be addressed by the City. He also expressed the need for more people of color and women on the job.

Martha Ramos from FAST Jobs expressed her support for local hire and stated that community participation is key to making this a successful ordinance. She also said an ongoing partnership with the City, contractors, labor and the community will make this successful.

Susan Crane explained that she has been in the construction industry since the early 1990s and stated her opinion that if we provide resources to get women in the trades it works. She also said the group ANEW has been struggling because resources have been drying up. ANEW has been revived recently with a federal grant and has seen electricians bringing in women and veterans.

One CCAC member expressed support of local hire and concern that only 6 out of 100 workers on City projects are city residents. He called for Seattle construction jobs going to underrepresented communities. He noted his belief that the City of Seattle is pursuing a free-market approach and that approach is not working for communities of color and women. He also said that good faith efforts have failed in San Francisco and that the only way to achieve hiring compliance is with incentives and if that fails, then penalties.

One CCAC member noted that women are heads of households who need jobs yet they are under-represented in construction fields. Another CCAC member responded that Seattle's numbers are highest in the industry for hiring of women.

Nancy Locke summarized the City's commitment to increasing the ranks of people of color and women in construction. She noted that the City has brought together the best experts to consider the issue and advise the City. She indicated that the Seawall agreement was a pilot program to see how effective a CWA would be for achieving targeted local hiring and the result has been successful.

Saba explained that women have been the most impacted by the recession.

In response to an inquiry about legislation around the country that is similar to I-200, Lucero explained that in five states with similar legislation, there were employment declines for women and people of color.

Daniel expressed his gratitude to the UCLA Labor Center for their support to the committee.

Nancy thanked the audience members for supporting the CCAC and for sharing their perspectives with the Committee.

The facilitator closed the meeting by stating there were only 6 hours of discussion left to complete the barriers discussion, agree to an apprenticeship statement, as well as develop components for an approach/policy solution you want to recommend.

The meeting adjourned at 5:00 p.m.

Meeting Attendees

CCAC MEMBERS:

Eric	Alozie
Diane	Davies
Gregory	Davis
Jerry	Dindorff
Adriana	Gamboa
Dan	Hutchins
Andrew	Kashyap
Ed	Kommers
Andra	Kranzler
Frank	Lemos
Todd	Mitchell
Marilynn	Moch
Lee	Newgent
Marge	Newgent
Gus	Sestrap
Halene	Sigmund

Jermaine Smiley
Hilary Stern
Bob Watrus
John Welch
Michael Woo
Marty Yellam

OTHER ATTENDEES:

Bob Armstead
Karen Armstead
Hashim Banks
Mark Beaufait
Carlo Caldiro-Davis
Susan Crane
Robin Everett
Jeanne Fulcher
Esther Handy
Rhonda Hilyer
Lisa Hornfeld
Patricia Lee
Steve Lee
Anna Pavlik
Martha Ramos
Ginny Ratliff
Brian Robinson
Deepa Sivarajan
Connie Voget
Bob Zappone

DRAFT
Construction Careers Advisory Committee
Meeting Notes - March 19, 2014

After introductions, the facilitator updated the CCAC on the small group meeting to be held on April 17, 9:30 a.m. -12:30 p.m. Representing their caucuses, will be: Eric Alozie, Andra Kranzler, Halene Sigmund, Jermaine Smiley, Bob Watrus and John Welch. This group has been tasked with developing a preliminary policy recommendation(s) for the CCAC to adopt or modify on May 5, 2014.

Next, Nancy Locke, Director of Finance and Administrative Services for the City of Seattle, shared a draft proposal on apprenticeship. She explained that to meet the legislative and budget timelines for 2014, FAS had developed a proposal for the group to consider. She encouraged CCAC members to edit and shape the document into their own proposal.

Pre-Apprenticeship and Prevailing Wage Law in Washington State

A CCAC member who serves on the Apprenticeship Council indicated requiring pre-apprentices to work on City projects conflicts with Washington state prevailing wage law allowing only apprentices and journey-level employees on these jobs. Members expressed support for efforts to get more pre-apprentices in the program, indicating there is a shortage of pre-apprentices entering the field. Some members also shared concerns about imposing strict rules on construction projects.

Apprenticeship Levels

Members also expressed concern about how elevating the cap to 20% would impact apprentice to journey level workers ratios. Safety was also raised as a concern. Members also indicated reaching a 20% apprentice level may be difficult for contractors to achieve.

Some members suggested leaving the apprenticeship level at 15% but requiring every contractor at every level of a project to have 15% apprentices on the job. Under the present system, certain subs and certain trades have the most apprentices while others have few to none, they explained. They said electricians, ironworkers and laborers carry the most apprentices.

Another member noted the importance of spreading the work to other trades to increase opportunities in all construction trades. Another member agreed with the need to find a way to increase apprenticeship across all crafts as an important gain. He indicated his belief that this

will increase diversity by enlarging the apprenticeship pool to cover more types of work. Another member suggested that apprenticeship requirements should be by contractor, not by trades.

Another member suggested using language where the City requires that up to 20% of the work shall be performed by apprentices and spread across all trades, to the extent possible.

Another member expressed concern that some businesses may not have the technical expertise or workforce to have apprentices.

One member expressed his concern that if there's flexibility the City will accept the lowest bidder and if that contractor indicates an inability to achieve higher apprenticeship rates, low cost may take precedence over apprentice utilization.

Another member expressed concern that no matter what the apprenticeship level was, there should be penalties when contractors don't achieve those rates.

Apprenticeship Retention

Next the group turned to the proposal's efforts to retain 2nd, 3rd and 4th year apprentices. Daniel Villao of Seattle' FAS explained that most incentives are for getting first year apprentices into the pipeline. This incentive is aimed at keeping apprentices on the job longer so as to increase the current 46% apprenticeship completion rate. It was suggested that this provision be amended to ensure that all apprentices are rotated through all levels of on-the-job training.

One member recommended tying apprenticeship levels to likelihood of employment based on factors associated with job size, scope, number of labor hours, skills required, etc. Another member suggested if the City wants an apprenticeship level higher than 15%, there should be an analysis to determine if that higher level is appropriate to the project. Nancy Locke said, while the FAS director can set apprentice rates for every project, the code specifically prohibits apprentice rates above 15% and, where appropriate, the City wants to achieve higher rates. She agreed with an approach for analysis to justify higher apprentice rates.

Some members opposed the proposal element of one in three workers being direct-entry and recommended one in five as a more realistic approach for competitive construction projects. One member also suggested creating a secondary bracket of preferred entry workers who have completed six months to one year of apprenticeship, that would give them credit for time worked on another PLA project, and the employer would get also points for hiring them. This member stated his belief that once a preferred-entry apprentice has completed one to two

years on the job they will likely succeed in the industry. When asked how long this preferred entry second tier would last, he suggested no more than two years.

Another member expressed concern about this approach, noting that such an effort could preclude new apprentices getting into the program.

When asked if a contractor would get credit for bringing in a preferred entry worker who came from a private sector construction project, she was told that contractor would not.

In response to a question, Nancy explained that every general contractor on City projects must submit an apprentice utilization plan, unless there are federal funds involved, in which case they must submit a training plan.

The group discussed how getting into training for a pre-apprentice or direct entry programs was accomplished through CWAs or PLAs.

Threshold for Apprenticeship

When asked what should be the threshold for apprenticeship, members of the group suggested a number of ideas. One suggested a threshold of \$300,000 while another suggested a threshold of between \$1-2 million. A threshold of 700 labor hours was also suggested for determining at what point an apprentice “counts” an toward an apprenticeship utilization requirement. Another member recommended exempting contractors from apprenticeship requirements on jobs less with than 2000 labor hours. He said this would protect the small contractor.

Direct-Entry Discussion:

The group discussed how pre-apprentice/direct-entry employees get into apprenticeship: they have to pass qualification tests to be admitted into the trade.

One member described the importance of crew retention as a means for efficiency in construction.

A member indicated that incentives to bring in direct entry workers can result in increased profits for contractors and that many contractors would pursue this if the opportunity were presented to them. Another member said that there is a \$12,000 federal incentive to hire veterans. Another member stated the belief that incentives have not worked very successfully in the past, and that setting requirements with penalties is more effective.

CCAC members suggested adding driver's license support to the proposal to increase pre-apprenticeship readiness. Another member explained that the NW Justice Project has developed a relicensing program that has been successful in helping people get their drivers' licenses reinstated.

CCAC members also suggested that the City to look at partnering with the Apprenticeship Opportunity Program (AOP) operated by ANEW.

Daniel explained the City's desire to bolster existing pre-apprenticeship programs and achieve a standard outcome where pre-apprentices enter the system, become apprentices and ultimately graduate to journey-level. He said they want to understand why pre-apprentices don't get into apprenticeship and why apprentices don't complete and become journey-level workers.

The group explored agencies who recruit, screen and refer candidates for pre-apprentice programs. The SVI representative indicated her program provides that service. The City indicated its desire to supplement those efforts through, for example, additional classes, curriculum development or by addressing other gaps that may exist. Another CCAC member pointed out that the annual construction budget for the city of \$218 million is spread over 120 projects and suggested that there needs to be more work in order to achieve the goals posed by this proposal.

Reporting Requirements:

Next the group talked about reporting requirements and, one member expressed concern about small pre-apprenticeship programs being over burdened with reporting requirements. City staff explored alternative resource options for the group.

Nancy noted that there was no clear consensus on the proposal, although there was support of a goal of broadening apprenticeship to include all trades on projects. She noted this gives the City the opportunity to pursue apprenticeship more vigorously and that this policy would be one of the most aggressive in the country.

The facilitator suggested that FAS staff revise the apprenticeship proposal based on comments and submit to the CCAC for approval. She also suggested that people can present minority report, and the deadline for doing so would be April 30.

The following attachment (p.6 - 8) represents the revised apprenticeship proposal based on CCAC member feedback.

The meeting adjourned at 5:00 p.m.

Meeting Attendees

CCAC MEMBERS:

Eric	Alozie
Diane	Davies
Gregory	Davis
Jerry	Dindorff
Adriana	Gamboa
Andrew	Kashyap
Ed	Kommers
Andra	Kranzler
Todd	Mitchell
Marilynn	Moch
Lee	Newgent
Marge	Newgent
Gus	Sestrap
Halene	Sigmund
Jermaine	Smiley
Hilary	Stern
Bob	Watrus
John	Welch
Michael	Woo

OTHER ATTENDEES:

Jean	Bailey
Mark	Beaufait
Carlo	Caldiro-Davis
Jeanne	Fulcher
Howard	Greenwich
Esther	Handy
Lisa	Herbold
Rhonda	Hilyer
Patricia	Lee
Steve	Lee
Marisa	Ordonia
Anna	Pavlik
Ginny	Ratliff
Tony	Zempel

Mission: Expand City support to pre-apprenticeship and registered apprenticeship programs, to recruit, support, and retain individuals, particularly those from Seattle, who are under-represented in the construction trades (women, people of color, those who are socially or economically disadvantaged).

Current Seattle Municipal Code on Apprenticeship is attached.

CCAC DRAFT APPRENTICESHIP RECOMMENDATION STATEMENT:

Modify existing Seattle Municipal Code (SMC) which applies to every project above \$1,000,000:

- a. FAS would set an Apprenticeship utilization requirement for each City project no less than 15% of total work hours unless extraordinary circumstances require a lower requirement; and no more than 20%. Apprenticeship program journey to apprentice ratios will be considered when setting a project specific requirement.
 - i. **Split opinion: FAS may require apprentice utilization be distributed evenly to every contractor on the project (instead of allowing Prime to freely distribute).**
- b. FAS would maximize apprentice requirements based upon likely apprenticeship opportunities for each project, taking into account such factors as the project size, labor hours anticipated for the project, skills required, apprentice availability, underutilization of target groups in the likely crafts for the project, and history of apprentice availability for such work.
- c. Require contractors hire one pre-apprenticeship graduate as a preferred entry into an apprenticeship program so one of every 5 apprentices hired to serve on the project is a preferred entry apprentice.
 - i. **Split opinion: The preferred entry candidate must meet the apprenticeship program minimum qualifications before hire VERSUS The preferred entry candidate must be accepted into the apprenticeship program before hire.**
- d. Define under-represented individuals: women, people of color, residents of economically distressed zip codes in Seattle and King County and those who are otherwise socially or economically disadvantaged.

Comment [AP1]: Question #1 to CCAC: Do you want to include this statement in your recommendations?

Comment [AP2]: Question #2 to CCAC: Should the preferred entry candidate be required to **meet** apprenticeship program qualifications or **be accepted** into the apprenticeship program?

Require FAS establish measurable **good-faith efforts and goals** for a percentage of apprentice hours to be filled by underrepresented workers (women, people of color, residents of economically distressed zip codes in Seattle and King County and those otherwise socially or economically disadvantaged). FAS may allow contractors to offer social equity alternatives if necessary given workforce constraints (such as greater representation at the journey class, or greater WMBE utilization).

Comment [AP3]: Question #3 to CCAC: Does CCAC recommend this as a requirement or a goal?

Comment [LN4]: Question #4 to CCAC: Does CCAC recommend individual percentages (for women, people of color, etc) or a comprehensive goal?

Require by Joint Resolution:

Track and Analyze Results: FAS will receive and track data to the extent available and practicable, for analysis of disparities in entry and graduations at various steps in the construction training “pipeline.” The City would fund resources to pre-apprenticeship programs so such programs have capacity to track and report to FAS. Desired data includes how many (and by type) disadvantaged individuals are within the total number: applications, entry, retention, graduation and placement rates, for each step (pre-apprentice, apprentice and journey).

FAS will analyze disparities in success by social equity group and Seattle residency for each point in the training “pipeline”, using an expert consultant as needed.

Support pre-apprenticeship programs and students: FAS shall work with pre-apprenticeship, support service and referral programs to:

1. Design and launch support for those programs in their recruitment and support of underrepresented individuals. This will be designed to encourage other public agencies throughout the region to join.
2. Fund monetary distribution, that such programs or through other agreed-upon mechanisms, can provide to under-represented individuals that participate in a pre-apprentice or apprenticeship programs, or those that may need assistance to perform at a journey-level, for tuition support, tools, initiation fees, childcare cost reimbursement, drivers license support or similar expenses incurred by individuals. Such dollars would offset those barriers that are identified through expert analysis.
3. Provide funding and support for such programs, so they may develop additional capacity to update existing or add new programs, classes and/or curriculum found by expert analysis to increase graduation, retention and/or employment rates of disadvantaged individuals.

Department collaborations: City departments that support construction workforce development (such as Office of Economic Development) shall collaborate to coordinate strategy, funding, and opportunities for apprenticeship beyond construction.

Regional Advisory Committee: Fund FAS to host and launch, or further develop, a Regional Advisory Committee for regional public agencies, training program leaders, community representatives, contractors, and labor leaders, with a mission to research, discuss and consider ways to build and share regional approaches to increasing the utilization of disadvantaged individuals in the construction workforce.

Report back: FAS shall report back to Council on progress, issues, barriers and new opportunities by July 1, 2015 and annually.

CURRENT Seattle Municipal Code

Chapter 20.38 - APPRENTICESHIP PROGRAM

Sections:

20.38.005 Apprentice utilization.

20.38.010 Definitions.

20.38.020 Powers.

20.38.030 Waivers or reductions of goals.

SMC 20.38.005 Apprentice utilization. On public works contracts with an estimated cost of One Million Dollars (\$1,000,000) or more, the Director is authorized to require that up to fifteen (15) percent of the contract labor hours be performed by apprentices enrolled in training programs approved or recognized by the Washington State Apprenticeship and Training Council (SAC). Furthermore, it is the City's intent that, on public works projects with an apprentice utilization requirement, there shall be a goal that twenty-one (21) percent of the apprentice labor hours be performed by minorities and twenty (20) percent of the apprentice labor hours be performed by women.

(Ord. [120794](#) § 228, 2002; Ord. [120181](#) § 119, 2000; Ord. [118834](#) § 1(part), 1997.)

SMC 20.38.010 Definitions. When used in this chapter:

A. "Apprentice labor hours" means the total hours required to be worked by apprentices on the public works project.

B. "Director" means the Director of Finance and Administrative Services or his or her designee.

C. "Labor hours" means the total hours of workers receiving an hourly wage who are directly employed on the site of the public works project. "Labor hours" shall include hours performed by workers employed by the contractor and all subcontractors working on the project. "Labor hours" shall exclude hours worked by foremen, superintendents, owners and workers who are not subject to prevailing wage requirements.

(Ord. [123361](#) , § 292, 2010; Ord. [120181](#) § 120, 2000; Ord. [118834](#) § 1(part), 1997.)

SMC 20.38.020 Powers. The Department of Finance and Administrative Services shall be responsible for the implementation and administration of this chapter and is authorized to develop and adopt rules consistent with the requirements of this chapter. The Director shall establish contract specification language to implement the apprenticeship requirement, which may change from time to time. The Director shall develop and implement a system for monitoring the actual use of apprentices on public works projects.

(Ord. [123361](#) , § 293, 2010; Ord. [120794](#) § 230, 2002; Ord. [120181](#) § 121, 2000; Ord. [118834](#) § 1(part), 1997.)

SMC 20.38.030 Waivers or reductions of goals. The Director is authorized to waive or reduce the apprenticeship participation goals on contracts.

(Ord. [120794](#) § 231, 2002; Ord. [120181](#) § 122, 2000; Ord. [118834](#) § 1(part), 1997.)

DRAFT
Construction Careers Advisory Committee
Meeting Notes - March 5, 2014

After introductions, Anna Pavlik, Labor Equity Program Supervisor for the City of Seattle Purchasing and Contracting Services shared the purpose for changes to the work plan and briefly outlined the agenda for each remaining meeting. She explained that a small sub-group will meet to discuss and seek agreement regarding which policy intervention(s) the CCAC will be recommending. Their recommendations will be forwarded to the CCAC for consideration at the May 5 CCAC meeting. The small group will be comprised of 1 representative from each of the caucuses (labor, contractors, subcontractors, minority contractors, community, training expert, policy expert). She also indicated that to meet the legislative deadline for 2014, all work by the CCAC must be completed by May 7, 2014. In response to an inquiry, she said others can attend the small group meeting as observers. She also said experts can attend, if it has been cleared by the small group in advance. Monday, March 10 was the deadline set for submitting representatives to the facilitator.

One CCAC member, in response to the schedule, queried how the CCAC would be able to respond to the report within a two week timeframe. The facilitator acknowledged the challenges of this compressed timeline for all and explained that the body of the report (minus the appendices) should be very brief.

Next, Chris Mefford, Erin Gengo and Spencer Cohen of Community Attributes provided a report on the tri-county, Seattle and King County construction industry labor market. They were asked to assess out how tight the labor market is and how the city can improve access for those historically underrepresented in the construction industry. Key points made by Community Attributes included:

- Between 2008 and 2011, Seattle lost 33% of its construction jobs; however, construction employment has risen in Seattle by 5.1% since 2011. Presently, there are approximately 19,500 total construction jobs in Seattle (both public and private sector).
- In Seattle, specialty and construction of building trades were impacted more by job loss during the economic downturn (36% and 34% respectively) than heavy and civil engineering (20%).
- On average, the median annual wage rate for all tri-county construction workers in their analysis is \$53,000. This pay is across all sectors and whether a worker is union or non-union.
- In 2010, in the field of construction, more women were employed as construction managers than any other construction-related occupation in the tri-county area.
- Like other employment sectors, workers in the construction industry are aging, yet the forecast within King County shows representation of the age group of 35-44 year olds declining. As for construction workforce age distribution in 2012, approximately 34% are under age 34; 26% are ages 35-44; 25% are ages 45-54, 13% are ages 55-64 and 3% are over age 64 years old.

- Presently, the average age of people entering construction apprenticeship programs is 29-31 and the average age for women is 38.
- The highest demand for construction workers in the future will be driven by the private sector (housing, retail and office development), while the City's share of regional construction employment demand is between 3% (2013) and 2.7% (2019).
- The most work will take place in the utilities sector for City of Seattle CIP projects and overall, City projects would support 400 FTEs/year (1800 hours of work equals 1 FTE/year).
- In 2012 in the tri-county area, nearly half of students completing construction-related degree programs and pursuing employment in the construction sector were people of color (49%).
- In-migration numbers for certain specialty trades were not included and those numbers could be sizable.
- By 2019, estimates are Seattle will be in a tight labor market for construction trades workers.
- Increasing the number of apprenticeship entrants for women and people of color is, therefore, a worthwhile policy for the City to pursue.

The CCAC raised questions and discussed the City's leadership opportunities related to apprenticeship and employment in public works projects. They also discussed increasing apprenticeship within the limits set by industry demand. They raised concerns about people of color being underrepresented in construction employment (as compared to the general population) in the City and tri-county and over-represented in unemployment. They also noted while there are better numbers for people of color in apprenticeship, they have lower representation in apprenticeship completion. Members also noted that unemployed workers who have exhausted their claims are not counted in the unemployment statistics, and that many of the "uncounted" are women and people of color and that they have given up seeking employment in the industry. They also discussed greater participation of people of color and women on City of Seattle jobs compared to other employers.

Barriers

The group next turned to the review of the barriers they reached consensus on at their previous meeting. They had no changes to the wording of the barriers, and suggested that the barriers be split out from issues and suggestions they had previously made:

1. Lack of a system that supports pre-apprenticeship funding and programs to market to and recruit the targeted population.
2. Requirement of driver's licenses, car ownership, and insurance can be an apprenticeship barrier to some urban residents; institutional racism resulting in a high number of African American males with suspended drivers licenses.
3. Daycare for working parents.
4. Veterans programs are not tied into the local pre-apprenticeship programs and that is a barrier for veterans.

5. The lack of consistency on goals, apprenticeship, pre-apprenticeship, and enforcement among public agencies causes confusion and barriers. Consistency creates a bigger pool.
6. Overpromising or failure to clearly communicate the actual number of jobs available on construction projects is seen as a barrier that creates a false sense of opportunity for jobs.

When asked if these barriers exist in public works contracting, the group indicated all did exist in public works contracting.

Next, the group discussed barriers the City could probably not have an impact on:

- Daycare for working parents. The issue is that most daycare providers do not open in time for construction workers to drop their children and make a typical jobsite start time of 6:00 or 7:00 a.m. Most daycare providers are also not open on weekends.

Recommendations for the City

The group discussed barriers the City could have an impact on and made the following recommendations for City intervention:

- The City should advocate for regional approaches to improve access and break down barriers for underrepresented populations in the construction industry; specifically:
 - Advocate for a driver's re-licensing program at the municipal court that provides services that existed prior to, and were cut during, the recession, including re-licensing clinics, an ombudsman with the ability to pull tickets from collection agencies (to prevent potentially thousands of dollars in fines), and develop repayment plans that are not burdensome with high interest rates. According to CCAC members, at least half of pre-apprentice students, as well as the broader community, could benefit from this service.
 - Communicate clearly, accurately and in advance about the number of construction jobs, including how many jobs will be generated by location and the types of jobs that will result from each city funded project. Also, encourage other public sector project owners (e.g., Port of Seattle, King County, Sound Transit, etc.) to do the same.
 - Work with other regional agencies to reach consistent employment goals for women and people of color, apprenticeship and pre-apprenticeship rules.
 - The enforcement of hiring goals for women and people of color is seen as an important recommendation to some CCAC members.

Suggestions for Overcoming Barriers

The group reviewed consensus suggestions to overcome barriers from the 2/11/14 tally sheets.

1. Use best practices for recruiting and hiring the target group as well as one common set of these standards that could be applied to all public contracts.

2. Fund and stoke the apprenticeship pipeline to find, support, mentor and get the targeted groups into training, on jobsites, and into careers in construction.
3. Establish clear, consistent policies in apprentice utilization.
4. Tie pre-apprenticeship to high school and involve the school system in the pipeline.
5. Make the industry more appealing and give prospective workers a realistic understanding of what work in the industry is like.
6. Establish more direct outreach that addresses veterans' needs.

The group turned to their suggestions where there was not consensus:

- Some CCAC members voiced concern about preferences for local contractors indicating that other states would not hire them if they were from a state with such preferences and that it would tend to increase the price of construction.
- Some CCAC members provided examples of how they or other locals (including veterans) were losing business to out-of-state firms.
- The group suggested getting more information and to discuss further as time allows.

At this point, consensus exists regarding suggestions 1-6 shown above from the tally sheets.

Issues List

While not discussed specifically, the following issues were moved from the consensus barriers list to the "Issues" list:

- Lack of diversity reflective of the region on construction jobs that would serve as role models for young people is an issue, not a barrier.
 - Regarding diversity, there needs to be minority presence, visibility and a welcoming to develop the critical mass that is reflective of the region.
 - Maintaining a focus on African Americans is important.
 - When there's a sense of futility about the ability to advance through the system because of race or gender, that is a concern and probably also a barrier.

Opportunity List

The following opportunity was moved from the consensus barriers list to the "Opportunity" list:

- Construction is cyclical. Now that the economy is in recovery, there is a great opportunity to proactively expand construction careers and job opportunities for those who have been underrepresented.

The meeting adjourned at 5:00 p.m.

Meeting Attendees

CCAC MEMBERS:

Eric Alozie
Diane Davies
Gregory Davis

Jerry	Dindorff
Adriana	Gamboa
Ed	Kommers
Elton	Mason
Marilynn	Moch
Gus	Sestrap
Halene	Sigmund
Jermaine	Smiley
Bob	Watrus
Keith	Weir
John	Welch
Michael	Woo
Marty	Yellam

OTHER ATTENDEES:

Mark	Beaufait
Jeanne	Fulcher
Howard	Greenwich
Rhonda	Hilyer
Patricia	Lee
Steve	Lee
Anna	Pavlik
Ginny	Ratliff

DRAFT
Construction Careers Advisory Committee Meeting Notes
December 10, 2013 - 3:00 - 5:00 p.m.

Worker Profile in City of Seattle Construction Projects

Saba Waheed, Research Director at Center for Labor Research and Education at UCLA and Clarice Ovando Lacroux, Masters Student in Urban Planning at UCLA, were introduced to the CCAC. Their purpose was to research and provide an evaluation of the hiring practices on City of Seattle funded construction projects. Their report is attached as a separate document.

Methodology: The UCLA team analyzed contractor data on 33 projects between 2009-2013 covering 2820 employees. This sample size represents 7% of all Seattle public works projects. From contractors, the team received information on age, residency, race/ethnicity, gender, age, and skill level (journey or apprentice). There are some missing values, but it is still a strong sample size and representative of the projects, they explained.

Projects involved and percentage by expenditure: These were city funded projects to construct, repair and/or maintain municipal facilities and infrastructure. They involved roadway, electrical and other utility projects, facilities projects and parks development projects.

Worker residency: Seattle residents comprised 7% of the workers in the sample (14% of the Seattle workers are women and 14% are people of color). Outside of Seattle, residents in King County comprise 23% of the workforce (37% of the King County workers are women and 29% are people of color). Over half of the workers (52%) are from Pierce and Snohomish County and 18% live outside the tri-county area.

Disadvantaged areas: Defined as containing a high density of residents living at 200% of the federal poverty level or below, are unemployed and/or do not have a college degree.

Workers by disadvantaged areas: The researchers evaluated whether or not the workers lived in disadvantaged zip codes: 82% of the Seattle workers listed above reside in economically distressed areas, while 31% of King County's workers do. In total, 43% of all workers in King County/Seattle in the study live in disadvantaged neighborhoods. Disadvantaged zip codes for Seattle and King County were provided in the report.

Women and people of color in Seattle economically distressed areas: 79% of women workers and 92% of people of color workers are from economically disenfranchised neighborhoods.

King County (excluding Seattle) economically distressed areas: 26% of women workers and 50% of people of color workers are from economically disadvantaged neighborhoods in King County.

People of color on these projects: All people of color (POC) comprise 28% of the workforce and perform 24% of the hours worked. Of the POC workforce, 55% are Latino, 17% African American, 16% Native American, 9% Asian and 3% Pacific Islander.

Women on these projects: Women accounted for 5% of the workers and performed 7% of the hours worked. Sixty-seven percent of these women were white, while 17% were African American, 9% were Native American, 3% were Latino, 3% were Asian and 1% were Pacific Islanders.

Apprenticeship and Journeymen: Apprentices make up 10% of workers and perform 12% of the work hours. Their average age is 30, lower than the average journeyman age of 38. Fifteen percent of apprentices live in Seattle, and of those, 85% live in disadvantaged neighborhoods. Twenty-eight percent live in King County, and 1/3 of the King County apprentices live in disadvantaged neighborhoods. Women make up 14% of the apprentices and perform 25% of the apprentice work hours. This is higher than women journeymen who make up 5% of the workforce and work 6% of the journeymen work hours. People of color make up 27% of apprentices and work 28% of the hours. As journeymen they make up 25% of the workforce and perform 19% of journeyman hours.

Key points: They concluded their presentation providing the following key points:

- Workers that are from Seattle (7%) is low, but most workers (82%) are from economically distressed neighborhoods.
- 70% of workers come from outside of King County.
- Number of women workers (5%) is decent, compared to other cities, but could be higher.
- People of color workers size (28%) is decent, but they aren't getting comparable work hours.
- Apprenticeship programs bring in young, POC, women and workers from disadvantaged communities, but need to retain those workers through to journeyman so that they continue to get ongoing work.
- Next steps: Finalize profile report and 2) analysis of targeted hire approach.

Next, the Advisory Committee and consultants engaged in a question and answer session:

Q: Is it true that only 200 people are identified as Seattle workers? How do you assess whether 7% is a representative sample?

A: After interviewing 40-50 contractors, the consultants were confident these projects mirror and are representative of the larger number of Seattle construction projects and the sectors that the City constructs within.

Q: Is there a mapping of the zip codes?

A: Can include that with our next report.

Q: Did the data reflect which workers were dispatched to a project or covered by collective bargaining agreement?

A: The consultants didn't have access to that information.

Q: Do you have access to the numbers of unemployed and are seeking careers in construction in Seattle?

A: That could be part of a demographic analysis; unemployed construction workers can be found in census data.

Daniel Villao, Labor Equity Program Manager, thanked the UCLA team for their hard work and short time frame in which they operated. He explained that when they come back, they will be reporting on what tools and approaches have been effectively used in targeted hiring programs.

The facilitator encouraged the Committee to send her office an email if there is other data they would like mapped out by the UCLA team.

Public Comment Period

Next, the public was asked to provide comments to the Construction Careers Advisory Committee.

Ryan Baalim, a member of the Bricklayers union, encouraged the use of PLAs on behalf of his and other unions.

Annette Banda, a member of Laborers Local 440 and a FAST Jobs Rep, shared her experience working on the light rail project in her Rainier Valley neighborhood. She encouraged targeted hiring in the 98118 zip code, which she said is one of the most diverse areas in the city, yet is grossly underrepresented

on construction projects and doing so would be good for the local economy and residents.

Gerald Stewart introduced himself as a founding member of Career Bridge, a movement to help African-American men achieve career pathway jobs. He encouraged considering alternate ways to get hired in construction (in addition to pre-apprenticeship and apprenticeship). He said many members had families and didn't have the time for schooling because they needed work now.

Michael Woo, Director of Got Green, indicated that the presentation provided a baseline for understanding how City dollars are being spent. He explained his group's purpose was to advocate for livable wages and to leverage construction dollars to create jobs for under-represented communities in the green economy. He expressed appreciation to the City for this and other efforts that, for example, resulted in the Career Bridge pilot program. He shared his concern that everyone needn't go through the pre-apprentice program, and that people are ready to work now and need jobs. He said pre-apprenticeship shouldn't be a forced pathway for minorities.

Marilyn Moch, the owner of Phoenix Builders, made the connection between I-200 and the subsequent gentrification of previous minority neighborhoods in Seattle. She said she found the report helpful and encouraged the Committee to include in their targeted areas those neighborhoods with large concentrations of people of color, most of whom now live south of the city limits.

Allen Stowers, a member of the Seattle Housing Board, indicated he had witnessed some contractors promising to meet hiring goals, yet in the end, ignoring those goals. He expressed opposition to that and said taxpayers would also oppose not adhering to public policy for targeted residents.

Eric Gustavson, a member of the iron workers union, saw a lot of work that didn't benefit the communities who paid for it. He encouraged the City to make good agreements that benefit the community.

Committee members discussed, commented on and responded to the public comments and the UCLA presentation. They discussed displacement issues, the impact I-200 has had on the community, possible strategies for generating greater access, and, in some cases, the need for additional support to launch people into careers. They discussed demographic data and looking at south County zip codes, including Federal Way and Kent. A question was raised whether or not the criteria used to define disadvantaged worker would be sufficient to capture the population sought. Improvements in the data were suggested like indicating new hires, contractor core employees, preferred, and direct entry employees. A concern was raised that the projects from the study were too

small a sample and that notable projects where hiring goals were met were not in the study.

To close out the session, the facilitator assigned homework. She asked the Committee to review and indicate agreement or support in the comments made at the previous meeting about what's working and the barriers. She explained that at the next meeting the group would review this work and see in what areas there is consensus. She reminded them of the ground rule that consensus is achieved when all members can live with a solution even if it's not their first choice.

The meeting adjourned at 5:00 p.m.

December 10, 2013 - CCAC Sign-in Sheet

Eric Alozie
Diane Davies
Jerry Dinndorf
Andra Kranzler
Frank Lemos
Elton Mason
Todd Mitchell

Lee Newgent
Marge Newgent
Halene Sigmund
Jermaine Smiley
Hilary Stern
Bob Watrus
Brian Webber

AUDIENCE SIGN-IN SHEET

Bob Armstead
Ryan Baalim
Anette Banda
Coco Chenelo
Justin France
Bobby Forch
Eric Gustafson
Ubrix Grendheure

Lisa Hebron
Eli Mason
Marilyn Moch
Rebecca Saldana
Gerald Stewart
Allen Stowers
Michael Woo

DRAFT
Construction Careers Advisory Committee Meeting Notes
November 12, 2013 - 3:00 - 5:00 p.m.

Welcome/Work Plan/Ground Rules/Meeting Notes

After participant introductions (list attached), the facilitator shared a revised work plan with the Advisory Committee (attached). She noted that dates had been added to the work plan for January (8 and 22) and February (6 and 20). She also pointed out that a poll will be going out to find two tentative dates in March, if needed. The work plan listed public comment periods to be held at the December 10, January 8 and February 20 meetings. UCLA staff will provide presentations on December 10 and January 8. The December 18 and March meeting(s) will not have briefings, but will be an opportunity for the Committee to review briefings and hold internal discussions.

The facilitator shared a revised set of Ground Rules resulting from last week's meeting (attached) and asked all members to sign the list acknowledging concurrence with the rules. She also asked participants to review draft meeting notes from the October 22 meeting and provide feedback for changes or additions by the end of next week, November 22, 2013.

City of Seattle Contract Structures

Nancy Locke, the Director of the Finance and Administrative Services (FAS) for the City of Seattle provided a PowerPoint presentation (notes attached). She explained that three types of contracts flow through her office: public works (construction), purchasing (materials and equipment) and consultant contract policies (in the City, consultant contracts are decentralized and generated in all departments of the City, but policies related to these contracts come from FAS). She showed the City's bidding and contracting manual: *Standard Specifications for Road, Bridges, and Municipal Construction 2011* and noted that potential revisions to contracts resulting from the Advisory Committee would be changed through FAS and updated in this manual.

Annually, Nancy explained, the city spends approximately \$250 million on purchasing, \$100 million on consultant contracts, and \$200-\$400 million on public works projects. She provided breakdowns illustrating approximately 15% of City construction dollars in 2012 went to women and minority business enterprises (WMBEs).

She illustrated the City's methods of public works contracting. First, and most common, is the traditional design-bid-build approach where the lowest bid wins the contract. The alternative public works approach is currently being used on the Seawall and has different rules on how contractors are selected that take into account multiple factors in addition to price. Nancy was asked if contractors with good records in meeting social equity requirements were given bonus points or incentives on the next projects they bid

on, and she replied that that can be a stipulation in the alternative public works approach. Other methods included general conditions and special conditions contracting.

One of FAS's roles in contracting, Nancy explained, is to translate and implement social equity requirements and other policy direction provided by the Council and/or Mayor's Office. Examples of social equity requirements she provided included green considerations, equal benefits for domestic partnerships, WMBE, PLA, apprenticeship and pre-apprenticeship programs. She provided a list of ways to implement social equity policies including FAS policy, Council resolution or ordinance, Director's Rule (which requires a public comment period) or Executive order/policy.

She explained that when Federal funds are used in City projects, the city must follow federal guidelines for small business use (SBE), disadvantaged business (DBE), and WMBE requirements. She also said federal contracts prohibit the addition of supplemental requirements or agreements onto contracts with federal funds.

In response to a question, Nancy explained that the Advisory Committee's role is to advise on whether there should be a targeted hire policy, what that policy should be, and what mechanisms to use to implement the policy.

Nancy demonstrated how compliance and enforcement are implementation tools that can be used for social equity provisions. FAS staff develop contract language that necessitates adherence to a policy the city seeks. FAS conducts initiatives, training, outreach and presentations to ensure contractors understand the city's goals. FAS enforcement staff monitor bid proposals to ensure contractors intend to meet city goals. More stringent tools include withholding invoice payments, breach of contract, performance evaluation and potential debarment. She indicated that three bad performance evaluations result in debarment which prohibits the contractor from working for 5 years on public projects. Other monitoring approaches, albeit much more staff intensive, are onsite interviews and random audits of worksites.

Nancy indicated that in October the City mandated all contractors/subcontractors use specific software that tracks and flags issues in payrolls, worker profiles, WMBE participation, etc. When problems arise, FAS staff meet with contractors to guide improvement. This software will make reporting, tracking and monitoring much better, Nancy said.

She also explained that recent passage of job assistance legislation regulates what employers can ask during the hiring and application process. The City modified their background check requirement to ensure greater worker confidentiality.

When asked if federal agencies were successful in implementing their social equity goals, Committee members indicated it varied by agency. For example, the Federal Transit Administration (FTA) was much more prescriptive about meeting goals compared to an agency like the Environmental Protection Agency (EPA) for which showing good faith efforts was acceptable.

Advancing Construction Careers for Targeted Seattle Residents – What’s Working Now? What are the Barriers?

Advisory Committee members were asked to give their perspective on what is working within the City of Seattle to advance construction careers for women, people of color and otherwise disadvantaged Seattle residents, as well as to provide their insight on what barriers exist to these individuals entering construction careers. The group was also asked to define barriers specific to public works contracting.

John Welch, Harbor Pacific Contractors, said the City setting apprenticeship goals puts hiring entry-level individuals in the forefront for contractors. He said one of the biggest barriers over the past few years has been the slow construction economy, but that’s less of an issue now. He said there are efforts to try to get women into construction. Loading the pre-apprenticeship pipeline would be important, and he indicated that there are very few public agencies addressing funding and stoking the pipeline.

Jerry Dinndorf, Associated General Contractors of Washington, stated his belief that since the City’s inclusion program is new, the jury is still out on whether or not the program has been successful. He said for his members, success can best be achieved by setting realistic hiring goals for contractors. In terms of barriers, he said a PLA’s limitation of 2 core employees can be disruptive for minority contractors. He cited a minority employer who was limited from bringing 10 (presumably minority or disadvantaged) employees to the job site. He also said a barrier can be that each public agency has its own program and policies that a contractor must follow. He called for coming together around standards that could be applied to all public contracts. He suggested this would increase efficiencies, save money, and the collaboration could result in the best approaches on apprentice, pre apprentice, and that would incentive more contractors to get involved in public works project.

Halene Sigmund, Construction Industry Training Council (CITC), said that apprenticeship goals have been an advantage for disadvantaged workers in construction. However, she indicated that pre-apprenticeship is an important way to prime the pipeline. A barrier she noted was lack of a system that supports pre-apprentice funding, programs to market to and recruit the targeted population we’ve been speaking of. She also echoed previous comments that a number strong trades people as well as pre-apprentices and apprenticeship candidates have left the industry because of the lack of jobs.

Jermaine Smiley, Laborers Union, said the requirement of driver's licenses, car ownership, and insurance can be an apprenticeship barrier to some urban residents. He stated his belief that it may be premature to call the 2 core employee issue a barrier since the Seawall project hasn't started yet and any additional workers needed can be dispatched from the hiring hall. He expressed concern about the low number of hours for apprentice and journeymen African Americans and Native Americans in the City's statistics. He stated his belief that either they are not being allowed to journey out or they are being laid off.

Marge Newgent, Construction Alliance/Operating Engineers, noted that the PLA offers pre-apprentice opportunities and that it has increased overall diversity on construction projects. As far as barriers, she said that day care is a barrier many of her members experience and that she had experienced it herself. She noted that overall, the number of women in the trades has gone down, not up. She cited the requirement of driving to work and the cost of insurance as a barrier for some members.

Lee Newgent, Seattle Building Trades Council, said use of PLAs allows for preferred entry so many contractors can do direct hire. He said institutional racism has been a barrier, citing the high number of African American males he has experienced who have suspended drivers licenses. Single parents and day care issues were also cited as barriers by Lee. Also, he said that on the issue of core employees, when some workers don't fit into an individual craft, that can be a barrier, too. He also recommended a similar approach to targeting Seattle-based or more local contractors as opposed to hiring those from out of the region or out of state.

Todd Mitchell, Helmets 2 Hardhats, said that while there are a number of programs to assist veterans, those programs are not tied into the local pre-apprenticeship programs and that is a barrier for veterans. He said more direct outreach that addresses veterans would be appropriate.

Rev. RJ "Doc" Rivers, United Black Clergy/Greater Skyway Community Church, said the City needed to learn from the Rainier beach project that promises to include young people from the community did not take place. Drivers licenses, day care, and lack of opportunity for upward mobility from worker to owner were the barriers he saw. Other barriers he cited were a lack of African Americans on construction jobs that would serve as role models for young people to aspire to. Negotiating with unions over background and drug tests to get jobs was also cited as barriers he had experienced. He added that language is important and referenced the use of "Black" versus "African American" on the City's construction report.

Michael Woo, Got Green, said pre-apprenticeship has worked and that we should be making sure that there are more or other opportunities for entry into the field. He noted

that after apprenticeship, the target group's employment rates decline.

Andra Kranzler, Columbia Legal Services, said we are seeking a policy that is going to help the following resident workers secure career wage jobs, in the construction industry, on city-funded public works projects:

- (1) **Skilled non-union workers** - Resident workers that have experience and are ready, able and willing to work but lack opportunity to get employed;
- (2) **Unemployed skilled union workers** - resident union workers that are not employed consistently;
- (3) **Expand opportunity for Pre-apprentices and apprentices** - Workers that need to be trained and/or need support to address barriers to employment (chemical dependency, lack of tools, or driver's license).

As for what's working well, she expressed appreciation for the WMBE plans, high apprenticeship goals, the new tracking/monitoring software the city is requiring and the dedicated City staff who are committed to social equity.

Bob Watrus, Construction Careers Advisory Committee Policy Expert, encouraged clear consistent policies in apprentice utilization and the importance of supporting a robust pipeline to find, support, mentor and get the targeted groups into training, on jobsites, and into careers in construction. He stressed the importance of apprenticeship and the pipeline by citing a number of efforts that have had mixed results in connecting low-income employees on a project-by-project basis.

Eric Alozie, Northwest Enterprises, thanked the city for convening this committee and for its investment and commitment to social equity policies. To overcome barriers, he called for a more robust pipeline that ties pre-apprenticeship to high school and involves the school system in the pipeline. He noted that many young people aren't sure what they want to do after high school and could miss opportunities for a construction career.

Diane Davies, SVI - PACT, stated that her program has the capacity to train 70 pre-apprentices per year and that having partners who actively seek pre-apprentices is critical to the success of both pre-apprenticeship and apprenticeship. PLAs stipulations for preferred entry are also helpful, she explained. She called for greater enforcement of these agreements and a commitment across the board from every entity involved in construction. She cited the need to let more young people know about the trades as a career path. She also said that about half of 18 year olds are able to meet the high standards required to be successful in this type of work. She noted that the number of jobs is limited, so training more individuals than jobs will not help.

Daniel Villao, City of Seattle Labor Equity Program, noted that training is important and encouraged the Committee to focus their efforts on how to frame the opportunities to get the targeted groups into the system. He acknowledged that other agencies are

watching what the City is doing around compliance and targeted hiring and are interested in the work of this Advisory Committee. He said there may be interest in finding the best practices and creating consistencies in policies and practices between the agencies in the region.

Ed Kommers, Mechanical Contractors Association, stated that it would be helpful to understand the best practices of groups who have successfully recruited and hired the target population. As for barriers, there is simply not enough work, he said, noting that 30% of his apprentices are unemployed. Also, the nature of the work can be a barrier, stating, "This is not like working on a laptop in the basement." He suggested making the industry more appealing to all people and giving them a realistic understanding of the work involved in the industry. He said rules can be a barrier that drives contractors away from public projects.

Homework and Closing

The facilitator encouraged the Committee to review the criteria for the December 10 meeting (copy attached) and called attention to "C. Is this policy flexible enough to be utilized by other public agencies across the region and still be effective for the City of Seattle?" She noted that evaluating policies with this specific criterion in mind could allow for some level of standardization across agencies.

In response to an inquiry about meeting in the community, she noted that for the most part, the meetings will be held at the Seattle Municipal Tower, but for the meetings where there will be public comment, staff are working on locations to accommodate the public.

The meeting adjourned at 5:00 p.m.

Meeting notes compiled by Ginny Ratliff, Agreement Dynamics, Inc.

ATTACHMENTS:

Sign-in sheet

Work Plan

Ground Rules (10/22 version)

Overview: City of Seattle Contracts (Power Point Presentation)

Criteria

November 12, 2013 Sign In Sheet

Eric	Alozie
Diane	Davies
Jerry	Dinndorf
Adriana	Gambo
Ed	Kommers
Andra	Kranzler
Nancy	Locke
Todd	Mitchell
Lee	Newgent
Marge	Newgent
Rev.	Rivers
Halene	Sigmund
Jermaine	Smiley
Daniel	Villao
Bob	Watrus
John	Welch
Michael	Woo

DRAFT WORK PLAN (11-12-13)

11/12/13	November	December	January	February	March			
	11/12/13 3:00 to 5:00 SMT 1660	12/10/13 3:00 to 5:30 SMT 1660	12/18/13 3:00 to 5:00 SMT 1756	January 8 3 hours	January 22	February 6	February 20	TBD
Factual Presentations and Briefings to Committee	Contract Structures101.	UCLA Presentation on Workforce Data 1.5 hours, UCLA	No briefing this week; committee will have discussion based on the previous briefings.	UCLA presentation and education re: policy & methods: Policy Options: • Status Quo • Resolution • PLA • Ordinance • City policy Mechanical Tools: • Contract provisions • Apprentice • Pre-Apprentice	Consultant returns to provide presentation on labor market analysis	No briefings or presentations this meeting. This will be Advisory Committee Discussion time.	No briefings, presentations, or separate Committee discussion planned for this meeting. This meeting would instead be a public presentation from the committee of recommendations and/or options, and inviting public comment.	No briefings or presentations this meeting. This will be Advisory Committee Discussion time.
	.75, Locke			1 hour	1 hour, consultant			
Public Presentation		This presentation will be open to public with 60 minutes for public questions and comments.		This presentation will be open to the public with 60 minutes to seek public questions and comments.			This presentation will be open to public with 60 minutes for public questions and comments.	
Advisory Committee Discussion	What works well now to advance construction careers for women, people of color, and those otherwise disadvantaged individuals, and in particular, those who are also Seattle residents? What existing barriers to the same exist, that a new policy intervention should address? .75 hours, facilitated		Who is currently working on city-funded construction work; where are we doing well and where are there opportunities for improvements? 2 hours, facilitated	One hour for Committee discussion around policy positions and/or methods that warrant further discussion? 1 hour, facilitated	Time for continued Committee discussion around policy positions and/or methods that warrant further discussion? 2 hours, facilitated	Committee discussion around policy positions and/or methods.		Review Public Input; changes as appropriate.

DRAFT
**Ground Rules for City of Seattle
Construction Careers Advisory Committee**

1. The members commit to fully use an interest-based, problem-solving process. Each member will articulate their interests (needs, concerns, reasons) rather than fixed positions.
2. The members will strive for “win-win” solutions and be willing to compromise as necessary, so long as their interests are not undermined. They will seek to generate consensus-based recommendations.
3. Consensus is achieved when all members agree they can live with a proposed solution or recommendation, even though it may not be their preferred ideal solution.
4. Each member or their alternate will attend all sessions except for unavoidable circumstances (e.g., illness, emergencies, etc.). Each member will ensure that their alternate is fully briefed about the content of any meeting he/she cannot attend. Attendance via electronic means will only be utilized in exceptional circumstances.
5. Alternates are welcome and encouraged to attend all meetings in order to maximize their knowledge of the process. When their member is present, the alternate will have “observer” status and be seated with the other observers. A committee member may ask his or her alternate to provide special expertise and/or information on an issue that the member does not have. In such circumstances, the alternate will provide the information, but not engage in discussion.
6. The members will meet on the dates and times noted on the back of this document (once confirmed) and may reconvene as needed.
7. Members will come to meetings prepared to articulate the interests of the body they represent and to enter into joint recommendations to the Mayor and City Council.
8. Discussions will stay on task and topic. (Minimize tangents.)
9. The members will be open, specific and clearly express their views and interests.
10. The members will treat one another with respect and listen carefully to understand one another.
11. Information and data will be provided to and reviewed by the members in a timely manner.
12. All members will come on time and prepared to fully engage in seeking mutually-acceptable solutions.
13. All members will use the attached criteria to reach agreements and recommendations.
14. These Ground Rules may be modified by consensus of the members, so long as they are in accordance with the attached charter.

I acknowledge I received this document, have read it, and agree to abide by these ground rules.

_____	_____	_____
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* Overview City of Seattle Contracts

Nancy Locke, Finance and Administrative Services

Contracting

- ✓ Public Works (construction)
 - ✓ Purchasing (materials, equipment)
 - ✓ Consultant Contract policies
-

Purchasing
\$250 million annually

Consultant
\$100 million annually

Public Works
\$200 to \$400 million annually

City Of Seattle
 City Purchasing and Contracting
 Combined Construction Report 1/1/2012 to 12/31/2012

Dept.	# of Contracts	City Contract Payment (w/o tax)	Actual MBE Payments	Actual WBE Payments	Total WMBE Payments	WMBE % of City Contract Payment (w/o tax)
FFD	6	\$ 5,897,297.83	\$ 157,786.43	\$ 724,518.72	\$ 882,305.15	15%
FAS	41	\$ 17,187,070.81	\$ 571,616.85	\$ 154,378.89	\$ 725,995.74	4%
LIGHT	24	\$ 27,326,807.03	\$ 13,072,619.80	\$ 671,663.56	\$ 13,744,283.36	50%
PARKS	37	\$ 20,404,296.94	\$ 2,912,093.51	\$ 1,369,050.81	\$ 4,281,144.32	21%
SDOT	49	\$ 116,812,170.14	\$ 6,170,080.62	\$ 2,200,808.55	\$ 8,370,889.17	7%
SPU	49	\$ 35,006,867.50	\$ 3,801,550.47	\$ 2,084,051.31	\$ 5,885,601.78	17%
SEACTR	3	\$ 567,711.77	\$ 117,113.52	\$ -	\$ 117,113.52	21%
Grand Total	209	\$ 229,302,222.02	\$ 26,802,863.20	\$ 7,204,471.84	\$ 34,007,333.04	19%

Contractor Payment by Ethnicity		
Ethnicity	Total Contractor Payment (provided by Prime)	% of City Contract Payment (w/o tax)
Black	\$ 1,633,516.33	0.73%
Asian American	\$ 17,928,454.86	8.03%
Hispanic	\$ 6,604,083.55	2.96%
Native American	\$ 1,405,890.38	0.63%
White Female	\$ 8,522,172.16	3.82%
Non-Minority	\$ 187,108,104.95	83.83%
Grand Total	\$ 229,302,222.02	100.00%

WMBE data includes payments to prime contractors and subcontractors
 Data includes all construction projects had JOC workorders.

Roadway	52% of City public work dollars
Public Utilities	16%
SCL	12%
Facilities	10%
Parks	9%

Public Work Methods

Alternative Public Works (design/build and GC/CM)

Traditional Design-bid-build

General Conditions Special Conditions

Social Equity Requirements

- Green (FAS Policy, Resolution, Ordinance)
- Equal Benefits (Ordinance, Rule, FAS policy)
- WMBE (Ordinance, Executive Order, FAS Policy)
- PLA (Executive Policy)
- Apprenticeship (Ordinance)
- Pre-Apprenticeship (FAS Policy)

Compliance and Enforcement



Contract language

Initiatives, training, outreach, presentations

Enforcement staff

- paper monitoring and compliance

 - NTP

 - Invoice Payments withheld

 - breach, performance and debarment

 - we don't use penalties

 - software to require reporting from primes

- on-site interviews and observations.

* Workforce Diversity Report at Seattle.gov/business

City of Seattle - EEO/Apprentice Utilization Report Summary For All Projects

Reporting Periods From : 1/1/2013 Thru 6/20/2013

Ethnicity and Gender Labor Hours Summary

Apprentice Summary

Ethnicity/Gender		Labor Hours	Percent of Apprentice Hours
African American	Female	878.50	4.93%
African American	Male	2,059.50	11.55%
Asian American	Female	503.30	2.82%
Asian American	Male	566.50	3.18%
Hispanic	Female	0.00	0.00%
Hispanic	Male	2,029.50	11.38%
Native American	Female	547.50	3.07%
Native American	Male	109.00	0.61%
White	Female	536.50	3.01%
White	Male	10,604.41	59.46%
Total Apprentice Labor Hours		17,834.71	

Journey Level Summary

Ethnicity/Gender		Labor Hours	Percent of Journey Level Hours
African American	Female	51.50	0.05%
African American	Male	4,550.25	4.24%
Asian American	Female	4.00	0.00%
Asian American	Male	2,821.50	2.63%
Hispanic	Female	0.00	0.00%
Hispanic	Male	17,856.35	16.65%
Native American	Female	0.00	0.00%
Native American	Male	3,214.00	3.00%
White	Female	2,371.25	2.21%
White	Male	76,374.25	71.22%
Total Journey Level Hours		107,243.10	

Minority and Female Labor Hours Summary

Apprentice Labor Hours

Total Apprentice Hours	17,834.71
● Apprentice Utilization	14.26%
● Minority Hours	37.54%
● Female Hours	13.83%

Journey Level Labor Hours

Total Journey Level Hours	107,243.10
Journey Level Utilization	85.74%
Minority Hours	26.57%
Female Hours	2.26%

Combined Labor Hours

Total Hours	125,077.81
Minority Hours	28.14%
Female Hours	3.91%

Apprentice Utilization Contract Requirement and Goals



Apprentice Utilization Requirement	15%
Minority Apprentice Goal	21%
Female Apprentice Goal	20%

NOTE: The Apprentice Utilization Contract Requirements and Goals do not apply to projects that have FEDERAL TRAINING REQUIREMENTS.

DRAFT
City of Seattle
Ad Hoc Construction Careers Advisory Committee
Criteria for Policy Recommendations
(Adapted from Committee Guiding Principles)

- A. Does this policy provide solutions and opportunities that benefit women, people of color and other disadvantaged individuals, in particular those who are also Seattle residents?
- B. Will this policy stand the test of time and be both durable and able to be improved as needed?
- C. Is this policy flexible enough to be utilized by other public agencies across the region and still be effective for the City of Seattle?
- D. Does this policy support and further the City's utilization of and dollars paid to woman and minority businesses?
- E. Does this policy protect and support the gains people of color and women have made in working on City projects?
- F. Does this policy support the workforce pipeline, including pre-apprenticeship and apprenticeship training, and continuous employment through the apprenticeship training years leading to journey-level work?
- G. Does this policy support and enhance the City's responsibility to competitively bid, manage, and complete City funded projects on schedule and within budget?
- H. Does this policy consider and protect City projects from unwanted risk exposure, ensuring the policy recommendations are legally appropriate?
- I. Does this policy respect the input and interests of the leaders of all stakeholders, including the community, general contractors, women and minority businesses and labor unions?
- J. Does this policy recognize City resource limitations, factor in required trade-offs, and is the cost realistic?