



Board Report

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**CONSTRUCTION COMMITTEE
EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 16, 2017**

**SUBJECT: PROJECT LABOR AGREEMENT/CONSTRUCTION CAREERS POLICY (PLA/CCP)
REPORT (DATA THROUGH DECEMBER 2016), AND 12-MONTH PILOT LOCAL HIRE INITIATIVE**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status update on the Project Labor Agreement and Construction Careers Policy programs through the quarter ending December 2016.

ISSUE

In January 2012, the Board approved the Project Labor Agreement (PLA) with the Los Angeles/Orange Counties Building and Construction Trades Council and the Construction Careers Policy (CCP). One benefit of the PLA is to encourage construction employment and training opportunities in economically disadvantaged geographic areas throughout the United States. Another benefit of the PLA is that work stoppages are prohibited.

Consistent with the Board approved PLA and CCP prime contractors are required to provide Metro with monthly reports detailing progress towards meeting the targeted worker hiring goals. Additionally, consistent with Metro's Labor Compliance policy and federal Executive Order 11246, the prime contractors provide Metro with worker utilization data by ethnicity and gender.

The attached report provides the current status (through December 2016) of construction projects subject to the PLA/CCP.

DISCUSSION

There are eight active construction contracts and eleven completed contracts with the PLA/CCP program requirements, as of December 2016.

Project Name:	Prime Contractor:	Targeted Worker Goal (40%)	Apprentice Worker Goal (20%)	Disadvantaged Worker Goal (10%)	Percentage of Disadvantaged Worker Participation that are in the Criminal Justice System Category *
Crenshaw/LAX Transit Corridor	Walsh/Shea Corridor Constructors	58.60%	20.71%	12.79%	37.92%
Regional Connector Transit Corridor	Regional Connector Constructors, JV	58.08%	18.75%	8.70%	53.25%
Westside Subway Extension Project, Section 1 – D/B	Skanska-Traylor-Shea, JV	67.14%	16.83%	8.59%	62.73%
Universal City Pedestrian Bridge	Griffith Company	38.13%	27.87%	12.81%	63.87%
Metro Blue Line Pedestrian and Swing Gates	Icon-West	60.17%	23.32%	11.54%	100.00%
Division 16 Southwestern Yard	Hensel Phelps/Herzog, JV	49.82%	21.33%	9.12%	89.68%
MRL Pershing Square Canopy Addition and Escalator Replacements	Clark Construction, LLC	49.28%	28.97%	15.68%	77.88%
Patsaouras Plaza POV Relocation, Pavers & Storm Drain Repair	AP Construction	77.07%	22.67%	43.37%	6.79%

Please refer to the attached PLA/CCP Data Report for additional information on each project.

In summary, of the eight active construction projects for this reporting period, seven contractors are exceeding the 40% Targeted Worker goal, six contractors are exceeding the 20% Apprentice Worker goal and five contractors are achieving the 10% Disadvantaged Worker goal.

*Percentage of Disadvantaged Worker Participation that have had involvement with the Criminal Justice System Category

Part of Metro's PLA/CCP workforce requirement is the utilization of Disadvantaged workers on projects. One of the nine criteria for a Disadvantaged Worker is "having a criminal record or other involvement with the criminal justice system". The data shown in the table above (last column) is the percentage of Disadvantaged Workers (based on hours worked) that have criminal records or involvement with the criminal justice system that have worked, or are still working on Metro's PLA/CCP projects.

Currently Active Contracts

Crenshaw/LAX Transit Corridor

Prime: Walsh/Shea Corridor Constructors

The Crenshaw/LAX Transit Corridor project Contractor has completed 60.40% of the estimated construction work hours for this project. The Contractor is currently exceeding the Targeted Worker goal at 58.60%, Apprentice Worker Goal at 20.71% Disadvantaged Worker goal at 12.79% and the minority participation percentage goals, but not meeting the 6.90% Female Participation goal at 3.15%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours. For this reporting cycle, the Contractor has met the PLA/CCP workforce provisions and has achieved the Apprentice Worker goal ahead of its Employment Hiring Plan schedule.

Regional Connector Transit Corridor

Prime: Regional Connector Constructors, Joint Venture

The Regional Connector Transit Corridor project has completed 16.45% of the estimated construction work hours for this project. The Contractor is currently exceeding the Targeted Worker goal at 58.08%, and the minority participation percentage goals, but not meeting the 20% Apprentice Worker goal at 18.75%, the 10% Disadvantaged Worker goal at 8.70% and the 6.90% Female Participation goal at 3.06%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours.

Contractor is currently in the process of updating its Employment Hiring Plan to address compliance

with the PLA/CCP workforce goals. Staff will continue to work closely with the Contractor towards meeting all worker goals for this project.

Westside Subway Extension Project, Section 1 Design-Build
Prime: Skanska-Traylor-Shea, a Joint Venture (STS)

The Westside Subway Extension Project, Section 1 has completed 10.81% of the estimated construction work hours for this project. The Contractor is currently exceeding the Targeted Worker goal at 67.14% and the minority participation percentage goals, but not meeting the 20% Apprentice Worker goal at 16.83%, the 10% Disadvantaged Worker goal at 8.59% and the 6.90% Female Participation goal at 4.60%. The attainment for the 20% Apprentice Worker is based on total apprentice-able hours. The Contractor has submitted an Employment Hiring Plan which states compliance with the PLA/CCP workforce goals will be met in Mid-2018. Staff will continue to work closely with the Contractor towards meeting all worker goals for this project.

Universal City Pedestrian Bridge
Prime: Griffith Company

The Universal City Pedestrian Bridge project Contractor has completed 98.21% of the estimated construction work hours on this project. The Contractor is currently exceeding the Apprentice Worker goal at 27.87%, Disadvantaged Worker goal at 12.81% and the minority participation percentage goals, but not meeting the 40% Targeted Worker goal at 38.13%, and the 6.90% Female Participation goal at 1.57%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours. Staff is currently performing close-out audits on the Targeted Worker non-compliance issue and will keep the Board updated on the outcome and any possible liquidated damages that will be assessed.

Metro Blue Line Pedestrian and Swing Gates
Prime: Icon-West

The Metro Blue Line Pedestrian and Swing Gates project Contractor has completed 80.38% of the estimated construction work hours on this project. The Contractor is currently exceeding the Targeted Worker goal at 60.17%, Apprentice Worker goal at 23.32%, Disadvantaged Worker goal at 11.54% and the minority participation percentage goals, but not meeting the 6.90% Female Participation goal at 0.40%. The attainment for the 20% Apprentice Worker is based on total apprentice-able hours. For this reporting cycle, the Contractor has met the PLA/CCP workforce provisions.

Division 16 - Southwestern Yard
Prime: Hensel Phelps/Herzog, J.V.

The Division 16 Southwestern Yard project Contractor has completed 8.29% of the estimated construction work hours on this project. The Contractor is currently exceeding the Local Targeted Worker goal at 49.82%, Apprentice Worker goal at 21.33% and the minority participation percentage

goals, but not meeting the 10% Disadvantaged Worker goal at 9.12% and the 6.90% Female Participation goal at 4.77%. The attainment for the 20% Apprentice Worker is based on total apprentice-able hours. The Contractor submitted an Employment Hiring Plan which states compliance with the PLA/CCP workforce goals will be met by mid-2017. Staff will continue to work closely with the Contractor towards meeting all worker goals for this project. This contract falls under the U.S. DOT's Local Hire Pilot Program.

MRL Pershing Square Canopy Addition and Escalator Replacement

Prime: Clark Construction, LLP

The MRL Pershing Square Canopy Addition and Escalator Replacement project Contractor has completed 77.10% of the estimated construction work hours on this project. The Contractor is currently exceeding the Targeted Worker goal at 49.28%, Apprentice Worker goal at 28.97%, Disadvantaged Worker goal at 15.68% and the minority participation percentage goals, but not meeting the 6.90% Female Participation goal at 1.70%. The attainment for the 20% Apprentice Worker is based on total apprentice-able hours. For this reporting cycle, Contractor has met the PLA/CCP workforce provisions.

Patsaouras Plaza POV Relocation, Pavers and Storm Drain Repairs

Prime: AP Construction

The Patsaouras Plaza Privately-Owned-Vehicle Relocation, Pavers and Storm Drain Repairs project Contractor has completed 98.68% of the estimated construction work hours on this project. The Contractor is currently exceeding the Targeted Worker goal at 77.07%, Apprentice Worker goal at 22.67%, Disadvantaged Worker goal at 43.37% and the minority participation percentage goals, but not meeting the 6.90% Female Participation goal at 3.39%. The attainment for the 20% Apprentice Worker is based on total apprentice-able hours. For this reporting cycle, the Contractor has met the PLA/CCP workforce provisions.

Completed Contracts

Completed Projects:	Prime Contractor:	Targeted Worker Goal (40%)	Apprentice Worker Goal (20%)	Disadvantaged Worker Goal (10%)	*Percentage of Disadvantaged Workers that are in the Criminal Justice System Category
Crenshaw Advanced Utility Relocation Project	Metro Builders	61.41%	13.84%	21.08%	2.90%
Westside Subway Extension Advanced Utility Relocation	Metro Builders	67.47%	11.12%	11.08%	0.00%
Westside Subway Exploratory Shaft	Innovative Construction Solutions	50.88%	75.05%	11.23%	96.23%
Regional Connector Transit Corridor Adv. Utility Relocation	Pulice Construction	51.61%	21.37%	22.83%	28.39%
CNG Emergency Generator Division 7 & 8	Taft Electric	46.42%	25.51%	39.08%	39.48%
Division 13 CNG Fueling Facility, Design/Build/Operate	Clean Energy	67.54%	20.17%	60.72%	49.48%
Metro Blue Line Stations Refurbishments	S.J. Amoroso	56.01%	26.10%	13.62%	28.03%
Westside Extension Project Advanced Utility Relocation (Fairfax Station)	WA Rasic	63.27%	20.61%	19.90%	9.24%
Metro Rail Security Kiosks	Icon-West	45.90%	27.06%	20.17%	100.00%
Westside Extension Project Advanced Utility Relocation (La Cienega Station)	Bubalo Construction	65.15%	21.76%	20.96%	28.10%
MRL/MOL North Hollywood Station West Entrance	Skanska, USA	57.79%	24.28%	15.78%	84.26%

Please refer to the attached PLA/CCP Data Report for additional information on each project.

Crenshaw Advanced Utility Relocation Project

Prime: Metro Builders

The Crenshaw Advanced Utility Relocation project is 100% complete as of September 2014. Final reporting shows the Targeted Worker attainment at 61.41%, Disadvantaged Worker attainment at 21.08% and the minority participation percentage goals were attained, but the Contractor did not meet the 20% Apprentice Worker goal at 13.84% and the 6.90% Female Participation goal at 0.52%. The attainment for the 20% Apprentice worker goal is based on total apprentice-able hours. Metro staff met with the Contractor in January 2015, and executed a special assessment for not meeting the apprentice goal for this project. The Contractor complied with Metro's special assessment and this issue is closed.

Westside Subway Extension Advanced Utility Relocation

Prime: Metro Builders

The Westside Subway Extension Advanced Utility Relocation project is 100% complete as of October 2014. Final reporting shows the Targeted Worker attainment at 67.47%, Disadvantaged Worker attainment at 11.08%, Female Participation attainment at 7.48% and the minority participation percentage goals were attained, but the Contractor did not meet the 20% Apprentice Worker goal at 11.12%. The attainment for the 20% Apprentice worker goal is based on total apprentice-able hours. Metro staff met with the Contractor in January 2015, and executed a special assessment for not meeting the apprentice goal for this project. The Contractor complied with Metro's special assessment and this issue is closed.

Westside Subway Exploratory Shaft

Prime: Innovative Construction Solutions (ICS)

The Westside Subway Extension Exploratory Shaft project is 100% complete as of October 2014. Final reporting shows the Targeted Worker attainment at 50.88%, Apprentice Worker attainment at 75.05%, Disadvantaged Worker attainment at 11.23% and the minority participation percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 0.42%. The attainment for the 20% Apprentice worker goal is based on total apprentice-able hours. No labor grievances occurred on this project.

Regional Connector Transit Corridor Advanced Utilities Relocation

Prime: Pulice Construction

The Regional Connector Transit Corridor Advanced Utilities Relocation project was terminated for convenience in April 2015 and is now closed. Final reporting shows the Targeted Worker attainment at 51.61%, Apprentice Worker attainment at 21.37%, Disadvantaged Worker attainment at 22.83%

and the minority participation percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 2.57%.

CNG Emergency Generator Division 7 and 8

Prime: Taft Electric

The CNG Emergency Generator Division 7 and 8 project is 100% complete as of May 2015. Final reporting shows the Targeted Worker attainment at 46.42%, Apprentice Worker attainment at 25.51%, Disadvantaged Worker attainment at 39.08% and the minority percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 4.68%. The attainment for the 20% Apprentice worker goal is based on total apprentice-able hours. No labor grievances occurred on this project.

Division 13 CNG Fueling Facility, Design/Build/Operate

Prime: Clean Energy

The Division 13 CNG Fueling Facility, Design/Build/Operate project Contractor is 100% complete as of June 2015. Final reporting shows the Targeted Worker attainment at 67.54%, Apprentice Worker attainment at 20.17%, Disadvantaged Worker attainment at 60.72% and the minority percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 1.69%. The attainment for the 20% Apprentice worker goal is based on total apprentice-able hours. No labor grievances occurred on this project.

Metro Blue Line Station Refurbishments

Prime: S.J. Amoroso

The Metro Blue Line Station Refurbishments project Contractor is 100% complete as of August 2015. Final reporting shows the Targeted Worker attainment at 56.01%, Apprentice Worker attainment at 26.10%, Disadvantaged Worker attainment at 13.62% and the minority percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 0.48%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours.

Westside Subway Extension Advanced Utility Relocation (Fairfax Station)

Prime: W.A. Rasic

The Westside Subway Extension Advanced Utility Relocation - Fairfax Station project is 100% complete as of December 2015. Final reporting shows the Targeted Worker attainment at 63.27%, Apprentice Worker attainment at 20.61%, Disadvantaged Worker attainment at 19.90% and the minority percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 2.78%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours.

Metro Rail Security Kiosks

Prime: Icon-West

The Metro Rail Security Kiosks project is 100% complete as of March 2016. Final reporting shows the Targeted Worker attainment at 45.90%, Apprentice Worker attainment at 27.06%, Disadvantaged

Worker attainment at 20.17% and the minority percentage goals were attained, but the Contractor did not meet the 6.90% Female Participation goal at 0.00%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours. No labor grievances occurred on this project.

Westside Extension Project Advanced Utility Relocation (La Cienega)

Prime: Bubalo Construction

The Westside Extension Project Advanced Utility Relocation project is 100% completed as of October 2016. Final reporting shows the Targeted Worker attainment at 65.15%, Apprentice Worker attainment at 21.76%, Disadvantaged Worker attainment at 20.96% and the minority percentage goals were attained, but the Contractor did not meet the 6.9% Female Participation goal at 0.57%. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours. No labor grievances occurred on this project.

Metro Red Line/Metro Orange Line (MRL/MOL) North Hollywood Station West Entrance

Prime: Skanska

The Metro Red Line/Metro Orange Line (MRL/MOL) North Hollywood Station West Entrance project is 100% completed as of November 2016. Final reporting shows the Targeted Worker attainment at 57.79%, Apprentice Worker attainment at 24.28%, Disadvantaged Worker attainment at 15.78%, Female Participation goal at 7.44% and the minority percentage goals were attained. The attainment for the 20% Apprentice Worker goal is based on total apprentice-able hours.

FEMALE UTILIZATION UPDATE:

Below is a female utilization participation report on Metro's PLA/CCP projects to track progress. The chart shows the number of cumulative female workers on active PLA/CCP projects within the last three months of FY17, as requested at the July 2015 Committee meeting.

Project Name:	Prime Contractor:	No. of Female Workers October 2016	No. of Female Workers November 2016	No. of Female Workers December 2016
Crenshaw/LAX Transit Corridor	Walsh/Shea Corridor Constructors	83	87	88
Regional Connector Transit Corridor	Regional Connector Constructors, JV	22	23	24
Westside Subway Extension Project, Section 1	Skanska-Traylor-Shea, JV	25	27	31
Universal City Pedestrian Bridge	Griffith Company	5	5	5
Metro Blue Line Pedestrian and Swing Gates	Icon-West	2	2	2
Division 16 – Southwestern Yard	Hensel Phelps/Herzog, JV	3	5	6
Metro Red Line Pershing Square Canopy Addition & Escalator Replacement	Clark Construction	3	4	4
Patsaouras Plaza POV Relocation, Pavers & Storm Drain Repair	AP Construction	2	2	2

In an effort to increase female participation within Metro’s PLA/CCP projects which has averaged 3.22% for all active PLA/CCP projects, staff has coordinated or is currently coordinating the following efforts:

- The Metro “Women Build METRO LA” Committee has begun planning the activities for 2017

which will include a Symposium on the Transportation Industry and its opportunities for women, scheduled to take place in March.

- The Boot Camp sponsored by the Committee at LA Trade Technical College resulted in 10 women joining the Trades in 2016.
- To date, four women are working with IBEW on a project that once completed will enable them to be inducted as first period apprentices.

Staff will continually report on the WBMLA activities and outreach efforts.

PILOT LOCAL HIRE INITIATIVE

In March 2015, the U.S. Department of Transportation (DOT) announced an initiative to permit, on an experimental basis, Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) recipients and sub-recipients the ability to utilize previously disallowed local/geographic-based labor hiring preferences and economic-based labor hiring preferences on Construction and Rolling Stock projects. This initiative was carried out as a pilot program for a period of one year, which was extended through March 6, 2017 under the FHWA and FTA's existing Authorities and on January 18, 2017, the Federal Register published a notice from U.S. Transportation Secretary Anthony Foxx announcing that the Local Hire Pilot Program will be extended for five years. The Pilot initiative may be implemented immediately on federally funded Construction projects.

While Metro has been implementing a local hire program on certain state and locally funded contracts since 2012, as of this quarterly reporting period, C0991 Division 16 - Southwestern Yard (contract amount of \$172mil) is the only construction project that is active and subject to the US DOT Pilot Local Hire Initiative.

This initiative is also included in the solicitation for the Westside Purple Line Extension Section 2 design build contract. Staff is continually monitoring federally funded PLA/CCP covered projects awarded during the "Pilot Local Hire Initiative" implementation period and will report any additional projects subject to the Local Hire Initiative Program to the Board.

Metro originally received DOT and FTA approval on September 30, 2015 to use Metro's Local Employment Program (LEP) on four (4) Rolling Stock procurements; Metro's New Heavy Rail Car, a new 40-foot CNG Bus Buy and two Rail Car Overhaul solicitations. Subsequently, on January 12, 2017 Metro received supplemental authority from FTA to apply the LEP on its Bus RFP for 60-foot CNG buses, 40-foot and 60-foot Zero Emission vehicles.

The FTA's approval contains specific conditions that limit the Local Employment Program to a voluntary program. This means that the program cannot be used to determine responsiveness to the solicitation or as a basis for award. Nonetheless, the Local Employment Program will provide Proposers with an opportunity to receive up to 5% additional preferential scoring points if new jobs are committed as part of their proposal.

The FTA's approval also modified the definition of how Metro may define its geographical preference

for new jobs and facility improvements for the New Heavy Rail Car and New Bus RFPs. For those two procurements the definition of local employment will include anywhere in the State of California. For the two rail vehicle overhaul projects the FTA will allow Metro to limit the geographical preference for new job creation to Los Angeles County.

Proposers that volunteer to participate in Metro's Local Employment Program and who commit to new job local job creation must also commit to hiring a minimum of 10% of their new work force as Disadvantaged Workers. The targeted hiring requirement will be a condition for obtaining any preferential scoring points.

The first Rolling Stock contract awarded using the new LEP was the A650 Red Line Overhaul contract, approved by the Board in September 2016. That contract was awarded to Talgo Inc., which has committed to creating new jobs in Los Angeles County totaling \$2,212,676 in wages and benefits. This equates to 16.9 full time employees (FTE) job years for the base and option contract period.

On November 2016 Metro's Board approved the award of the New Heavy Rail Car, subject to the resolution of protests. The Contractor, CRRC, MA has commitment to creating new Los Angeles County jobs totaling \$38,395,972 in wages and benefits for the base and option contract. This equates to over 320 FTE job years.

The contract award recommendation for the P2000 LRV Overhaul will be presented at the March 2017 Board meeting, and award recommendations for the 600 40-foot CNG buses, 400 60-foot CNG buses, and up to 200 40-foot and 60-foot electric buses will be presented to the Board in the Spring 2017.

Staff will continue to report on the "Pilot Local Hire Initiative" on a quarterly basis as part of the Project Labor Agreement/Construction Careers Program quarterly updates.

OUTREACH

In efforts to attain the highest percentages of Targeted, Apprentice and Disadvantaged Workers on PLA/CCP projects, and to keep the community informed of opportunities, the contractors and DEOD participated and/or coordinated the following outreach efforts during this reporting period:

- Daily/weekly/bi-weekly meetings with outreach teams, contractors, elected staffers and/or community representatives.
- Continuous collaboration with Five Keys Charter to promote Metro's PLA/CCP workforce initiatives within Los Angeles County Jail system.
- DEOD staff and Construction Relations coordinated an underground tour of the Crenshaw/King Blvd station box and the Tunnel Boring Machine with the Women Build Metro LA graduates.
- Participated in Word of Encouragement Community Church Job Resources Event held on

November 1, 2016.

- The renewal of the Project Labor Agreement and Construction Careers Policy established an agreement with the LA/OCBCTC that when Boot Camps to support Metro construction projects are convened between Metro and LA/OCBCTC, graduates of the Boot Camp will have priority hiring to construction jobs.

NEXT STEPS

Staff will continue to monitor and assist Contractors with hiring efforts, and will enforce compliance as necessary.

ATTACHMENTS

A. PLA/CCP Report, Data through December 2016

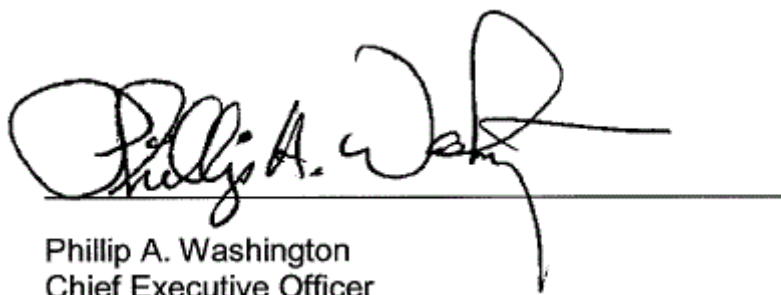
Prepared by: Keith Compton, Director, PLA/CCP
Compliance & Administration, (213) 922-2406

Miriam Long, Director, Strategic Business & Construction Career
Resources, (213) 922-7249

Victor Ramirez, Deputy Executive Officer, Vendor/Contract
Management, (213) 922-1059

Miguel Cabral, Executive Officer
Diversity & Economic Opportunity (213) 922-2232

Reviewed by: Debra Avila, Chief, Vendor/Contract Management
(213) 418-3051



Phillip A. Washington
Chief Executive Officer