Los Angeles County Metropolitan Transportation Authority One Gateway Plaza 3rd Floor Board Room Los Angeles, CA



**Board Report** 

File #: 2018-0527, File Type: Informational Report

Agenda Number: 33.

## CONSTRUCTION COMMITTEE SEPTEMBER 20, 2018

# SUBJECT: PROJECT LABOR AGREEMENT/CONSTRUCTION CAREERS POLICY (PLA/CCP)

## ACTION: RECEIVE AND FILE

## RECOMMENDATION

#### RECEIVE AND FILE the:

- A. Status update on the Project Labor Agreement and Construction Careers Policy programs through the quarter ending June 2018; and
- B. Female Participation Action Plan Update.

#### **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), with a subsequent renewal in January 2017. The PLA/CCP encourages construction employment and training opportunities for members of economically disadvantaged areas throughout the United States on Metro's construction projects. An added value of the PLA is that work stoppages are prohibited.

This report provides an update on the PLA/CCP through the quarter ending June 2018.

#### BACKGROUND

Consistent with the Board approved PLA and CCP (PLA/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 (EO 11246), the prime contractors provide Metro with worker utilization data by ethnicity and gender. In accordance with EO 11246, Metro's program-wide goal for female participation on PLA/CCP construction projects is 6.90%.

As of November 2017, Metro staff has advanced several initiatives with focus on increasing the overall female participation attainment; such initiatives include the development of an action plan, the deployment of a performance score card and continued engagement with Metro's prime contractors and job coordinators. As a result of the focused initiatives, Metro's female participation attainment on active projects has steadily increased from October 2017 reporting of 3.34% to 3.58% as of June 2018. The overall increase is attributed to 98 new female workers being employed on Metro's

construction projects between November 2017 and June 2018. The total increase includes 27 female workers being employed between March 2018 and June 2018 quarterly report.

#### DISCUSSION

This report provides a status update on the construction contracts covered by the PLA/CCP; an overview of Diversity and Economic Opportunity Department (DEOD) staff's efforts on the female participation action plan including an update on the construction projects covered under the Pilot Local Hire Initiative. The report also provides an update on outreach activities in support of targeted workforce initiatives.

## A. PLA/CCP Status Update

As of June 2018, there are ten active construction contracts with PLA/CCP program requirements, which include two contracts subject to the Pilot Local Hire Initiative. All of the active construction project contractors are exceeding the 40% Targeted Worker goal; five contractors are exceeding the 20% Apprentice Worker goal; and three contractors are exceeding the 10% Disadvantaged Worker goal.

There are sixteen completed construction contracts. The information on the completed construction contracts is provided as Attachment A.

The following table represents the active construction projects as of the June 2018 quarterly reporting period.

## **Active Construction Projects**

# File #: 2018-0527, File Type: Informational Report

# Agenda Number: 33.

Project Name:	Prime Contractor:	Targeted Worker Goal (40%)	Apprentice Worker Goal (20%)	Disadvantaged Worker Goal (10%)	Female Utilization Goal (6.90%)	Percentage of Disadvantaged Worker Participation that are in the Criminal Justice System Category *
Crenshaw/LAX Transit Corridor	Walsh/Shea Corridor Constructors	59.99%	23.26%	12.03%	3.69%	35.35%
Regional Connector Transit Corridor	Regional Connector Constructors, JV	58.77%	16.11%	7.44%	2.85%	71.92%
Westside Subway Extension Project, Section 1 – D/B	Skanska-Traylor-Shea, JV	<u>64.71%</u>	16.99%	9.89%	4.22%	74.34%
Metro Blue Line Pedestrian and Swing Gates	lcon-West	63.07%	23.15%	11.37%	0.83%	98.38%
Division 16 Southwestern Yard	Hensel Phelps/Herzog, JV	5 <mark>0.96%</mark>	27.10%	9.72%	4.18%	78.75%
Patsaouras Plaza Busway Station	OHL-USA, Inc.	57.46%	12.22%	3.65%	1.35%	48.02%
New Maintenance of Way/Non Revenue Vehicle Building 61S	Clark Construction, Inc.	61.50%	19.84%	6.49%	0.44%	36.17%
Division 1 Maintenance Annex Bldg.	Metro Builders, Inc.	47.62%	20.05%	7.77%	5.73%	11.66%
Division 9 Maintenance Annex Bldg.	Metro Builders, Inc.	61.79%	17.56%	20.11%	1.10%	100%
Westside Purple Line Extension Project, Section 3 Advanced Utility Relocations Please refer to the attached PLA	Bubalo Construction Co.	43.60%	23.45%	2.29%	0.00%	0.00%

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

\*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 actively working on Metro's PLA/CCP projects.

#### <u>Crenshaw/LAX Transit Corridor</u> <u>Prime: Walsh/Shea Corridor Constructors</u>

The Crenshaw/LAX Transit Corridor project contractor has completed 83.05% of the estimated construction work hours for this project. The contractor is currently exceeding the Targeted Worker goal at 59.99%, Apprentice Worker Goal at 23.26%, Disadvantaged Worker goal at 12.03% and the minority participation percentage goals; however, the contractor is not meeting the 6.90% Female Participation goal at 3.69%. The attainment for the 20% Apprentice Worker goal is based on total apprenticeable hours.

Staff issued an Executive Order 11246 Notice in September 2017 requesting the prime contractor to document efforts related to the recruitment of female workers as part of their efforts to increase female participation. The contractor has slightly increased the female participation from 3.27% in September to 3.69% as of this reporting cycle.

## <u>Regional Connector Transit Corridor</u> <u>Prime: Regional Connector Constructors, Joint Venture</u>

The Regional Connector Transit Corridor project contractor has completed 44.33% of the estimated construction work hours for this project. The contractor is currently exceeding the Targeted Worker goal at 58.77% and the minority participation percentage goals; however, the contractor is not meeting the 20% Apprentice Worker goal at 16.11%, the 10% Disadvantaged Worker goal at 7.44% or the 6.90% Female Participation goal at 2.85%. The attainment for the 20% Apprentice Worker goal is based on total apprenticeable hours.

The contractor has provided an updated Employment Hiring Plan (EHP) which outlines compliance with meeting the PLA/CCP workforce goals in the latter part of 2019. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

Staff issued an Executive Order 11246 Notice in February 22, 2018 and met with the prime contractor along with their job coordinator on February 28, 2018 to discuss the low female participation on this project. The contractor has committed to perform more outreach activities focusing on female recruitment as part of their effort to increase female participation. As of this reporting period, the contractor has sponsored several females into various union trades and has added ten additional female workers to their workforce 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 project contractor has completed 38.43% of the estimated construction work hours for this project. The contractor is currently exceeding the Targeted Worker goal at 64.71% and the minority participation percentage goals; however, the contractor is not meeting the 20% Apprentice Worker goal at 16.99%, the 10% Disadvantaged Worker goal at 9.89% or the 6.90% Female Participation goal at 4.22%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

The contractor is currently in the process of updating its EHP to address compliance with the PLA/CCP workforce goals. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

Staff issued an Executive Order 11246 Notice in February 20, 2018 and met with the prime contractor along with their job coordinator on February 28, 2018 to discuss the low female participation on this project. The contractor has committed to perform more outreach activities focusing on female recruitment as part of their effort to increase female participation. As of this reporting period, the contractor has sponsored several females into various union trades and has hired seven additional female workers onto the project.

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

The Metro Blue Line Pedestrian and Swing Gates project Contractor has completed 98.03% of the estimated construction work hours on this project. The Contractor is currently exceeding the Targeted Worker goal at 63.07%, Apprentice Worker goal at 23.15%, Disadvantaged Worker goal at 11.37% and the minority participation percentage goals; however, the Contractor is not meeting the 6.90% Female Participation goal at 0.83%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

Staff issued a notice in September 2017 and met with the prime contractor to discuss the low female participation attainment on this project. The contractor responded by hiring two female workers on the project. Recognizing this project is nearly 100% completed, staff will coordinate with the job coordinator regarding the transition and/or referral of the female workers into other Metro projects.

<u>Division 16 - Southwestern Yard</u> Prime: Hensel Phelps/Herzog, J.V. The Division 16 Southwestern Yard project contractor has completed 78.80% of the estimated construction work hours on this project. The contractor is currently exceeding the Local Targeted Worker goal at 50.96%, Apprentice Worker goal at 27.10%, and the minority participation percentage goals; however, the contractor is not meeting the 10% Disadvantaged Worker goal at 9.72% and the 6.9% Female Participation goal at 4.18%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

The contractor indicated that several disadvantaged workers were hired on the project which will increase the Disadvantaged Worker attainment above the 10% requirement by next reporting cycle. Staff will work closely with the contractor towards meeting all worker goals for this project.

This contract falls under the United States Department of Transportation's (U.S. DOT) Local Hire Pilot Program.

Staff issued an Executive Order 11246 Notice in February 2018 requesting the prime contractor to document efforts related to the recruitment of female workers as part of their effort to increase female participation. The contractor along with their job coordinator has committed to increase the female participation by performing targeted outreach and collaborating with community-based organizations in recruiting female workers.

Patsaouras Plaza Busway Station Prime: OHL-USA, Inc.

The Patsaouras Plaza Busway Station project contractor has completed 74.91% of the estimated construction work hours on this project. The contractor is currently exceeding the Targeted Worker goal at 57.46% and the minority participation percentage goals; however, the contractor is not meeting the 20% Apprentice Worker goal at 12.22%, the 10% Disadvantaged Worker goal at 3.65% or the 6.90% Female Participation goal at 1.35%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

Metro staff issued a Notice of Non-Compliance in November 2017 for the low attainment of the Apprentice and Disadvantaged Worker goals. The contractor submitted a revised EHP with an action plan for meeting all PLA/CCP workforce provisions by end of the project. As of this reporting cycle, the contractor has shown progress in the Apprentice Worker attainment and has committed in hiring more disadvantaged workers. Staff will continue to monitor the contractor's EHP and will work closely with the contractor towards meeting all worker goals for this project.

Staff issued an Executive Order 11246 Notice in February 2018 requesting the contractor to document efforts related to the recruitment of female workers as part of their effort to increase female participation. The contractor and their job coordinator have committed to increase female participation by performing targeted outreach and collaborating with community-based organizations in recruiting female workers.

<u>New Maintenance of Way/Non Revenue Vehicle Building 61S</u> <u>Prime: Clark Construction, Inc.</u> The New Maintenance of Way/Non-Revenue Vehicle Building 61S project contractor has completed 40.20% of the estimated construction work hours for this project. The contractor is currently exceeding the Targeted Worker goal at 61.50% and the minority participation percentage goals; however, the contractor is not meeting the 20% Apprentice Worker goal at 19.84%, the 10% Disadvantaged Worker goal at 6.49% or the 6.90% Female Participation goal at 0.44%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

The contractor has submitted an EHP which outlines compliance with meeting the PLA/CCP workforce goals by 50% project completion. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

Staff issued an Executive Order 11246 Notice in May 2018 and met with the prime contractor along with their job coordinator to discuss the low female participation on this project. The contractor has committed to perform more outreach activities focusing on female recruitment as part of their effort to increase female participation. The contractor hired five female workers as of this reporting period.

## Division 1 Maintenance Annex Building Prime: Metro Builders, Inc.

The Division 1 Maintenance Annex Building project contractor has completed 17.54% of the estimated construction work hours on this project. The contractor is currently exceed the Targeted Worker goal at 47.62%, Apprentice Worker goal at 20.05% and the minority participation goals, however, the contractor is not meeting the 10% Disadvantaged Worker goal at 7.77% and the Female Participation goal at 5.73%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

The contractor has submitted an EHP which outlines compliance with meeting the PLA/CCP workforce goals by 60% project completion. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

The contractor is at the early stage of construction with 17.54% project completion. Although the female participation attainment on this project is 5.73%, staff will issue an Executive Order 11246 Notice to the contractor.

Division 9 Maintenance Annex Building Prime: Metro Builders, Inc.

The Division 9 Maintenance Annex Building project contractor has completed 12.84% of the estimated construction work hours on this project. The contractor is currently exceeding the Targeted Worker goal at 61.79%, Disadvantaged Worker goal at 20.11% and the minority participation goals; however, the contractor is not meeting the 20% Apprentice Worker goal at 17.56% and the Female Participation goal at 1.10%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

#### File #: 2018-0527, File Type: Informational Report

The contractor has submitted an EHP which outlines compliance with meeting the PLA/CCP workforce goals by 60% project completion. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

The contractor is at the early stage of construction with 12.84% project completion. Staff will issue an Executive Order 11246 Notice to the contractor.

Westside Purple Line Ext. Section 3 - Advanced Utility Relocations Prime: Bubalo Construction Co.

The Westside Purple Line Ext. Section 3 - Advanced Utility Relocations project contractor has completed 26.98% of the estimated construction work hours on this project. The contractor is currently exceeding the Local Targeted Worker goal at 43.60%, Apprentice Worker goal at 23.45%, and the minority participation percentage goals; however, the contractor is not meeting the 10% Disadvantaged Worker goal at 2.29% and the 6.9% Female Participation goal at 0.00%. The attainment for the 20% Apprentice Worker is based on total apprenticeable hours.

The contractor has submitted an EHP which outlines compliance with meeting the PLA/CCP workforce goals by latter part of 2018. Staff will continue to monitor the contractor's EHP and work closely with the contractor towards meeting all worker goals for this project.

This contract falls under the U.S. DOT Local Hire Pilot Program.

Staff issued an Executive Order 11246 Notice in July 27, 2018 and met with the prime contractor along with their job coordinator on August 7, 2018 to discuss the low female participation on this project. The contractor has committed to perform more outreach activities focusing on female recruitment as part of their effort to increase female participation. The contractor has sponsored a female worker into the union.

## Female Workers on Active Construction Projects

In consideration of ongoing efforts to review and report on Metro's female participation attainment, the following table highlights the number of cumulative female workers on active PLA/CCP projects within the last three months.

## File #: 2018-0527, File Type: Informational Report

# Agenda Number: 33.

Project Name:	Prime Contractor:	No. of Female Workers April 2018	No. of Female Workers May 2018	No. of Female Workers June 2018
Crenshaw/LAX Transit Corridor	Walsh/Shea Corridor Constructors	148	151	155
Regional Connector Transit Corridor	Regional Connector Constructors, JV	56	64	66
Westside Subway Extension Project, Section 1	Skanska-Traylor-Shea, JV	63	68	70
Metro Blue Line Pedestrian and Swing Gates	lcon-West	4	5	5
Division 16 – Southwestern Yard	Hensel Phelps/Herzog, JV	32	32	32
Patsaouras Plaza <mark>Busway</mark> Station	OHL, USA, Inc.	2	2	2
New Maintenance of Way/Non Revenue Vehicle Bldg. 61S	Clark Construction, Inc.	3	5	5
Division 1 Maintenance Annex Bldg.	Metro Builders, Inc.	N/A *	1	1
Division 9 Maintenance Annex Bldg.	Metro Builders, Inc.	N/A *	0	1
Westside Purple Line Extension Section 3 Advanced Utility Relocations	Bubalo Construction Inc.	N/A *	0	0

\*N/A = project has not started in April 2018

# **B. Female Participation Action Plan Update**

As requested by Metro's Board, DEOD staff conducted a cursory assessment of other agencies' workforce programs, hiring best practices and strategies utilized to increase female participation. Staff incorporated various best practices into Metro's Female Participation Action Plan. Following is an update on efforts that are underway as of this reporting period.

Regional Construction Industry Workforce Disparity Study: A solicitation was issued for a comprehensive workforce disparity study to determine the availability of women in the construction trades throughout the Los Angeles County region. The study will identify the demand for construction labor by Metro and other agencies in the region, the available labor supply including labor supply constraints and other considerations. The Request for Proposal was issued in April 2018 and the contract was awarded to Estalano Lesar Advisors on August 22, 2018.

## Status: In process

**Milestone:** Initiation of the study in August 2018; and projected completion in March 2019

 Job Coordinators Consulting Engagement Review: Staff has initiated efforts for the formal assessment of the active job coordinators' outreach and recruitment practices including overall processes in support of identifying best practices and/or areas of enhancement or modification. The effort is being conducted with the support of Metro's Audit Management Services Department. Staff will also leverage the results of the assessment and recommendations in the Request for Qualifications to re-establish the job coordinator panel.

## Status: In process

**Milestone:** Kick-off meeting with prime contractors and job coordinators held August 22, 2018

 Tool Kit: The tool kit will provide contractors with industry best practices for outreach, recruitment, training and retention of workers with special focus on the outreach and recruitment of women. The tool kit serves as resource guide that contains a list of support services, best practices including other areas of focus that have been identified by female workers as vital to achieve a sustained career in the construction industry. Staff distributed the draft to the jobs coordinators in June 2018 and recently received feedback.

## Status: In process

Milestone: Schedule to publish Fall 2018

 PLA/CCP Symposium: The PLA/CCP symposium will feature a panel of women and men in the construction industry, industry speakers including trade representatives, private employers and others to discuss female apprentices, challenges faced by female workers and best practices for increasing the availibity and retention rates of female workers. DEOD staff will convene a formal working group to support planning efforts for the symposium.

# Status: Pending

Milestone: Host symposium early 2019

DEOD staff will continue to focus on strategies to support the outreach, recruitment and retention of women into the trades with specific focus on Metro's PLA/CCP construction projects. Recognizing the need to promote retention, professional development and career advancement, staff has begun to implement strategies to support retention and development of female workers on Metro's

construction projects.

Such strategies include:

- Quarterly Jobs Coordinator Meetings: Staff continues to host quarterly meetings with the job coordinators to discuss best practices; identify outreach and recruitment opportunities; review the female participation scorecard; and focus on worker retention and transition among Metro projects. The next quarterly meeting schedule for September 2018 will include the participation of the prime contractors.
- Worker Retention Best Practices: Efforts have been initiated to identify and assess the available pre-apprenticeship training programs with focus on those with demonstrated success for candidate retention.
- Transition Coordination: Staff has developed a formalized process to assist female workers to transition to other active or upcoming Metro projects as projects near the end of construction. The formalized process consists of the following actions:
  - Communicate with prime contractors and jobs coordinators nearing 80% project completion regarding the female worker transition;
  - In coordination with the jobs coordinators identify female workers preparing for transition and available for work at least 30 days prior to project end date and/or worker assignment end date;
  - Provide female workers with a list of active jobs coordinators; and
  - o Follow-up monthly/quarterly on recruitment and placement progress.

Furthermore, staff will continue to provide ongoing assessment of the female participation score card, monitoring of contractor's performance, and recognition of contractors that successfully meet or exceed the 6.9% goal or demonstrate highly commendable efforts in the recruitment, retention and/or professional development of women on Metro's construction projects.

Lastly, a summary of Contractor's Action Plans to increase female workers in response to the issued EO 11246 Notices is provided as Attachment C.

## C. Pilot Local Hire Update

On October 6, 2017, the Federal Register published a notice from the USDOT announcing the withdrawal of the Pilot Local Hire program. Metro has three construction projects awarded subject to the USDOT Pilot Local Hire Initiative which include:

- C0991 Division 16 Southwestern Yard (contract value of \$172M)
- C1120 Westside Purple Line Extension Project Section 2 (contract value of \$1.3B)
- C1153 Purple Line Extension Section 3 Advanced Utility Relocations (contract value of \$11M).

In addition, Metro has seven rolling stock contracts that contain the Local Employment Plan (LEP).

• A650-2015 Heavy Rail Vehicle Overhaul

- P2000 Light Rail Vehicle Overhaul
- HR400 Purchase of New Heavy Rail Vehicles
- OP28367-000 Forty Foot (40') Low Floor CNG Buses
- OP28367-001 Sixty Foot (60') Low Floor Zero Emission Buses
- OP28367-002 Forty Foot (40') Low Floor Zero Emission Buses
- OP28367-003 Sixty Foot (60') Low Floor CNG Buses.

These combined seven projects will create new jobs in Los Angeles County totaling over \$62.3 million in wages and benefits over the next seven years. The LEP is projected to create an estimated 217 new jobs for the base and option contract terms for the seven projects.

## D. Outreach

DEOD staff continuously seeks opportunities to keep the community informed and engaged of construction career opportunities available through Metro's PLA/CCP. Staff consistently collaborates with community-based organizations and other partners including the contractors on outreach events, initiatives and activities. Staff participated in the following outreach events as of this reporting period:

- On August 25, 2018, Metro participated in the HireLAX Apprenticeship Readiness Program (ARP). Participants were informed of the various careers opportunities in the construction industry.
- On July 13, 2018, Metro participated in the Career & Education Resource Fair hosted by First Place For Youth. Attendees were informed of the various opportunities in the construction industry available through the PLA/CCP.

## NEXT STEPS

DEOD staff will continue to monitor contractor's efforts and initiate the various strategies and activities as outlined. Staff will continue to identify initiatives and outreach efforts to promote awareness, engagement and participation in construction career opportunities.

# **ATTACHMENTS**

Attachment A - PLA/CCP Completed Projects Attachment B - PLA/CCP Report Data Attachment C - Contractors Plan to Increase Female Participation

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