

Memorandum

To: TJPA Board of Directors
From: Maria Ayerdi-Kaplan, Executive Director
Date: For the Board Meeting of September 13, 2012
Re: Project Labor Agreement Status Report

The Project Labor Agreement (PLA) for the Transbay Transit Center Program was approved on November 10, 2011. The PLA is designed to ensure labor peace and equal opportunity for small, local, disadvantaged, union, and non-union businesses throughout construction, providing standardized working conditions and wages. This quarterly report provides information on the status of the administration of the PLA and the apprenticeship plan that was developed in conjunction with the PLA.

PROJECT LABOR/LABOR HARMONY/ACCESS TO SKILLED LABOR POOL

There have been no work stoppages or labor incidents on the project. CM/GC Webcor/Obayashi (W/O) and their trade subcontractors have reported no issues in having access to skilled labor in sufficient numbers, and each subcontractor's workforce demands have been met.

A breakdown of labor by trade and county compiled by Turner Construction, the construction management oversight consultant, for the monthly construction update is shown below:

Trade	Workers on TTC & Utilities
Inspector (Soils/Materials Testing)	35
Carpenter & Related Trades	24
Cement Mason	12
Electrical Utility Lineman	14
Electrician	12
Field Surveyor	13
Iron Worker	36
Laborer & Related Classes	349
Operating Engineer	231
Pile Driver	83
Roofer	2
Sheet Metal Worker	5
Teamster	86
Tile Setter/Finisher	7
Total	909

Area	Hours Through August 2012	Percentage of Total Hours
East Bay (Alameda, Contra Costa, Solano)	126,565	29%
North Bay (Marin, Napa, Sonoma)	11,244	3%
South Bay (San Mateo, Santa Clara)	41,258	10%
San Francisco	91,128	21%
Other	158,590	37%

Other includes workers from throughout California including the Central Valley as well as workers from out of state who are onsite for specific tasks.

SAFETY

There were no recordable incidents or significant near misses during the period between June 1 and August 31, 2012.

JOINT ADMINISTRATIVE COMMITTEE

The third meeting of the Joint Administrative Committee was held on August 23, 2012. W/O presented how it models the construction process and forecasts labor requirements and discussed upcoming trade packages and their labor needs. There was extensive discussion of veterans outreach efforts and how to facilitate the entry of veterans into the trades. The unions reported that they have been making increased referrals from the hiring halls across all trades reflecting the recent increase in construction activity in San Francisco and the region. In the near term there should not be difficulty in meeting labor requirements, but it will be important to continue monitoring demand beyond the next 18-24 months. Some unions that had cut back on apprenticeship classes due to the lack of demand are returning to regular schedules.

APPRENTICESHIPS

The TJPA and the Unions wish to use the economic activity generated by the design and construction of the Transit Center and related facilities to support meaningful job training. In order to facilitate professional and skilled trade development opportunities for high school students, the economically disadvantaged, and military veterans, as part of the PLA process TJPA developed a plan to promote opportunities for youth and adults, particularly from disadvantaged backgrounds, and veterans to enter careers in architecture, engineering, construction, and skilled trades. The TJPA agreed to work with the Unions and Contractors to achieve its goals in this regard.

Progress to Date – Students

Manuel Flores, the marketing representative of Carpenters Union Local No. 22, reported that a crafts and trades curriculum is being re-evaluated as a viable addition to high school education. The District has recently hired a certified shop instructor for the John O’Connell High School Tech 21 program, and donations of books and equipment continue as needed. Additionally, union members inspected the mothballed crafts and trades shop at Roosevelt Middle School in the Richmond District and found it capable of being reopened with only limited refurbishment of the existing shop equipment. A number of parents and local residents have voiced their interest in seeing the shop reactivated. Michael Thériault of the San Francisco Building and Construction Trades Council representative mentioned that other SFUSD schools also have mothballed shops that could be evaluated for reopening if SFUSD administrators reintroduce these curriculums. If high school level crafts and trades curriculum is implemented, union pre-apprenticeships could possibly be structured as career next steps for graduating seniors seeking jobs in these professions.

TJPA high school student summer internships were provided to four (4) SFUSD and Matchbridge students (URS Corp. and W/O) and two (2) Enterprise For High School Students (Turner Construction) from June 11 through July 27. Additionally, three (3) college summer interns worked on the project for W/O. In support of the Mayor's Summer Jobs Initiative launched in April 2012, a number of SFUSD high school internships were offered and filled by URS and W/O on other projects. Starting in 2013, the TJPA will extend its summer internships to high school students participating in the Mayor's Youth Employment and Education Program and Young Community Developers.

As this quarter included summer break, there were no presentations to SFUSD classes. Two student jobsite tours of twenty-four students with the AECOM/Parsons SFPUC Sewer System Improvement Project and thirty students from Eastside College Preparatory School were conducted. Eastside is an East Palo Alto 6th thru 12th grade independent school serving low income, minority students who will be the first in their families to attend college and coordinates the Take an Eastsider to Work Day, a job shadowing program, as well as their Engineering Project Mentors Program.

Progress to Date - Veterans

W/O continues to work to connect community based organizations such as Mission Hiring Hall, with close Trade Union relationships, to veterans' organizations, such as Swords to Plowshares, to source and prepare veterans in specific trades. They have also been working more closely with local unions and California Department of Apprenticeship Standards to develop more direct entry for qualified veterans into union apprenticeship programs.

On August 2, the Non Commissioned Officers Association in association with Military.com hosted a veterans' career exposition on the USS Hornet. W/O purchased booth space and collected thirty resumes from exposition visitors. Ted Huang, W/O's Veterans Outreach Manager and Veterans Task Force Leader, along with W/O's Cindy Hoover and Jacqueline Tona, worked in the booth. They were joined by representatives from the North Bay and Bay Area Apprenticeship Training Coordinators, California Department of Apprenticeship Standards, and the TJPA. Additionally, the W/O team distributed information on Helmets to Hardhats (H2H) to help familiarize veterans with the H2H program and job boards. Because H2H already has expedited union entry relationships with a number of local trades, the W/O representatives encouraged interested veterans to enroll in H2H as a first step.

The W/O team also received a request for assistance from a Coast Guard Reserve member indicating his interest in construction management. Members of the team provided hands-on resume and cover letter writing and editing support, as well as contact information for W/O and several other companies that could have openings aligned with his skills and interest. Communication with this potential candidate is on-going.

Since January of 2012, W/O's veterans outreach effort has helped place nine (9) veterans: four (4) in salaried jobs, two (2) field enrollments in the upcoming Carpenter Apprenticeship Training Program, and three (3) in subcontractor positions. To date, the veteran support organizations that have been most effective in W/O's veterans outreach efforts have been Swords to Plowshares and Contra Costa Veterans Services. However, W/O is continuing to seek other effective community based organizations that can help identify qualified veterans.

In June, W/O attended the South Bay Apprenticeship Coordinators Meeting and the Veterans Town Hall Collaborative on Veterans Resources to discuss veteran hiring opportunities and W/O's veterans outreach work. The focus of these collaborative efforts remains on developing an effective and replicable process for identifying and placing veterans interested in construction careers.

Progress to Date - Adults

W/O continued its support of Mission Hiring Hall (MHH), a San Francisco community based organization whose purpose is to meet the immediate and long-term employment needs of San Francisco’s employers and its low to moderate income, unemployed, and underemployed residents. W/O has staff serving on the MHH Construction Industry Advisory Council, and W/O, in association with the MHH and CityBuild programs, provides trainees with quarterly jobsite information sessions and project tours as a way to foster workforce development and job training through full and part time administrative opportunities.

W/O continues and its trade subcontractors continue to work to place CityBuild referrals. W/O gave a presentation to Rhonda Simmons, director of Workforce Development, and Pat Mulligan, director of CityBuild, to update them on the project, communicate W/O’s continued commitment to their programs by engaging trade subcontractors in CityBuild as early as possible, coordinating trade subcontractor tours of the CityBuild Academy, and offer speaking engagements to Academy attendees.

Apprentice Utilization

W/O has worked with Elation Systems, the certified payroll report software provider, to create two custom apprenticeship utilization reports that can be run from the Elation certified payroll reporting system and have merged them in order to analyze apprenticeship utilization over the entirety of the project.

There are two categories of apprenticeship requirements: 1) for all apprenticeable crafts other than laborers and operators, a ratio of one apprentice hour worked to every five hours of journeymen labor is required over the entirety of the project, but 2) for laborers and operators, each individual subcontractor must track the number of workers employed each day and employ a minimum number of apprentices depending upon the respective number of journeymen employed each day. The new Elation reports allow the independent tracking of these two categories of apprenticeship requirements.

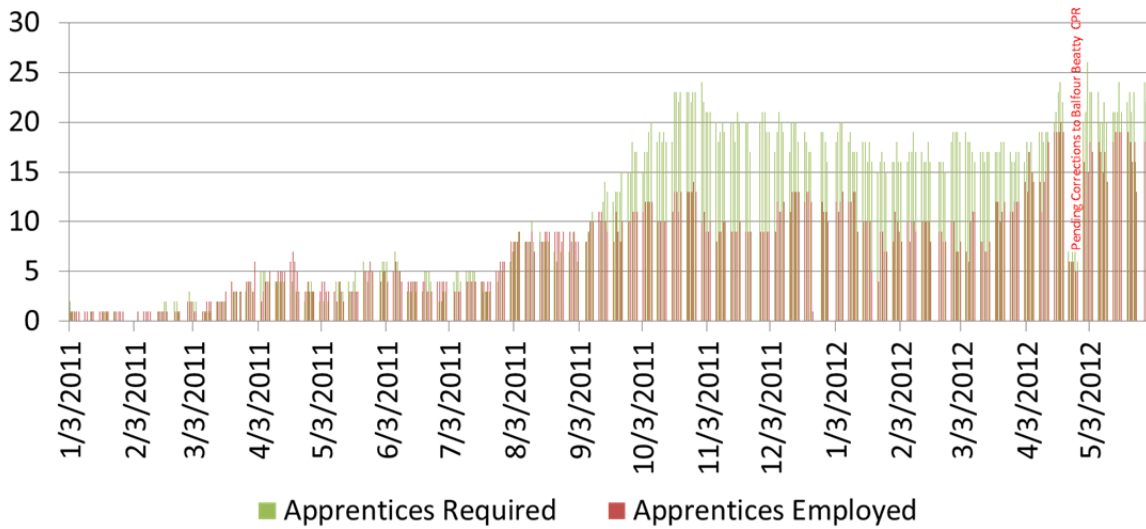
Prior to these reports, analyzing compliance required a tremendous effort by all parties due to the amount of data and complexity of the requirements. The reports are now being used to notify subcontractors on a monthly basis of their performance and provide them with the information necessary to establish, implement and track a plan to achieve compliance.

For the crafts other than laborers and operators, the project is achieving the 1:5 ratio of apprentices to laborers, but W/O will continue to work with individual subcontractors where it sees additional opportunities to increase apprentice utilization.

Tracking Type #1 – Overall Hourly Ratio – All Crafts Except Laborers & Operators

Total Journeymen Hours	51,934.5
Total Apprentice Hours	10,621.3
Total Work Hours	62,555.8
Percentage Apprentice Participation - Goal 16.67% (1:5)	16.98%

Tracking Type #2 – Workers Employed Each Day – Laborers & Operators



From the start of the project until October 2011, when there was a large influx of workers, subcontractors tracked at, and sometimes above, the minimum apprenticeship requirements for laborers and operators. Since the new reporting was implemented in the second quarter, apprenticeship compliance has improved, but W/O will need to continue working with subcontractors to increase utilization of operator and laborer apprentices.

Information only.



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Project Labor Agreement Update

Administration

- Third meeting of the **Joint Administrative Committee (JAC)** was held on 8/23 with updates on:
 - Upcoming trade packages and labor forecasts
 - Discussion of apprenticeship programs and veterans programs

Labor

- No work stoppages or labor incidents
- Trade subcontractors report that all labor needs have been met and no issues with access to sufficient skilled labor
- **No recordable safety incidents from June through August**



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First PLA Trade Packages

- Geothermal and Grounding Packages
 - Awarded at May Board meeting
 - Begin Construction November 2012
 - Primarily utilize plumbers and electricians
- Substructure Package
 - Estimated \$77 million
 - Bids due September 14th
 - Includes ironworkers, carpenters, laborers, waterproofers, and cement masons



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PLA Update Students

- Internship program continued this summer for fourth consecutive year
 - TJPA, PMPC, Turner, and Webcor Obayashi hosted three college and six high school interns





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PLA Update Students

- SFUSD has hired a certified shop instructor for the John O'Connell High School Tech 21 program
- Union members inspected the mothballed crafts and trades shop at Roosevelt Middle School and reported community interest in seeing the shop reactivated
- If more extensive high school level crafts and trades curriculum is implemented, union pre-apprenticeships could possibly be structured as career next-steps for graduating seniors



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Veterans

- **Challenges for Placing Veterans**
 - Sourcing interested veterans
 - Need for some sort of skills specific training for veterans entering the industry
 - Navigating both the apprenticeship requirements and union hiring hall requirements as they vary between all trades and crafts
 - Major disconnect between intake process → actual dispatch of a veteran to a jobsite
 - Matching recruitment efforts to release of work (timing is everything)
 - Recruiting veterans to the building trades, particularly females
 - Agencies working in silos
 - Need for supportive services to do more than forward veterans' job resumes to employers



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Veterans

- **Proposed Solutions (Work in Progress)**
 - “Connecting the Dots”
 - Working with “Community Construction Experts” like Mission Hiring Hall who has close Trade Union relationships and works closely with Swords to Plowshares to source and prepare veterans in specific Trades
 - Working more closely with local Unions and Dept of Apprenticeship Standards to develop more direct entry for qualified veterans
 - Recommendation from Employer Perspective
 - Veterans Supportive services must truly act as advocate for their individual veterans, not simply a forwarder of resumes → get to know them and understand employers’ job requirements and help to explain to employer why the Vet is a good fit
 - Linking Employers to key help organizations -Webcor/Obayashi has identified “Sourcing” and “Preparation” organizations and now linking other employers/subcontractors to them



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Apprenticeship Reporting, Tracking and Enforcement

- **Tracking**

- Apprenticeship Reporting requires tracking of every craft employed by each individual subcontract regardless of tier
- There are two types of tracking
 - **Tracking Type #1 - Overall Hourly Ratio** – For apprenticeable crafts - except laborers and operators - a 1 to 5 hourly ratio must be met by the end of the job
 - **Tracking Type #2 - Workers Employed Each Day** – Laborers and Operators are tracked by the number of workers employed on any given day and a minimum number of laborer or operator apprentices are required depending on the number of respective journeymen

- **Enforcement**

- Webcor/Obayashi has worked with Elation Systems to create two custom reports and have merged them in order to analyze both tracking types over the entirety of the job.
- These reports are used to notify subcontractors on a monthly basis and give them the tools to verify enforcement and establish a plan to meet compliance by the end of the project.
- Prior to these reports analyzing compliance required a tremendous effort by all parties due to the amount of data and complexity of the requirements.



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Apprenticeship Reporting Trends

Tracking Type #1 –
Overall Hourly Ratio – All Crafts Except Laborers & Operators
OVERALL HOURS IN COMPLIANCE*

Transit Center Building and Relocated Utilities Program (Start of Job Through June 2012)

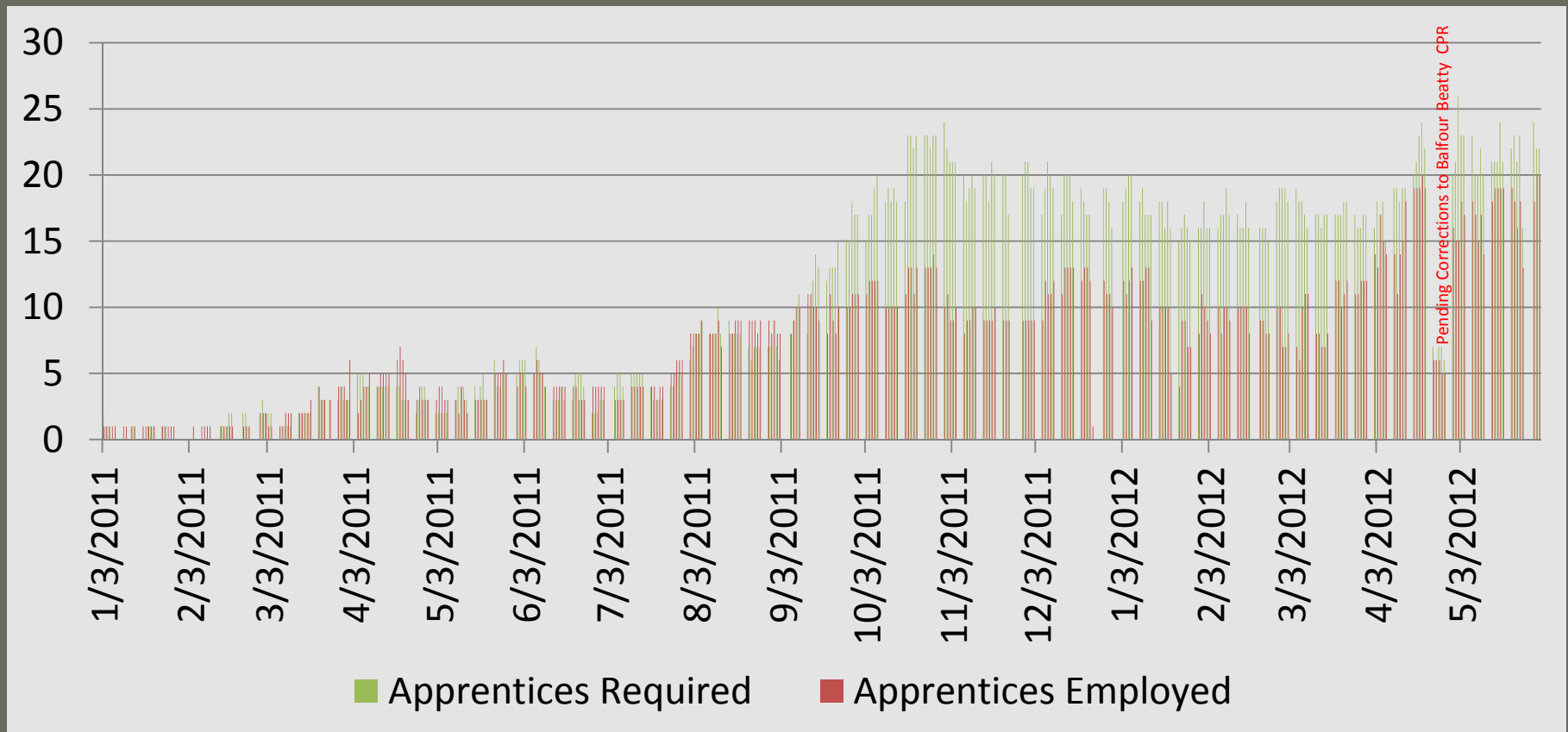
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Apprenticeship Reporting Trends

Tracking Type #2 – Workers Employed Each Day –Laborers & Operators



**APPRENTICESHIP IS TRENDING TOWARDS COMPLIANCE
SINCE ENHANCED REPORTING IMPLEMENTED**