



DATE: October 9, 2019
TO: Board of Commissioners
FROM: Kimberly Branam, Executive Director
SUBJECT: Report Number 19-48
Authorizing Prosper Portland's Participation in the Construction Careers
Pathway Project Regional Framework

BOARD ACTION REQUESTED AND BRIEF DESCRIPTION

Adopt Resolution No. 7344

This action by the Prosper Portland Board of Commissioners (Board) will authorize the executive director to sign on to a Regional Framework for the Construction Careers Pathway Project (C2P2). The C2P2 effort, which is being led by Metro, seeks to convene "stakeholders from public agencies, private industry and community-based organizations...to identify strategies for providing reliable career pathways for people of color and women in the construction trades." Should Prosper Portland sign on to the Regional Framework, this will commit the agency to work with other partners to develop a standardized approach to workforce development in the construction industry.

STRATEGIC PLAN ALIGNMENT AND OUTCOMES

This action aligns with Prosper Portland's Strategic Plan by promoting equitable construction and contracting and by forming 21st century civic networks, institutions, and partnerships.

BACKGROUND AND CONTEXT

In June 2016, Metro published the Strategic Plan to Advance Racial Equity, Diversity and inclusion; one of the objectives of this plan was to "work with regional partners to increase the utilization of local minority, women, and emerging small businesses and the number of skilled construction tradespeople of color." Subsequently, Metro staff convened the C2P2 effort in acknowledgement that "there is a lack of diversity in the construction trades in greater Portland – especially across higher skilled construction occupations. People of color and women face multiple barriers in accessing and sustaining construction careers. The inconsistent nature of construction work, lack of career ladders at construction firms, and insufficient funding and resources for education, job training and support services are among the factors that limit career employment." In response to these challenges, Metro has convened monthly meetings since 2018 with representatives from:

- City of Beaverton
- Beaverton School District
- State of Oregon Bureau of Labor and Industries
- Home Forward
- Metro
- Multnomah County

- North Clackamas School District
- Oregon Department of Transportation
- Oregon Health Sciences University
- Port of Portland
- City of Portland
- Portland Community College
- Portland Public Schools
- Portland State University
- Prosper Portland
- TriMet

After a year of discussions, Metro has asked for the C2P2 public partners to sign on to the Regional Framework, affirming their support of C2P2 goals. The Regional Framework (see Exhibit A to Resolution No. 7344) is a high-level guidance document that articulates each signatory's commitments to advancing construction workforce equity, including:

1. Set clear workforce diversity goals
2. Set project thresholds
3. Track and review progress on goals
4. Develop a workforce agreement
5. Implement worksite anti-harassment and culture change strategies
6. Collectively in workforce supply
7. Establish regional collaboration

In order to provide an implementation strategy on how signatories can deliver on the seven commitments in the Regional Framework, Metro has developed a C2P2 Public Owner Workgroup Toolkit (Toolkit). The Toolkit provides a common language around key terms; specific suggestions on how to implement the strategies; guidance on contracting goal setting; clarity on roles and responsibilities (including feedback loops for successes and challenges in meeting contracting goals); a template workforce agreement that can be tailored to each partner; and a commitment to participating in a Regional Coordinating Committee consisting of public and private stakeholders that will continue to focus on workforce supply, career pathways, support for pre-apprenticeship programs, etc. (see the full Toolkit in Attachment A).

Prosper Portland staff are confident that while the agency is either currently meeting or exceeding the majority of the Regional Framework objectives, there are actionable priorities that Prosper Portland can initiate, such as emphasizing anti-harassment training, disaggregating contracting goals to be both a stretch yet also market-responsive, and actively participating in regional conversations.

EQUITY IMPACT

Signing on to the Regional Framework is not only consistent with Prosper Portland's Strategic Plan and Equity Policy, but the agency's continued involvement with the C2P2 effort could advance equity initiatives in construction contracting.

COMMUNITY PARTICIPATION AND FEEDBACK

There has been considerable community participation over the course of the past year. In addition to working directly with public partners, Metro has sought feedback from general contractors and industry service providers on the Regional Framework and Toolkit.

BUDGET AND FINANCIAL INFORMATION

There are no immediate or direct financial implications from this proposed action.

RISK ASSESSMENT

There no risks to this action.

ATTACHMENTS

- A. Construction Career Pathways Project (C2P2) Public Owner Workgroup Toolkit

Construction Career Pathways Project (C2P2)

Public Owner Workgroup

Toolkit

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INTRODUCTION

In response to a nationwide shortage of qualified and available trade craft workers, Public Owner representatives of the Construction Career Pathways Project (C2P2) Workgroup have developed a regional program to maximize training and employment opportunities in the construction trades for women and people of color.

The Greater Portland Region is facing unprecedented growth, and with that, a boon for the construction industry. There are at least 81 publicly funded construction projects in development over the next five to ten years, totaling approximately \$7.8 billion dollars. Such a robust pipeline of projects requires a formidable and skilled construction workforce. Nearly 14,000 workers will be required to construct the anticipated public projects over the next 5 years.

However, the region's existing construction workforce lacks diversity, with limited women and people of color participating in the field. Few Public Owners have set forth workforce diversity goals – and even fewer track and enforce contractor performance in meeting these goals. If the average agency's workforce diversity goals were applied regionally across all 81 projects – Greater Portland would need 2,700 more apprentices, 3,400 minority, and 1,900 female construction workers over the next five years.¹ These numbers underscore the need to create pathways for women and people of color to enter the construction field – a field that offers family-supporting wages and opportunities for advancement.

Unfortunately, women and people of color face a myriad of barriers in the construction industry. They lack access to the personal referrals or established networks that are the cornerstone to entering apprenticeship programs – a critical first step to a career in construction. In addition, sexist and racist practices and policies have led to hostile job site cultures, which undermines the long-term retention and growth of women and people of color in the trades. Lastly, while State-certified pre-apprenticeship programs are effective in introducing people of color and women to the Trades, they have limited seating capacity and inconsistent funding. Creating a dedicated fund for “supply-side” programs focused on recruitment, training, and retention of targeted populations, can go a long way in diversifying the construction workforce.

¹ Worksystems. *Portland Metro Region Construction Workforce Study*. 2018. Pg. 2.

The growing demand for a qualified construction workforce creates an exciting opportunity for Public Owners to leverage the economic benefits of their projects and drive greater diversity in the industry – and support equitable economic opportunities for women and communities of color in the Greater Portland region. Public Owners collectively wield billions of dollars in contract authority, giving them enormous potential to drive more equitable hiring practices in a way that is intentional and accountable.

Oregon Metro (Metro) convened 16 Public Owners to form the C2P2 Public Owner Workgroup (Workgroup) to learn more about the barriers to stable career paths for people of color and women, to identify strategies to advance workforce equity, and enable these groups to fully realize the benefits of a career in construction.² The Workgroup met regularly beginning in July 2018 through August 2019. Estolano LeSar Advisors, a consulting firm experienced in working with complex multi-stakeholder groups to address public policy issues, facilitated the Workgroup's discussions. The Workgroup developed the following documents:

C2P2 Regional Framework (Framework): The Framework captures seven (7) key strategies Public Owners must integrate into their practices to eliminate barriers in the construction industry and truly move the needle towards achieving construction workforce equity. Public Owners were asked to sign on to the Framework to indicate their commitment to continue to work together in implementing the strategies articulated in the Framework document.

C2P2 Toolkit (Toolkit): The Toolkit (this document) is an attachment to the C2P2 Regional Framework. The purpose of the Toolkit is to provide Public Owners with practical approaches and best practices to build a robust workforce pipeline of people of color and women, to remove barriers to entry, monitor progress, and generate the resources needed to ensure collective success. The Toolkit is meant to provide broad guidance, rather than strict requirements or standards.

The Framework or Toolkit are not procurement documents or contracts.

² The Workgroup members include: Prosper Portland, Oregon Health Sciences University (OSHU), Port of Portland, Multnomah County, City of Portland, TriMet, Portland Public School District, Portland State University, Portland Community College, Home Forward, City of Beaverton, Metro, Oregon Department of Transportation (ODOT), State of Oregon Bureau of Labor and Industries (BOLI), Beaverton School District, North Clackamas School District.

No one Public Owner can achieve on the goals of C2P2 on their own. Public Owners must work together and coordinate their efforts in a way that creates demand for targeted workers. Public Owners can further amplify their impact by collaborating with the Trades, contractors, industry groups, minority-owned firms, community-based organizations, and others, to achieve common goals. If successful, these collaborations can create a truly regional approach, a robust pipeline of work, a demand for workers, and an unprecedented opportunity to place targeted workers into career path jobs and a chance at economic prosperity.

Workgroup Overview

The Workgroup's activities approached these tasks in three phases.

Phase I (Building a Foundation): The first Phase focused on building working relationships and trust among Workgroup members. The Workgroup assessed the Greater Portland region's construction careers ecosystem, reviewed Best Practices from other regions, and established subgroups (Goals and Accountability, Driving Demand, and Creating Supply) to address deficiencies and gaps, and make recommendations for a potential Regional Framework. Metro concurrently convened an external stakeholder engagement process which engaged labor, minority contractors, pre-apprenticeship programs, community-based organizations, general contractors, and sub-contractors. The process enabled Workgroup members to hear from stakeholder representatives to better inform their recommendations. The Workgroup heard presentations from the National Association of Minority Contractors Oregon (NAMC-Oregon), Oregon Tradeswomen, Inc., and Mortensen Construction.

Phase I ran from July through October 2018.

Phase II (Identify and Develop Opportunities): The second Phase focused on the development of recommendations to diversify the construction workforce. The Workgroup engaged with external stakeholders and executive-level agency staff on issues such as funding, monitoring, and implementation. Julian Gross, a San Francisco-based attorney, conducted a workshop on Project Labor Agreements. Kelly Haines, of Worksystems, Inc., presented strategies to collectively fund workforce recruiting, training, and retention efforts in the region. Finally, the Workgroup delved more deeply into three topics (Goals and Thresholds, Superseding Agreement, and Regional Collaboration) to discuss and make recommendations

for how to approach and implement these items on an agency by agency basis as well as regionally.

Phase II ran from November 2018 through May 2019.

Phase III (Implementation): The Workgroup discussed the process for signing on to the recommendations in the Regional Framework. Public Owners also heard presentations from the Metropolitan Alliance for Workforce Equity (MAWE), Oregon Tradeswomen, Professional Development Business Group (PDBG), and Hoffman Construction. Finally, Public Owners discussed the next phase of C2P2, which includes the creation of a Regional Implementation Committee that will develop an action plan for implementing and adopting the recommendations of the Framework within each agency and coordinating on a regional scale. Close coordination is needed to ensure that efforts and investments are aligned, and that a structure is in place to address and troubleshoot emerging issues in real time.

Phase III ran from June through August 2019.

Toolkit Overview

The Toolkit sets forth various approaches that are crucial to creating a truly diverse construction careers ecosystem.

The Toolkit contains the following sections:

Section I (Key Terms) defines common terms used throughout the Toolkit to promote common language and understanding of key concepts.

Section II (How to use this document) provides guidance on how key stakeholders such as organizational leaders, Workgroup representatives, and legal and/or procurement staff, can use this document to advance workforce diversity goals within their agencies.

Section III (Thresholds and Goals) outlines regional targeted hire goals and thresholds. Targeted hire goals are numeric goals aimed at increasing the participation of women and people of color in the construction workforce. The targeted hire goals ensure that Public Owners are doing business with Developer/Prime Contractors who are committed to providing

workforce-training opportunities, diversifying the supply of workers, and allocating contracting dollars to support fair and equal opportunities for the region's diverse populations. This Section also suggests project cost thresholds at which workforce diversity goals and other policies should apply.

Section IV (Roles and Responsibilities) details potential roles and responsibilities that Public Owners, Developer/Prime Contractors, and Trades should consider when implementing the strategies contained in the Regional Framework. The responsibilities outlined in the Toolkit ensure that all parties will make reasonable and necessary efforts to recruit, train, and employ a workforce that reflects the diversity of the region.

Section V (Workforce Agreement) outlines terms that can advance the recruitment and employment of a skilled, diverse workforce, and should be considered as part of any future workforce agreement.

Section VI (Regional Collaboration) affirms the Public Owners' support for the development of a diverse construction workforce. It outlines parameters for how Public Owners can coordinate and communicate progress on their workforce diversity goals. This section also describes potential strategies to fund workforce recruitment, training, and retention over the long term and outlines clear procedures for Developers/Prime Contractors to comply with the requirements described in the Regional Toolkit.

SECTION I. KEY TERMS

- (1) **“Career Technical Education (CTE)”** also known as vocational training, connects students to vocational opportunities by providing industry-based skills in the trades, applied sciences, modern technologies, and career preparation.
- (2) **“COBID Firms”** collectively refers to firms that are minority-owned business, enterprises, woman-owned business enterprises, service-disabled veteran-owned businesses and emerging small businesses as determined by the Certification Office for Business Inclusion and Diversity (COBID).
- (3) **“Community-Based Organization”** refers to equity-oriented organizations that have fostered credible relationships with targeted communities and have demonstrated experience with workforce development programs and services.
- (4) **“Construction Career Pathways Project (C2P2) Workgroup”** refers to the group of Public Owner representatives who have convened to learn more about the barriers to entry into the construction industry and identify strategies to provide reliable career pathways – from pre-apprentice and apprentice to journey level – for people of color and women. Also see **“Public Owner(s)”**.
- (5) **“Core Worker”** refers to workers that have been on Employer’s payroll a minimum of 500 hours in the six (6) months prior to the start of the Covered Project, and on the employer’s active payroll a minimum of sixty (60) days before the start of the Covered Project.
- (6) **“Covered Project”** refer to the projects set forth in Section III of this Toolkit.
- (7) **“Creating Supply” Committee** refers to a committee of workforce recruitment and training stakeholders throughout the Portland region that will discuss strategies to better align funding and efforts across local and state workforce development and training systems.
- (8) **“Developer/Prime Contractor”** refers to: (1) a person, firm, partnership, limited liability corporation, joint venture, proprietorship, trust, association, or other entity entering into an agreement with a Public Owner for purposes of developing a public financed project, and; (2) a Contractor that has entered into a prime contract with a Public Owner. Both are used throughout the Toolkit in acknowledgement that, due to the differing nature of

work, Public Owners contract with different types of entities to build construction projects.

- (9) **“Direct Application Agreements”** refer to agreements between pre-apprenticeship training programs and labor unions to allow participants in **“State-Certified Pre-Apprenticeship Programs”** to qualify for entry into apprenticeship positions for a specific construction project if they identify as a targeted worker and demonstrate certain qualifications. These may also be known as “Direct Entry Agreements.”
- (10) **“Funder Collaborative”** refers to a potential means of pooling together and managing Public Owner funds aimed at workforce development and contractor capacity, described further in Section VI.
- (11) **“Good Faith Efforts”** refer to the practice of contractors/developers to fulfill contractual obligations to meet targeted hire goals and if unable to reach these goals, demonstrate the steps taken to try to meet them. Examples of good faith efforts are described further in Section IV.
- (12) **“Greater Portland Region”** refers to the Portland metropolitan area comprising Clackamas, Columbia, Multnomah, Washington, and Yamhill Counties in Oregon.
- (13) **“Labor Management Community Advisory Committee”** refers to the committee for certain Covered Projects that shall discuss progress on the project and resolve issues and/or concerns that may arise during the life of the project.
- (14) **“MWDBE firms”** refers to minority, women, and disadvantaged business enterprises as defined by the State of Oregon’s Certification Office for Business Inclusion and Diversity (COBID).
- (15) **“People of Color”** include, but are not limited to: Native Americans, African Americans, Asian Americans and Pacific Islanders, Latinos or Hispanics, and immigrants and refugees.³
- (16) **“Public Owner(s)”** refers to the public agencies that comprise the Construction Careers Pathways Project (C2P2) Workgroup. They include the following sixteen (16) agencies: Prosper Portland, Oregon Health Sciences University (OSHU), Port of Portland, Multnomah County, City of Portland, TriMet, Portland Public School District, Portland

³ Adapted from Metro. *Strategic Plan to Advance Racial Equity, Diversity, and Inclusion*. 2016.

State University, Portland Community College, Home Forward, City of Beaverton, Metro, Oregon Department of Transportation (ODOT), State of Oregon Bureau of Labor and Industries (BOLI), Beaverton School District, North Clackamas School District.

- (17) **“Regional Coordinating Committee”** refers to the committee tasked with regularly reviewing and advising on the implementation of the targeted hire goals. The Regional Coordinating Committee may also share best practices and discuss strategies to better align funding to meet workforce and contractor needs in the region. See Section VI for more information on the Regional Coordinating Committee.
- (18) **“Regional Implementation Committee”** refers to the Committee comprised of Public Owners who commit to developing an action plan to implement the strategies outlined in the Framework within their agencies and coordinating on a regional scale.
- (19) **“Restricted Funds”** refer to funds that cannot be used other than for its designated purposes.
- (20) **“State-Certified Pre-Apprenticeship Programs”** refer to pre-apprenticeship programs for adults and youth approved by the Oregon State Apprenticeship and Training Council (OSTAC) and certified by the Oregon Bureau of Labor and Industries (BOLI) through the Apprenticeship and Training Division (ATD). These programs include Constructing Hope, Oregon Tradeswomen (OTI), Portland Opportunities Industrialization Center (POIC), and Portland YouthBuilders.⁴
- (21) **“State-Registered Apprentices”** refer to apprentices certified by and registered with the Oregon Bureau of Labor and Industries (BOLI). In order to qualify, apprentices must meet certain basic qualifications based on age, education, and experience. State-registered Apprentice Programs require a minimum of 144 classroom hours and lab/shop training per year plus an additional 4,000 to 8,000 hours of on-the-job training.
- (22) **“Targeted Worker”** refers to individuals that identify as women and/or people of color.
- (23) **“Trade(s)”** refers to specialized occupations within the construction industry that have specific requirements for skills, on-the-job training, apprenticeship training and are often associated with a certain labor union who represent those skilled workers. The construction trades include, but are not limited to: electricians, plumbers, craft laborers, boilermakers, brick masons, carpenters, crane and tower operations, iron and steel

⁴ A complete list can be found here: https://www.oregon.gov/boli/ATD/Pages/A_AG_PreApprentice.aspx.

workers, riggers, etc.

- (24) **“Workforce Development and Contractor Capacity Fund”** refers to the centralized fund that may be managed by the Funder Collaborative comprised of pooled dollars from Public Owner(s), described further in Section VI.

SECTION II. HOW TO USE THIS DOCUMENT

Toolkit

Each section of this Toolkit provides a series of practical approaches – informed by best practices – that Public Owners may refer to when integrating the recommendations of the Framework into their relevant policies, programs, and procurement documents.

Regional Framework

The Regional Framework offers seven key strategies to create the diverse construction workforce needed to meet the projected demand generated by Public Owners in the Greater Portland region. Buy-in and collaboration of cross-sector stakeholders is essential to the success of the recommendations outlined in the Framework. The list below outlines tangible ways in which stakeholders – organizational leaders, Workgroup members, and legal, finance, and procurement staff - can meaningfully incorporate the Framework into their work. In all cases, stakeholders should continuously refer to the Toolkit (this document) for examples of how the Framework's strategies can potentially be implemented.

Organizational Leaders

Organizational leaders are uniquely positioned to articulate the values of an agency and direct staff to investigate the feasibility of various policies and initiatives. Organizational leaders can support the recommendations in the Framework in the following ways:

- A. Invite your C2P2 Representative to provide an update to your public board, council, or commission.
 1. Invite interested stakeholders (contractors, labor, community-based organizations) to provide feedback and comment.
 2. Suggest that staff establish an external Advisory Committee (comprised of interested stakeholders) to oversee the design and implementation of the Framework within your agency.

- B. Introduce a Resolution affirming support for the C2P2 Regional Framework and directing staff to review the document and incorporate its recommendations into the agency's processes and procedures.
- C. Direct staff to report on agency goals (if any) and progress towards achieving them at an upcoming public meeting.
 - 1. If your agency has goals, direct staff to publicly report on the following: (a) performance by Trade; (b) recommendations to ramp up goals; (c) recommendations to improve on current tracking systems.
 - 2. If your agency has no goals, direct staff to develop a process for adopting the goals recommended in Section III.
- D. Direct staff to engage a third-party to negotiate a Workforce Agreement with the Trades.
- E. Direct legal, finance, and procurement staff to identify eligible funds for workforce development and contractor assistance.

Workgroup Members

Each Public Owner designated two representatives to participate on the Workgroup. One representative expressed the Public Owner's policy interests, and another provided a strong understanding of contracting and procurement. These perspectives were helpful in developing the recommendations in the Regional Framework and accompanying Toolkit and will be crucial in ensuring the recommendations are widely understood and supported. Workgroup Members can further advance implementation of the Regional Framework through the following:

- A. Brief your policymaker on the Regional Framework.
 - 1. Suggest next steps for the work. Present the Regional Framework to your agency's board/council/commission.

2. Develop an implementation plan for incorporating the Regional Framework's recommendations within the agency.
- B. Brief peers in other departments on the C2P2 Regional Framework.
1. Design an internal workshop to create a culture of awareness and support within the organization.
- C. Coordinate with your fellow C2P2 Workgroup Representatives to ensure we can monitor our progress.
1. Share best practices or strategies for communicating this work to a larger audience and addressing indifferent or unsupportive stakeholders or policymakers.
 2. Leverage resources where possible. For example, if an elected official would like to hold a hearing or listening session on C2P2, consider leveraging efforts with another C2P2 agency so stakeholders do not have to attend multiple meetings on the same topic.

Legal, Finance, and Procurement Staff

Legal, Finance, and Procurement staff are essential to taking the concepts outlined in this Regional Framework and Toolkit and making them a reality.

- A. Collaborate with your C2P2 Representative to brief your policymaker and/or board/council/commission on the Regional Framework.
- B. Review the Regional Framework and identify legal considerations of implementing the recommendations within your agency.
- C. When appropriate, assign staff to determine how to implement the recommendations in the Regional Framework.

1. Develop new contract language
2. Collaborate with legal team to ensure language is legally appropriate
3. Develop a system of incentives and penalties for non-compliance
4. Conduct marketing, training, and outreach efforts to educate contractors on new and/or improved requirements
5. Provide Technical Assistance (or other supports, as needed) to MWDBE contractors

SECTION III. THRESHOLDS AND GOALS

Workforce diversity goals aim to increase employment opportunities for workers who face significant barriers to entering and thriving in the construction workforce. Setting workforce diversity goals creates an inherent demand for and places value on recruiting, training, and retaining individuals that are underrepresented in the construction industry. Approximately 23,000 people work in non-residential construction in the Greater Portland area. Four percent are female. While minorities comprise 20 percent of the construction workforce, most of these workers of color are Latino, with African Americans and Asians underrepresented in the field.⁵

Some Public Owners have already implemented targeted hire goals to address disparities in workforce diversity and supply at an agency-wide or project-by-project level. There has been limited success, however, in enforcement, data tracking, meeting targets, and alignment with other agencies across the region. Achieving meaningful workforce diversity in the construction trades for the capital projects planned over the next 5-10 years requires Public Owners to establish region-wide targeted hire goals and aligning regional efforts to recruit and retain women and people of color in the trades.

Setting these workforce diversity goals also creates opportunities for Public Owners, Developer/Prime Contractors, union and non-union labor, and workforce development partners to collaborate regionally and align workforce development strategies in more measurable, transparent, and impactful ways.

A Developer/Prime Contractor is expected to make all necessary and reasonable efforts to recruit a diverse workforce that will meaningfully increase the number of qualified women and minorities that work in the construction trades. The Developer/Prime Contractor is responsible for ensuring that Targeted Hire Goals are met depending on the project cost tiers outlined in this section. For projects with a Developer, the Developer is jointly responsible with the Prime Contractor.

⁵ Worksystems. *Portland Metro Region Construction Workforce Study*. 2018. Pg. 2.

Public Owners are mindful of the increased administrative efforts that come with implementing and tracking progress on workforce diversity goals. As such, Public Owners propose a tiered system where the amount of oversight needed varies by project size.

Project Thresholds

Public Owners should set a project cost threshold to trigger targeted hire goals and set a “tiered” system to determine tracking requirements (See Figure 1).

Any project equal to or above the project cost threshold will constitute a Covered Project. Though projects below the threshold are not subject to workforce diversity goals, some less rigorous form of tracking is recommended. Large capital projects are subject to workforce diversity goals and can trigger the full provisions of a Workforce Agreement (Section V). This tiered system is designed to ensure consistent standards across all publicly owned projects, appropriately manage the level of oversight and enforcement, and reduce burdens on contractors for smaller projects.

The threshold “tiers” recommended in this section were developed based on the Public Owner’s typical project size and cost.

- A. Public Owners should set cost thresholds based on their agency’s typical project size and cost range. The tiers in this section are recommended based on existing cost thresholds.⁶
 - 1. Agencies without project thresholds should consider and adopt the thresholds below or recommend modified thresholds taking into account an agency’s typical project size and the agency’s capacity to monitor compliance.
 - 2. Agencies with project thresholds should incorporate the recommendations of this section into their existing programs.

⁶ See [Agency Goals and Thresholds Matrix](#) for Public Owners’ existing cost thresholds and how they compare across agencies.

Figure 1: Suggested Workforce Diversity Tiers

Tiers	Cost Threshold	Requirements	Project Examples ⁷
Tier 1 – not subject to workforce diversity goals	Total project costs under \$200,000	Projects are not subject to workforce diversity goals – but tracking is highly encouraged	Minor infrastructure repairs, energy efficiency installations, retrofit improvements, street and sidewalk improvements, park preconstruction services, accessibility enhancements, transit/bike hub installations (e.g. Beech Park, Wilkes Park)
Tier 2 – subject to workforce diversity goals	Total project costs equaling \$200,000 - \$4,999,999 million	Prime and subcontractors are subject to documenting good faith efforts to meet targeted workforce diversity goals	Mid-Sized Capital Improvement Projects: Permanent site improvements, upgrades to building infrastructure, stormwater treatment improvements, sewer repair and improvements, transportation safety improvements, transportation station improvements
Tier 3 – subject to workforce diversity goals and Workforce Agreement	Total project costs above \$5 million	Subject to all provisions outlined in Workforce Agreement, including targeted workforce diversity goals	Mid-Sized to Major Capital Improvement Projects: Large scale infrastructure developments, transportation infrastructure improvements

Workforce Diversity Goals

A. **Set Workforce Goals:** The following percentages shall be attained for each Covered Project.

1. A minimum of **20% of total work hours** in each apprenticeable trade shall be performed by **state-registered apprentices**.

2. A minimum of **14% of total work hours** shall be performed by **women and women-identified persons** – both journey and apprentice-level workers in each trade.
 - i. Optional: Public Owners may wish set separate apprentice and journey-level goals for women in order to create a higher entry rate for women and grow the regional pipeline of diverse workers. For example: 14% apprentice female; 10% journey female.
3. A minimum of **25% total work hours** shall be performed by **persons of color** – both journey and apprentice level workers in each trade.

Optional: Public Owners may wish set separate apprentice and journey-level goals for persons of color in order to create a higher entry rate for persons of color and grow the regional pipeline of diverse workers. For example: 25% apprentice person of color; 20% journey person of color.

1. The data to track these goals should be set and disaggregated by trade categories so that Public Owners can continue to identify ecosystem gaps within individual trades to increase recruitment and retention efforts.
 2. If a person is both a woman and a person of color, their participation should count towards both goals.
- B. **Restricted Funds:** For restricted funds (e.g. federal funds), workforce diversity goals should be applied on an aspirational basis.⁸
- C. **“Ramp up” Period:** Public Owners acknowledge that achieving workforce diversity goals will take time and collaborative effort among regional partners. A “ramp up” period should be implemented to ensure Developer/Prime Contractors can meet the targeted hire goals for women and persons of color. For example: a ramp up period of seven (7) years, with targeted hire interim goals increasing annually, and periodic reviews conducted every two (2) years to evaluate progress. This ramp-up period is important to

⁸ Where the application of these goals be inconsistent with the terms or conditions of a grant, the Public Owner shall segregate these funds to maximize the application of these goals.

ensure success towards reaching targeted hire goals and building a pipeline of workers that reflects the diversity of the region.

1. Workforce Participation Ramp-Up Schedule ⁹

- i. **Women:** Female construction workforce participation in the region is currently around 7%¹⁰, which serves as the starting point for this ramp-up schedule. This floor reflects the average current participation.

Figure 2: Female Diversity “Ramp Up” Schedule (Example)

Year After Policy Effective Date	Participation Level for Project Work Hours
0-1	7%
1-2	8%
Periodic Review (Year 2)	9%
2-3	9%
3-4	10%
4-5	12%
5-6	14%
Periodic Review (Year 7)	14%

⁹ The City of San Francisco's Local Hire Construction Policies' Local Hiring Requirements (2010) include the following provisions: "the initial mandatory participation level is 20% of all project work hours within each trade performed by local residents, with no less than 10% of all project work hours within each trade performed by disadvantaged workers. Subject to the period review process set forth below, the mandatory participation level for project work hours shall increase annually over seven years up to a mandatory participation level of 50% of project work hours within each trade performed by local residents, with no less than 25% of all project work hours within each trade performed by disadvantaged workers."

¹⁰ Metro. *Strategic plan to advance racial equity, diversity, and inclusion*. June 2016.

<https://www.oregonmetro.gov/sites/default/files/2017/10/05/Strategic-plan-advance-racial-equity-diversity-inclusion-16087-20160613.pdf>.

- ii. **Persons of Color:** Minority construction workforce participation in the region is currently around 20%, which serves as the starting point for this ramp-up schedule. This floor reflects the average current participation.

**Figure 3: Persons of Color Diversity “Ramp Up” Schedule
(Example)**

Year After Policy Effective Date	Participation Level for Project Work Hours
0-1	20%
1-2	21%
Periodic Review (Year 2)	22%
2-3	22%
3-4	23%
4-5	24%
5-6	25%
Periodic Review (Year 7)	25%

- D. **Regional Coordination:** While the enforcement authority for individual projects will remain within individual agencies, a regional body such as the Regional Coordinating Committee (Section VI) should review performance on a periodic basis and suggest strategies for improvement.

SECTION IV. ROLES AND RESPONSIBILITIES

This section provides a non-exhaustive list of the roles and responsibilities Public Owners, Developer/Contractors, and the Trades should assume to foster a diverse construction workforce. Roles and responsibilities provide clarity and define expectations among stakeholders and promote the alignment of efforts.

Roles and Responsibilities for Public Owner(s)

- A. **Set Clear Goals:** Public Owners should set clear, enforceable workforce diversity goals for construction contracts (Section III). Public Owners that already have set goals should implement tracking and enforcement mechanisms to ensure Developer/Contractors are contractually motivated to perform accordingly.
- B. **Negotiate a Workforce Agreement to deliver diversity goals:** Public Owners should direct a third party to negotiate a Workforce Agreement with the local construction labor unions, and other partners, as necessary. The purpose of the Workforce Agreement includes:
 - 1. Ensuring an adequate skilled and diverse labor pool;
 - 2. Promoting labor peace and an efficient and binding procedure in the case of labor disputes;
 - 3. Ensuring projects are completed on time and on schedule for the benefit of all Greater Portland residents.
- C. **Align Procurement Documents:** Public Owners should direct staff to review their standard procurement documents and incorporate workforce diversity goals language into contracts used for Covered Projects. In addition, Public Owners should also ensure Developer/Prime Contractors have clear guidance on how to meet goals.

D. **Provide a Contractor Checklist:** The Checklist is a summary of key contractual obligations for Developer/Prime Contractors working on a Covered Projects. Public Owners should adopt similar (and to the extent possible, identical) checklists to create predictability and minimize administrative burden for Developer/Prime Contractors. The checklist should include, at minimum, the following:

1. A description of Public Owner's commitment to workforce diversity and reference relevant agreements/ordinances to ensure procurement is aligned with existing policies.
2. An outline of actions necessary to meet targeted hire requirements for Developer/Prime Contractors and subcontractors.
3. List of documentation necessary to demonstrate "good faith" efforts to achieve the targeted hire goals. Provide templates, if applicable. Good faith efforts are described later in this section under "Roles and Responsibilities for Developer/Prime Contractors."
4. Description of regular reporting procedures for Public Owners to track progress on workforce diversity goals. Reporting procedures should be selected to minimize administrative burden on Developer/Prime Contractors.
5. Clearly outline processes and remedies an Owner can employ if a Developer/Prime Contractor does not comply with the requirements.
6. Provide a list of qualified jobs coordinators, community-based organizations, workforce development partners and technical assistance providers that are available to the Developer/Prime Contractor throughout the life of the project.
7. Guidance on approved workplace training curriculum to address construction job site culture, and list of steps to implement curriculum at a given job site.¹¹

¹¹ Public Owners noted several existing resources that could be applied regionally, such as Green Dot, which provides a curriculum to address bullying, harassment, hazing, and other forms of aggression in Portland's construction trades.

E. **Adopt Tracking Systems:** Public Owners should utilize a software tracking system (e.g. Elations, LCPtracker, B2GNow) to streamline reporting and compliance. Adopting a data-driven approach will facilitate the enforcement of targeted hire goals and help Developers/Prime Contractors troubleshoot any issues that may arise. Public Owners can elect one of several options to track workforce data. Public Owners may elect to approach coordinated tracking in one of the following ways:

1. All Public Owners adopt the same tracking system.
2. Public Owners use different tracking systems; smaller agencies contract with larger agencies to conduct their tracking.¹²
3. Every agency selects its own tracking system.
4. Regardless of which option Public Owners select (1-3), they should at minimum commit to collecting the same types of data. Suggested data points are below:

Figure 4: Suggested Data Points

Category	Suggested Data Points
Project Information	<ol style="list-style-type: none">1. Name of and Type of Project2. Total Project Cost3. Project Threshold – Tier 1, Tier 2, Tier 3 (Section III)4. Construction Start Date
Contractor Information	<ol style="list-style-type: none">1. Name of Developer/Prime Contractor2. List of Subcontractor(s)
Workforce Diversity ¹³	<ol style="list-style-type: none">1. Apprenticeship Utilization – by trade and by contractor<ol style="list-style-type: none">a. Number of Workers and Percentage of Project Work Hours

¹² Smaller agencies may consider the option of entering into agreements with larger agencies to help track and align workforce data, as is the case with Home Forward and the City of Portland.

¹³ See City of Portland Housing Bureau Workforce Reports as an example of workforce utilization data that is disaggregated by race/ethnicity and pulls out specific data on women of color and female apprentices: <https://www.portlandoregon.gov/phb/article/653827>. Metro's Regional Construction Workforce Market Study also provides a sample Construction Workforce Utilization Report Template (p. 21) that is disaggregated by gender and race/ethnicity: <https://www.oregonmetro.gov/sites/default/files/2018/07/02/C2P2-regional-construction-workforce-market-study-07022018.pdf>.

	<ol style="list-style-type: none"> 2. Female Utilization – apprentice, journey-level, by trade, and by contractor <ol style="list-style-type: none"> a. Number of Workers and Percentage of Project Work Hours b. Disaggregated by Race/Ethnicity 3. People of Color Utilization – apprentice, journey-level, by trade, and by contractor <ol style="list-style-type: none"> a. Number of Workers and Percentage of Project Work Hours b. Disaggregated by Race/Ethnicity 4. Subcontractor Utilization – MWDBE firms 5. Union or Non-Union Workers
Craft Utilization	<ol style="list-style-type: none"> 1. Types of Skilled Crafts 2. Types of Trades
Referrals	<ol style="list-style-type: none"> 1. Community-Based Organizations and Pre-Apprenticeship Training Programs Contacted 2. Number of Referrals from Community-Based Organizations and Pre-Apprenticeship Training Programs

F. Require a Workplace Harassment Prevention Program: Public Owners should require an approved workplace harassment prevention strategy, such as Alteristic's Green Dot Program¹⁴, to ensure all employees, regardless of race, gender, or creed, are guaranteed a safe and respectful working environment. Contractors should work with the Trades and Public Owners to develop comprehensive training and intervention processes for worksites.

G. Determine and Enforce Consequences for Non-Compliance: Public Owners should define consequences for non-compliance with workforce diversity requirements. Consequences listed below would only be levied in the case of a serious breach of

¹⁴ Alteristic's Green Dot Violence Prevention program is a bystander intervention strategy that aims to prevent and reduce power-based personal violence at school campuses and workplace environments, including sexual harassment and bullying. Green Dot develops curriculum and training materials using strategic planning, bystander mobilization, interpersonal communication, and coalition building. The Green Dot program was successfully implemented as part of the project labor agreement for the Multnomah County Central Courthouse and can be a model adapted for projects and jobsites across the region. More information can be found at: <https://alteristic.org/services/green-dot/>.

workforce requirements (as determined by individual agencies):

1. Withhold all of parts of any progress payment or payments from Developer/Prime Contractor until parties comply.
2. Retain sums as liquidated damages: Liquidated damages can be calculated to be equal to the average project wage for each hour the project fell short of the requirement. Damages collected can be used by Public Owner to support hiring goals, recruitment and retention, and job training efforts.
3. Declaration of Non-Responsible Contractor and Notification of Possible Debarment: Declare a party that substantially and consistently violates the workforce diversity goals and/or Workforce Agreement (as applicable) to be a Non-Responsible Developer/Prime Contractor who should be disqualified from bidding on and receiving other Public Owner contracts for a period.

H. **Encourage Alignment of Career Technical Education Efforts:** Public Owners, such as Beaverton School District, North Clackamas School District, Portland Community College, and Portland Public Schools are in the unique position of managing construction funds *and* providing Career Technical Education (CTE) in the construction trades. These Public Owners, along with BOLI, play a key role in ensuring CTE curriculum aligns with the current and future construction workforce needs of the region. These Public Owners can and should consider themselves as an important source of new construction workers specifically focused on efforts that will engage women and people of color in schools, that can meet the workforce demand generated by public projects.

1. Consider forming a **“Creating Supply” Committee**, comprised of K-14, workforce development agencies, state agencies, workforce training providers, community-based organizations, etc. The Committee should meet periodically to develop strategies to further align the workforce development systems around the common goal of diversifying the construction workforce. Their efforts can include the following.

- i. Review the findings of the Metro Market Study and craft a detailed regional strategy to meet projected demand for a diverse construction workforce.
 - ii. Strengthen relationships among CTE and workforce development organizations and industry partners, to create and support initiatives related to increasing diversity in the trades.
 - iii. Ensure alignment among various agencies to provide oversight and authority over new funding allocations.
 - iv. Align outreach and engagement efforts among CTE programs, industry partners, and labor unions to strengthen support and improve quality and quantity of women and people of color who are workforce-ready graduates.
- I. **Invest in Supply:** All Public Owners should make a joint commitment to fund workforce recruitment, training, and retention efforts in the region. See (Section VI) for approaches to funding supply.
- J. **Acknowledge and Encourage High Performing Developer/Prime Contractors:** Any Developer/Prime Contractor and subcontractors that exceed each of the hiring requirements by 5% or more of the required hours, and that has complied with the other terms, should be commended by the Public Owner as a highly responsible Developer/Contractor. Public Owners should consider publishing a list annually to recognize these highly responsible Developer/Contractors.
 - 1. Public Owners should also consider awarding additional points in the bidding process to Developer/Prime Contractors that are able to demonstrate success in complying with workforce diversity goals on future construction bids.

- K. **Coordinate Efforts Regionally:** While implementation and enforcement authority will remain within individual agencies, Public Owners should convene a Regional Coordinating Committee (Section VI) to review and monitor progress towards targeted hire goals and discuss relevant issues of regionwide significance.
- L. **Monitor Outcomes of Workforce Agreement:** Public Owners should periodically assess the trades' performance on the Workforce Agreement and make recommendations for improved performance.

Roles and Responsibilities for Developer/Prime Contractors

- A. **Meet Workforce Requirements:** Public Owners have prioritized workforce diversity as an outcome of projects. As such, Developer/Prime Contractors should aim to meet the goals as they would any other contractual aspect of the project.

If a Developer/Prime Contractor has not met workforce diversity goals, but has satisfied each of the activities below, the Developer/Prime Contractor has met the requirements of the policy and program. These are known as “good faith” efforts.

1. **Hiring Schedule:** Developer/Prime Contractor should submit to Public Owner a Hiring Schedule to establish approximate hiring timetable of construction workforce to provide basis for workforce demand and to satisfy requirements.
2. **Craft Request Form:** Developer/Prime Contractor should submit a Craft Request Form to request workers from union(s). The union(s) shall agree to accept and utilize the Craft Request Form and all the procedures outlined therein, including providing referrals of targeted workers (i.e. people of color and women) for Developer/Prime Contractor to meet targeted hire goals on a priority basis. Developer/Prime Contractor is responsible for keeping accurate documentation of forms submitted, including time and date transmitted.
3. **Pre-Construction Orientation:** Developer/Prime Contractor should convene an orientation with the Public Owner to discuss requirements of workforce

diversity goals, workforce agreement (if applicable), documentation, and reporting to ensure project compliance.

4. **Pre-Bid Construction Meeting:** Developer/Prime Contractor should convene a meeting to educate the construction project manager and subcontractors about hiring requirements and goals of the Workforce Agreement and workforce diversity goals.
 5. **MWDBE Engagement:** Developer/Prime Contractors should engage with MWDBE firms regularly to discuss how they can collaborate in achieving workforce diversity goals. Developer/Prime Contractors may choose to engage in a variety of ways such as pre-bid open houses and other outreach events.
 6. **Jobs Coordination:** Developer/Prime Contractor should engage in Jobs Coordination activities to facilitate the implementation of targeted hire requirements. The activities can be performed in-house or the Developer/Prime Contractor can elect from list of pre-qualified firms who will facilitate the implementation of targeted hire requirements.
 7. **Workplace Harassment Prevention Program:** Developer/Prime Contractor should implement an approved mandatory workplace training plan for contractors, staff, foremen, leads, and workers. The training plan should include policies and procedures around how workplace grievances are addressed, such as Alteristic's Green Dot Program.¹⁵
- B. **Implement Workplace Harassment Prevention Program:** Developer/Prime Contractor should implement a comprehensive workplace harassment prevention strategy, such as the Green Dot Program, to ensure all employees, regardless of race, gender, or creed, are guaranteed a safe and respectful working environment. The strategy will include in-person training for supervisors and employees (permanent and temporary), as well as meaningful policies and procedures for

¹⁵ See footnote #14.

employees in need of recourse.

- C. **Develop Partnerships with Workforce Organizations:** Developer/Prime Contractors should develop meaningful partnerships with organizations that have demonstrated experience working with historically disadvantaged populations and have knowledge of workforce recruitment and retention. Developer/Prime Contractors should utilize these partnerships to facilitate the following:

1. Create a database or list of pre-qualified targeted workers for referral to work on specific projects.
2. Access networks of work source centers, community, non-profit, and faith-based organizations to help identify targeted workers.
3. Facilitate referral and coordination of training and employment of targeted workers among contractors, unions, and training programs,

Roles and Responsibilities for Trades

- A. **Demonstrate Commitment to Workforce Diversity Goals:** The Trades agree to dispatch workers in a manner that best supports Public Owners' workforce diversity goals for people of color and women.
- B. **Fund an Equity Officer:** The Trades agree to jointly fund an Equity Officer who can oversee the design, coordination, and implementation of efforts to address systemic, racial, and gender disparities in the Trades.
- i. The Trades may wish to collaborate with other stakeholders to jointly fund these efforts by identifying additional grant funding sources.
- C. **Implement Workplace Harassment Prevention Program:** The Trades should implement a comprehensive workplace harassment prevention program to ensure all members, regardless of race, gender, or creed, are guaranteed a safe and respectful

work environment. The strategy will include in-person training for members of all ranks as well as meaningful policies and procedures for aggrieved members in need of recourse, such as Alteristic's Green Dot Program.¹⁶

- D. **Develop Partnerships with Workforce Organizations:** The Trades should develop meaningful partnerships with organizations that have demonstrated experience working with historically disadvantaged populations and have knowledge of workforce recruitment and retention. These organizations can and should be a source of pre-apprentice and apprentice level recruitment.
- E. **Establish Direct Application Agreements:** The Trades should enter into Direct Application Agreements with registered pre-apprenticeship programs and community- based organizations with credible relationships in targeted communities. Direct Application agreements modify the apprenticeship entry process by allowing pre-apprentices to bypass the rank list in order to access an apprenticeship program - provided they meet minimum qualifications.¹⁷
- F. **Develop and Strengthen Pathways in the Trades:** The Trades should continue to work with the K-12 and Community Colleges to align and strengthen Career Technical Education (CTE) and develop direct pathways for graduates into the Trades.

¹⁶ See footnote #13

¹⁷ Direct Application refers to a change in application procedures that allows select qualified individuals to apply to the apprenticeship program at any time during the year. This procedure allows for applicants to be tested and interviewed right away rather than waiting for a public application opening. This procedure is currently in place at IBEW Local 48/NECA and approved by BOLI.

SECTION V. WORKFORCE AGREEMENT

Union trades can be effective partners in delivering on workforce goals. Workforce Agreements are enforceable contracts that govern the terms and conditions of employment for all workers - union and non-union - on a given construction project. They serve as a useful mechanism to align practices to ensure diversity goals are met and these agreements allow for clear tracking and monitoring of contractors by Public Owners, community, and minority firms. A Workforce Agreement also avoids costly delays due to labor disputes or shortages of workers, and contractually ensures that publicly funded projects are completed on time and on schedule for the benefit of taxpayers. A Workforce Agreement offers Public Owners increased oversight of numerous contractors and unions on large Covered Projects. It also creates a structure and process for contractors, both union and non-union, to diversify their workforce in a manner that reflects the diversity of their region.

Workforce Agreements vary in size, scope, and signatories. While some Workforce Agreements are applicable to one project, or multiple related projects, others can apply on an agency or region-wide basis. Public Agencies can be a signatory to a Workforce Agreement along with contractors and trade unions. Public Agencies can also direct a winning contractor to negotiate a Workforce Agreement with the unions while not being a party to the agreement.

Key Terms

Regardless of the structure of the Workforce Agreement, the following terms are critical to achieving workforce diversity goals:

- A. **Dispatch Diverse Workers First:** Trades must agree to dispatch workers in a manner that best supports Public Owners' workforce diversity goals for people of color and women, regardless of the parties to or scope of the Workforce Agreement. This means reaching down into the list of available workers to dispatch people of color and women to a job site when requested, rather than dispatching the first people on the list.

- B. **Ability to Use Core Workers:** All hiring beyond core workers is done through a union hiring hall. The Trades agree to refer qualified targeted hire workers to the contractor based on the contractor's craft request form. If the Trades cannot supply a qualified worker within 48 hours, then the contractor is free to hire from other sources.
1. Employers who do not have a collective bargaining agreement with the signatory unions on this Workforce Agreement but are a party to this Workforce Agreement may employ their own core employee craft workers.
 2. For open shop contractors who are signatory to this Workforce Agreement, the limits on Core Employees shall be as follows: the first two (2) workers shall be Core Employees; the next two (2) craft workers shall be union referrals. Thereafter, dispatch may alternate Core Employees and union referred employees on a one-for-one (1:1) basis, with the Core Employee total number not to exceed 50% plus one worker of the Employer's craft workforce, or otherwise by mutual agreement of the Employer and Union.¹⁸
- C. **Protections for MWDBE contractors:** All qualified MWDBE contractors will be allowed to bid on projects subject to Workforce Agreement, without regard to whether they are otherwise parties to collective bargaining agreements. Furthermore, MWDBE contractors will be able to use a specified number of core workers, but must adhere to workforce diversity goals.¹⁹
- D. **Cost Control Mechanism / Rule of Three:** If the Developer/Prime Contractor receives subcontractor bids that result in the Covered Project exceeding 10% of the total expected project cost, then, for those subcontracts with fewer than three (3) bidders, the Developer/Prime Contractor will be granted a 10-day re-bid period to identify and encourage additional bidders on those subcontracts. If, after the re-bid period, there are still fewer than three (3) bidders for those subcontracts, then the Developer/Prime Contractor may re-bid those subcontracts outside of the requirements of the Workforce Agreement.

¹⁸ Multnomah Central Courthouse Project Labor Agreement (2017).

¹⁹ To be negotiated as part of multi-jurisdictional project labor agreement process.

- E. **No Strike/No Lockout:** The Workforce Agreement shall provide guarantees against work stoppages, strikes, lock-outs, and other disruptions.
- F. **Labor Management Community Oversight Committee:** The purpose of the Labor Management Community Oversight Committee is to ensure transparency and accountability and to discuss and resolve issues and/or concerns that may arise during the life of the project, such as:
1. Workplace grievances including reporting on workplace climate assessments. Workplace anti-harassment training attendance, and complaints and issues arising from harassment, bullying or other forms of workplace issues.
 2. Oversee compliance with targeted hire goals and other agreement terms;
 3. The Oversight Committee shall be comprised of the following representatives as applicable: Public Owner(s), signatory Unions, Developer/Prime Contractor, MWDBE Contractors, and community based organizations with demonstrated experience working with and serving racial and ethnic minorities, women, and low-income persons in construction, including diverse contractors and workers.
 4. Provide periodic updates to the Regional Coordinating Committee (Section VI).
- G. **Outreach, Training and Retention:** The Trades shall, at minimum, conduct the following outreach activities.
1. Active recruitment of women and people of color;
 2. Direct Application/Direct Entry Agreements with pre-apprenticeship programs that train people of color and women
 3. Develop strategies to ensure recruited workers are fully trained and prepared to enter the workforce as journey level skill workers in their respective trades through strategies such as mentorship programs and support networks.

- H. **Consequences of Noncompliance:** The Workforce Agreement shall have clear consequences for Trades or Contractors that are unable to demonstrate “good faith” efforts towards meeting the terms of the Agreement. Consequences can include the termination of the Workforce Agreement for a given craft or contractor.
- I. **Workplace Harassment Prevention Program:** All Contractors subject to a Workforce Agreement shall implement an approved workplace harassment prevention program to ensure all workers, regardless of race, gender, or creed, are guaranteed a safe and respectful work environment. The strategy will include in-person training for workers of all ranks well as meaningful policies and procedures for aggrieved workers in need of recourse.
1. Contractors and Trades agree to support a worksite monitoring and intervention program like Occupational Safety and Health Administration (OSHA) ten-hour program, including reporting employee complaints, issues with contractors, additional training to stewards and foremen on positive job site culture and intervening on harassment and bullying.
- J. **Track Workforce Participation:** Trades agree to collect and report data to Public Owners on the demographics of their apprentice and journey level members.
- K. **Review Progress on Goals:** The Workforce Agreement shall be reviewed for effectiveness in diversifying the workforce two (2) years from the original signature date. The review will examine what if any additional efforts the Trades should take to further diversity the workforce to meet targeted hire goals.

Implementation

This section will be updated based on the outcome of conversations with Public Owners and Trades.

SECTION VI. REGIONAL COLLABORATION

The success of the recommendations outlined in this document depends on implementation. Simply adopting a workforce diversity policy and Workforce Agreement does not guarantee the goals will be met. Public Owners must institutionalize a structure and process to carry out the recommendations of this Toolkit – not just within their own agency, but on a regional scale among Public Owners. Public Owners must communicate regularly to truly get a sense of their progress on their goals and calibrate efforts as necessary.

Public Owners acknowledge that a regionwide workforce diversity policy must be paired with a coordinated approach to recruitment, training, and retention of women and people of color. Public Owners must also engage labor, industry groups, and community-based organizations to address ongoing barriers that prevent people of color and women from entering the trades.

Matters of training and retention are understandably outside most Public Owners' wheelhouses. However, Public Owners can coordinate investments in workforce supply in a way that creates dedicated funding for workforce development services and helps meet their unprecedented demand for workers.

This section provides recommendations for regional collaboration around monitoring workforce goals (demand) and determining how to fund and maintain a diverse pipeline of workers (supply).

Coordinate Workforce Demand

Public Owners should establish a **Regional Coordinating Committee** comprised of agency representatives that meet regularly to review and monitor progress towards targeted hire goals and discuss relevant issues of regionwide significance. Understanding that agencies will have different levels of staff capacity and resources to contribute to the Committee, the purpose is not to create undue administrative burden on agencies to conduct additional enforcement procedures, but rather to align and coordinate workforce diversification efforts on a regional

scale. Enforcement authority for Covered Projects will remain within individual agencies.

The formal structure and functions of the Regional Coordinating Committee may include the following elements:

A. Committee Structure

1. **Agency Representation:** The Committee will be comprised of Public Owner representatives who are knowledgeable about contracting equity, purchasing, workforce development, and upcoming capital projects. The Committee will also include representatives from Labor and Community Based Organizations.
2. **Meeting Frequency:** The Committee will convene regularly (e.g. twice a year) to report on progress made towards targeted hire goals across agencies and projects.
3. **Lead Convener:** Public Owners recommend that Metro, given the agency's leadership in convening the C2P2 Workgroup, be the lead convener for this Coordinating Committee.

B. Primary Functions

1. **Compile Regional Workforce Data:** Public Owners will collect their own workforce data and agency representatives will submit and share this data with the Committee to create a collective "snapshot" of the region's performance and progress towards targeted hire goals.
2. **Review and Adjust Ramp-Up Schedules:** Periodically review ramp-up schedules for workforce participation (Section III) and recommend timeline adjustments if necessary.
3. **Address and Troubleshoot Challenges from Contractors/Trades:** Evaluate how individual contractors and specialized trades are performing on workforce diversity, identify problem areas and pressure points related to

targeted hire goals, and share strategies and best practices to improve performance.

4. **Ensure Transparency and Data Accessibility:** Aggregated workforce data should be made accessible to the public online in a transparent and consistent manner and reported to appropriate agency Boards and Commissions.
5. **Analyze and Share Workforce Data Snapshot:** Agencies may also consider sharing in the cost of procuring a third-party firm to conduct annual reports of how agencies, contractors, and trades are performing on a yearly basis.
6. **Coordinate Funding and Resources:** Coordinate and, if possible, leverage funding and programmatic resources to support a qualified, diverse workforce (See Coordinate Workforce Supply below).
7. **Convene External Stakeholders:** Agency representatives may also consider arranging occasional convenings with labor, trades, supply-side and workforce partners to identify workforce gaps and discuss potential strategies.

Coordinate Workforce Supply

In order to address barriers to entry for women and people of color into the construction trades, Public Owners should collaborate on funding strategies to ensure a consistent pipeline of diverse workers into construction careers. Supply-side strategies refer to the types of services needed to create a diverse, skilled workforce. They include recruitment, training, retention, and other support services. These concepts are explained in detail in Worksystems' concept memo *Investing in a Diverse Construction Workforce Supply* (see Appendix).

Public Owners must financially support supply-side strategies to create the workforce they need to meet construction demand. Worksystems' memo notes that if recruitment and retention rates

remain the same, the region will need to fund 5,530 pre-apprentices at a cost of \$20.4 million annually.²⁰ However, if there are improvements entry and recruitment rates, the region would only need to fund 2,540 pre-apprentices at \$10.6 million annually.²¹ In other words, if Public Owners ramp up their support of workforce organizations now, they can close the workforce gap and save money over the long term.

Public Owners should direct funds towards increasing the number of qualified women and people of color in the construction industry. Public Owners may elect one of several options listed in this section, but should make a commitment to facilitate secure and continuous investment in these strategies.

A. Establish a **Funder Collaborative**

1. A Funder Collaborative is comprised of multiple funders with common goals pooling their resources into a **Workforce Development and Contractor Capacity Fund**. The fund is managed by a single intermediary. A single intermediary creates efficiencies in fund management and can fund complementary – not duplicative – initiatives.²²
2. Representatives from each of the participating Public Owners help set strategy and vote on funding decisions. Money from the fund is disbursed without distinguishing from the original donor.
3. Public Owners can partner with philanthropy and other donors to grow the capacity of the fund.
4. The intermediary can be a standalone organization knowledgeable in managing these types of initiatives or potentially one public agency contracted to provide the capacity for this collaborative. The day-to-day work of the Funder

²⁰ Kelly Haines, Nick Knudsen, Andrew McGough (Worksystems) and Noelle Dobson (Metro). *C2P2 Regional Framework: Concepts for Investing in a Diverse Construction Workforce Supply*. 2018. pg 2.

²¹ Kelly Haines, Nick Knudsen, Andrew McGough (Worksystems) and Noelle Dobson (Metro). *C2P2 Regional Framework: Concepts for Investing in a Diverse Construction Workforce Supply*. 2018. pg. 2.

²² More information on Funder Collaboratives can be found here:
http://www.grantcraft.org/assets/content/resources/funder_collaboratives_secure.pdf

Collaborative will be managed by staff hired by this effort, who will assume the following tasks.

- i. Analyze and evaluate regional workforce development and contractor needs to determine the most effective grant making strategy.
- ii. Issue Request for Proposals (RFP) for services.
- iii. Grantee Management.
- iv. Develop clear and transparent metrics to evaluate the Collaborative's success.
- v. Seek additional funding (private, philanthropic sources) as appropriate.

B. Establish a Set-Aside Fund

1. Public Owners may also consider setting aside at least one percent (1%) of their capital project budget for workforce development and contractor support services. Public Owners would manage their funds internally.²³
2. Public Owners reserve the right to allocate the 1% among workforce development, contractor technical assistance, and compliance based on the needs of their contractor base and workforce. An example of a recommended allocation is: ²⁴
 - i. 0.5% to workforce development programs
 - ii. 0.25% to MWDBE contractor technical assistance
 - iii. 0.25% to compliance.
3. To align efforts and learn from best practices, Public Owners should share their grantmaking strategy with other members of the Regional Coordinating Committee (described earlier in this Section). This committee could share

²³ There are a number of 1% set-aside examples at work in the Portland Metro region and Pacific Northwest: City of Portland Community Opportunities and Enhancements Program (COEP), Multnomah County's Construction Diversity and Equity Fund (CDEF), Sound Transit Regional Apprenticeship Preparation Integrated Delivery System (RAPID), and City of Portland Community Benefits Agreements (CBA) Pilot 1% Set Aside.

²⁴ This suggested allocation is in response to Public Owner's wish for more flexibility in fund allocation and disbursement.

best practices and discuss strategies to better align funding to meet the workforce and contractor needs of the region. Public Owners, while encouraged to align funding, would not be obligated to do so, and would disburse funding independently.

C. Allow Workforce Development as an **Allowable Cost**

1. Public Owners may also adjust their procurement documents to allow Developer/Prime Contractors to allocate up to one percent (1%) of hard costs on a project toward workforce development and/or contractor technical assistance.
2. Public Owners should provide direct guidance on the types of assistance that would be considered allowable. However, this approach gives Developer/Prime contractors flexibility in electing workforce development or contractor assistance services that are directly tied to their project.

APPENDIX

Supply Memo