



Needs Assessment

This report identifies the trades/skills, workforce, DMWESB utilization and overall project needs in relation to the Portland Building Renovation, Washington Park Reservoir Improvements and 10th & SW Yamhill Garage projects.

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Introduction

On May 2, 2018 the City of Portland posted a request for applications (RFA) for grant awards to provide disadvantage, minority, women and emerging Small Business (DMWESB) with workforce development and technical and project management assistance for the Portland Building Redevelopment, Washington Park Reservoir and Yamhill Garage projects. After the informational meeting with interested parties, the City concluded that it would be helpful to provide grant applicants with more information. Synergy Resources Group (SRG) was tasked by the City's Procurement Office on May 10, 2018 to perform a high-level needs assessment on the current needs on three projects related to the Community Opportunities and Enhancement Program (COEP) Grants and present findings to inform the grant process.

Project Approach

Due to the City's timeframe, SRG employed an abbreviated approach to the needs assessment aiding in producing qualitative information that will inform the grant application process. This assessment doesn't provide a performance, financial or comparative analysis, however it does provide a confirmation of the issues facing contractors/subcontractors; what's working in recruiting and retaining workforce and MWESB firms and their current needs regarding workforce and MWESB utilization. In addition, SRG collected information beyond the needs of the Portland Building Redevelopment, Washington Park Reservoir and Yamhill Garage projects. With the City's growing project construction schedule, it was important to provide grant applicants with an overview of some of the opportunities and challenges ahead in the construction market.

Background

SRG reviewed each project's equity inclusion and diversity plan or community benefits plan; project schedule; subcontractor procurement schedule and DMWESB Utilization Plan. We reviewed and analyzed workforce and DMWESB utilization data provided by the City's Procurement Office. We found this information was not readily available and it required several requests before we received the necessary reports. SRG also reviewed the Community Benefits Agreement (CBA) Pilot Evaluation on Kelly Butte Reservoir and Interstate Maintenance Facility Renovation performed by Framework LLC.

Qualitative Collection and Analysis

SRG developed interview questions that were used to interview bureau project managers; oversight committee chairs and the general contractor's project manager assigned to each project. We sought information on the types of skilled workers / trades that are in short supply; what's working on executing the project and what's not; barriers to gaining needed skilled workers and more.

Questions were also developed and used in an electronic survey that SRG distributed to 184 contractors/subcontractors that were solicited and / or worked on any of the three projects. 25 surveys were completed for a response rate of 14%.¹

¹ Generally, surveys distributed to external audiences (e.g. customers) will receive an average of 10-15% response rate compared to a survey distributed to an internal audience (e.g. to employees) where the average response rate is 40% or more.

Following the interviews and survey, SRG summarized qualitative information as well as reviewed and analyzed the project’s DMWESB and workforce utilization data provided by the City. This report was prepared to present the findings along with recommendations that may benefit applicants in developing their project ideas for grant application submission.

Interview Summaries

Questions to the project managers and oversight committees were open ended and designed to learn about the needs of their project. We identified the appropriate contacts to request workforce and DMWESB utilization information; contractor’s procurement schedule; contractor’s solicitation plan and their contractor/subcontractor contact list. The interviews also assisted us with gaining information to develop questions for the contractor/subcontractor survey.

Portland Building

General Contractor Contact	Todd Miller, Howard S Wright, Project Manager
City Contact	Kristin Wells Project Manager
Oversight Committee Chair	Tom Reinhart, Chief Administrative Officer
Equity Diversity Plan	Yes, in place
DMWESB Utilization Data	Date of report: 4/30/18
Subcontractor Procurement Schedule	Date of report: 5/31/18 – on track per schedule
Subcontractor Solicitation Plan	Date of report: 11/15/17
Contractor’s Subcontractor Contact List	Received

Oversight Committee

The oversight committee is made up of representatives from the community appointed by the mayor. They meet quarterly to review progress, budget, schedule, scope, sustainability and social equity goals.

Tom Reinhart CAO and the Portland Building Oversight Committee Chair weighed in on the overall execution of the project. He praised the decision to use the design build governance model. The project team which is co-located at the City’s facility, consists of the contractor, designer and architect, project manager and owner’s representative. The design build approach is more efficient and effective in addressing issues as they arise or before they become a problem. One example of this is when the project team learned that the contractor’s method to track workforce and DMWESB utilization hours was different than the way the City tracked hours and it was immediately addressed. This would have shown up in an audit later had the team not resolved it. Another example of the benefits of the design build model is everyone is at the table working together on the drawings/plans which are more likely to remain the same. It’s for this reason that contractors and subcontractor like working on design build projects because the designs are less likely to change four or five times which can cost contractors in time.

When asked what type of assistance is most needed? He unequivocally responded that providing technical assistance to DMWESB’s was important to the success of the project; including back office support needed to work on public works projects.

Anecdotally, they have seen a few new sub-contractors work on the project. NAMC-Oregon and MCIP have served as a valuable link between the subcontractor and the project team. They've provided the 'translation' of the project's needs to subcontractor.

Todd Miller, Howard S Wright, Project Manager

Howard S Wright (HSW) is the General Contractor on the project and Todd Miller is the Project Manager. During the interview he provided a good summary of the market conditions in the region and how they impact this project. "The tight market has made it difficult to get three bids and there are few MWESB available in all scopes." For example, in drywall there are only two to three that have the capacity. In addition, this is a prevailing wage job which also means non-union contractors are less likely to bid. Generally, he expressed that all classifications are needed for the Portland Building that is scheduled to be completed in 2020.

When asked what trades/skills declined to bid on the Portland Building Project? Todd responded that contractors in all classifications/trades declined to bid because of the shortage. On average when it takes ten phone calls for one discipline and half of the responses are too busy and some won't be available until 2019 it takes more time to meet the workforce and DMWESB certified businesses goals. It's especially hard for small businesses because they are not set up to think about 2019 or 2020. He cited 'relationships' as an important element to recruiting subs for any project and that was the case with many that bid on this project. Many subcontractors have worked with HSW for many years and these relationships helped them meet their workforce goals.

This project uses the Design Build model which is an alternative delivery method that was new to City procurement. The collaborative approach to the project helped in sorting out the issues as they happened, however, at times working in this new environment created learning opportunities for all involved. Many times, the City was without a specific rule or procedure for this type of project requiring decisions to be made in real time. Nevertheless, the entire team learned ways to achieve their goals through collaboration which is characteristic of using the Design Build model.

MCIP and NAMC Oregon are providing construction technical assistance to small contractors on the project. Their involvement has helped 'translate' City procurement procedures for small contractors that were newer to public sector contracting. The broader goal is to help small contractors build capacity and be prepared to respond in the future to contracting opportunities.

Generally, Todd offered that there will not be enough craft workers for the expected building in the region. The current shortage is impacting the region's building costs because with fewer contractors available to bid there is less competition and it drives up the cost. One example he gave was where he used to be able to schedule 6 people to work for 6 weeks, he's now getting 5 people to work for 8 weeks, which drives up the cost and impacts the schedule. There are also fewer experienced foreman and superintendents therefore the industry is using less experienced people.

Kristin Wells, City of Portland, Project Manager

Kristin Wells concurred with Todd's comments on the difficulty in getting bids, however, overall she reported that the project started in December 2017 and is on schedule. She cited contractors do not have time on their schedules to bid or take on new work. However, the HSW's recruiting efforts are robust. The City did anticipate for inflation and higher than normal costs in their budget, due to the

workforce shortage, however, she wouldn't know if the subs rates were higher in response to the higher demand for construction.

Overall contractor/subs are meeting the aggregated workforce goals, however, it's difficult to meet the disaggregate goals. These are the highest goals the city's every set.

The project's quarterly reports can be found on the project's website which provides a good overview of the progress. Per the Portland Building Oversight Committee Quarterly Report (Jan – Mar 2018) the project is ahead of schedule and under budget.

Kristin referred SRG to several on the team for workforce reports and oversight committee information.

Washington Park Reservoir Improvements

General Contractor Contact	Carey Bubenik, Hoffman Construction, Project Manager
City Contact Project Managers	Teresa Elliott Stan Vanderbergh – didn't respond to SRG inquiries Thomas Gilman – didn't respond to SRG inquiries
Oversight Committee Chair	Teresa Elliott
Community Benefits Plan	Yes, in place
DMWESB Utilization Report	
Good Faith Program	Date of report - 4/2/18/received 6/12/18
Subcontractor Procurement Schedule	Date of report – 12/5/17
Subcontractor Solicitation Plan	Didn't receive
Contractor's Subcontractor Contact List	Received on 6/13/17 – Date of report 6/13/17

Oversight Committee

Oversight Committee chair, Teresa Elliott provided insight into the Washington Park Reservoir Project. The project is close to being on schedule, however, there have been design issues to be resolved that are no fault of the contractor. This project started two years ago with a significant amount of the work spent on the geo tech phase, thereby requiring fewer subcontractors. However, this summer they expect the concrete work to begin and it's her understanding that the workforce needed is already on board. Their committee's concern is they haven't received updated workforce and DMWESB utilization data since November 2017 due to the City transitioning to a new software system.

Teresa directed us to communicate with her project managers which could provide more day to day operational information. Unfortunately, they did not respond to SRG's inquiries.

Carey Bubenik, Project Manager with Hoffman Construction

The general contractor for Washington Park Renovation project is Hoffman Construction and Carey Bubenik is the project manager. During the interview Carey provide a good overview of the needs of the project in relation to the current market conditions. He shared that all skill classifications are needed for the job, however, they have been successful in recruiting because this phase of the project requires a small crew of up to five people. The project is making progress, and if not for the geological restrictions the project could be built much faster.

Up to this point most of the work has been completed underground but they will soon be moving into the concrete phase which is a significant portion of the project and will require masonry, carpentry and applicable labor. As he put it “there’s a tremendous shortage of workers.” He described the same challenges as the other project managers in recruiting subcontractors to bid because they simply do not have the time available. He does cite how the relationships Hoffman has with a variety of contractors has made a difference. Where contractors have relationships with Hoffman, they want to bid competitively to work with Hoffman thereby helping with their workforce and certification utilization.

It has helped to break out the work to help smaller subs bid, however, many are not set up to perform City public works projects. They must comply with the City procurement regulations which is a barrier for many subcontractors. Regulations including the workforce utilization, certified payroll, prevailing wages and City contractor license are barriers for many contractors. Carey expressed how it would be good to see the grant money used to help small contractors with back-office efficiencies and the overhead that they can’t afford. Another suggestion he had was to bring on another firm with the same scope experience to shadow the newer firm and pay the more experienced firm and new firm. He feels more subs might work on City projects if they had hands on technical assistance thereby building the capacity we will need to meet the region’s construction demand in the long term.

SW 10th & Yamhill Garage

General Contractor Contact	Aaron Braun, Howard S Wright, Project Manager
City Contact	Grant Morehead, Project Manager
Oversight Committee Chair	Teresa Elliott
Community Benefits Plan	Yes, in place
DMWESB Utilization Data	Not complete data
Subcontractor Procurement Schedule	Date of report – 11/6/17
Subcontractor Solicitation Plan	Didn’t receive
Contractor’s Subcontractor Contact List	Received on 6/11/17 – Date of report 6/13/17

Grant Moorhead, City Project Manager

Grant Morehead is the City’s project manager on the SW 10th and Yamhill Garage project that started two months ago. Delays to the project thus far have been the building permits, otherwise the contractor is progressing on schedule. When the project started the contractors were peeling back layers of construction from various tenant improvements such as five layers of flooring which caused a brief delay to conduct asbestos testing.

Similar to other City project managers, the City did plan for the potential higher costs of labor and materials due to market demand in the industry. It’s also Grant’s understanding that they anticipate their workforce and DMWESB utilization being 1-2 % over goal once the subs are on site.

Since this is a small project - \$175,000 – it does not have a separate oversight committee. The City thought it would be more efficient to join Washington Park Reservoir Oversight Committee.

Aaron Braun, Howard S Wright, Project Manager

Howard S Wright is the general contractor on the SW 10th and Yamhill Garage project and Aaron Braun is the project manager. During the interview Aaron provided a good overview of some of the challenges due to the region’s construction boom as well as the status of this project.

He expressed that all classifications are needed for this project, but masonry and carpentry are two trades that are experiencing shortages in the region. On this project they are not short subcontractors because he scheduled out with contractors five months in advance, so the contractors were able to fit the work on the Yamhill Garage into their planning cycle.

Overall the he emphasized that the shortage is serious in that we will not have enough trade/workers for the upcoming workload. “We need the next generation of younger trades/skilled people.” The unions are responding by giving incentives to older workers to keep them working longer because of the shortage. The shortage is costing the region in higher building costs because there are fewer contractors available to bid. Right now, the first thing a contractor typically asks when they are contacted to bid a job? What work is needed, where does the work take place and what is the schedule. Relationships however, make a difference in that contractors that have worked with HSW before, will bid competitively because they value the relationship.

Workforce Utilization Summary

The reports provided by the City or Contractor to SRG varied in report type and report period, therefore the data presented was not consistent. The information from these reports was used in the following table at face value. No verification of the records that produced the reports was performed.

Journey Hours – Goals 22% Minority and 6% Women			
Project	Report Period	Minority Utilization %	Women Utilization %
Portland Building	3/31/18	22.80	7.18
Washington Park	1/23/18	20.36	17.43
Yamhill Garage	4/30/18	15.5	4.48

Apprentice Hours – Goals 22% Minority and 9% Women			
Project	Report Period	Minority Utilization %	Women Utilization %
Portland Building	3/31/18	27.7	23.55
Washington Park	2/28/18	18.33	6.66
Yamhill Garage	4/30/18	15.15	15.15

Overall the Portland Building is exceeding Apprentice and Journey Worker hours, whereas Washington Park is behind in meeting their workforce goals except they are exceeding hours in women journey workers by almost 12%. The Yamhill Garage projects is behind in minority utilization for journey and apprentices and exceeding women utilization in apprentice hours. It’s important to keep in mind that the stats are in some cases three months old.

DMWESB Utilization

Based on the solicitation plan, the project managers solicited subcontractors that were available for the project. DMWESB utilization is as follows. The City’s utilization goals are 22% total with a disaggregate of Minority 12%, Women 5% and ESB 5%. The following is status of the projects per the reports submitted to SRG.

Project	Total Solicited	Disadvantaged	Minority	Women	Emerging Small Business
Portland Building	137	4	52	42	43
Washington Park	38		7	7	2
Yamhill Garage	33	1	5	8	2

The following stats are based on the reports received from the projects regarding their performance based on DMWESB utilization goals. Each project produced different presentations of the utilization data. Except for the Portland Building the reports were up to four months old therefore the performance to goal may have changed.

Project	DMWESB Goal %	Total %	Minority %	Women %
Portland Building	22	14.56%	2.87	11.15
Washington Park	22	19%	Unavailable	Unavailable
Yamhill Garage	22	21.16%	Unavailable	Unavailable

Contractor/Subcontractor Survey

The decision to use an electronic survey instead of individual interviews was due to the number of contractors/subcontractors on the distribution list and the short timeframe for completion of this project. In person interviews are SRG’s preference because of the opportunity to gather more in-depth responses. This survey was designed to collect data to assist with defining workforce development and DMWESB technical assistance needs. The survey was sent via email to each contractor directly with a link to the survey which usually results in a higher return, instead of being distributed from the survey platform. SRG included responder’s comments to provide additional insight into the business of construction.

Participant Profile

The number of contractors in the distribution list totaled 184. SRG used the list of contacts from the Contractors’ Recruitment and Outreach report. Of the **184** surveys, **25** were completed for a response rate of **14%**. As noted earlier the average response rate for an external audience survey is between **10-15%**. The results may have been higher with more time to contact contractors via phone to encourage their participation in the survey. The following is a snapshot of the participant profile.

Participant Profile	
General Contractor	1
Subcontractors	24
City Project Participant is Working	
Portland Building Renovation	15
Washington Park Reservoir	6
Yamhill Garage	7
Number of City Projects Participant has Performed	
0-3 Projects	8
4-8 Projects	5
9 or more projects	11

Trades/Skills Needed

It was important to learn from contractors / subcontractors what trades/skills are needed for the Portland Building, Washington Park Reservoir and Yamhill Garage. Project managers during the interview also highlighted **drywall, iron workers and masonry**. The following are the results from the survey. **Project managers/estimating personnel, labors, equipment operators, painters and carpenters are the top five trades/skills needed.**

What type of trades/skills are need for these projects?	Responses
Project managers/estimating personnel	9
Carpenters	3
Laborers	9
Equipment Operators (cranes, heavy equipment, etc.)	5
Concrete workers	2
Mechanics	0
Engineers	1
Traffic control	1
Painters	4
Cement mason	1
Pipe layers	1
Iron works	2
Electricians	2
Installers (drywall)	1
Plumbers	2
Sheet metal workers	2
Millwrights	0
Pipefitters/welders	1

Roofers	0
Bricklayers	0
Other Comments	13
<ul style="list-style-type: none"> • (2) Cad drawing • (2) Construction cleaners • DEQ licensed supervisors • Excavation • Floor covering installers • Foodservice facility and menu offerings consulting • Glaziers • Inspectors • Mechanical insulators (pipe & duct) • Scaffold erectors • Survey construction layout 	
Total Responders	25

In the next group are the survey results focusing on what skills/trades the contractors/subcontractors cite as in the highest demand on their other projects, private and public sectors. In comparison to the needs of the current project vs all other projects the results are different. **Laborers, Equipment operators, and electricians tied for second, Painter and Plumbers tied for third in trades/skills needed in their other projects.**

What type of trades/skills are in the highest demand on your other projects?	Responses
Project managers/estimating personnel	2
Carpenters	2
Laborers	8
Equipment Operators (cranes, heavy equipment, etc.)	4
Concrete workers	1
Mechanics	0
Engineers	1
Traffic control	0
Painters	3
Cement mason	0
Pipe layers	0
Iron works	2
Electricians	4
Installers (drywall)	0
Plumbers	3
Sheet metal workers	1

Millwrights	0
Pipefitters/welders	1
Roofers	1
Bricklayers	0
Other Comments	8
<ul style="list-style-type: none"> • Construction cleaners • Floor covering installers • Foodservice consulting • Glaziers • Inspectors • Mechanical insulators (pipe & duct) • Operators • Surveyors/Layout Tech 	
Total Responders	25

SRG proposed a question to learn how difficult it is for the contractors/subcontractors to find the workers/trades they need for all their projects. Based on the 25 responders the results show that contractors/subcontractors find it **moderately to very difficult** to find qualified labor/skilled workers.

Not at all	Slightly Difficult	Moderately Difficult	Very Difficult	Extremely Difficult
3	2	10	8	2

If it's moderately to very difficult to find qualified labor/skilled workers, then how difficult is it to find DMWESB firms? We asked the question and the results were split between **Not At All/Slightly Difficult** and **Moderately/Very/Extremely Difficult**.

Not at all	Slightly Difficult	Moderately Difficult	Very Difficult	Extremely Difficult
9	4	3	4	5

Workforce and DMWESB Utilization

The first questions on this topic asked whether the firms were meeting their DMWESB goals. They are required to report the information to the City, however, over half of the responders chose '**unknown at this time.**' This may be due to: 1) the person completing the survey doesn't know or 2) the utilization numbers are submitted to the City and they have not received a report or do not keep track internally.

Are you meeting your DMWESB Goals (as determined by the data the City collects)?	Responses
Yes	6
No	3
Unknown at this time	16

Total Responders	25
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Summary of Comments from Responders:

1. We are using MWESB firms for nearly all subcontractors, but our work is very specialized, and most must be self-performed. What is not self-performed is usually subcontracted directly by the GC to avoid dual markup.
2. One firm only has 2 people working on the job. Surveying doesn't usually take more than 2 people, and that is part time. It's hard to involve another company and have them provide employees. Not enough work for another crew, so we would have to lay off our own people or cut their hours back from 40 hours to 30.

It was important to learn what, if any, barriers exist to recruiting DMWESB firms. Of the responders almost a third of the responders selected No Barriers to recruiting and another third cited the broader issues which are fewer individuals are entering into construction trades.

What are the barriers to recruiting DMWESB firms?	Responses
Not enough certified contractors	4
Current construction demand	4
City contracting and paperwork requirements	5
Fewer individuals entering the construction trades	7
No barriers	7
Other	3
Total	25

A few of the comments from responders:

1. Lack of firms in our scope of work and uncompetitive prices
2. Too small to handle big jobs
3. Cost of apprentices

In this section we are asking, whether contractors/subcontractors are meeting their apprentices/journey goals which resulted in the same response as the previous questions about 'are you meeting the City's DMWESB goals.' Over half responded, "unknown at this time."

Are you meeting your Pre-Apprentices, Apprentices and Journey Worker goals (as determined by the data the City collects)?	Responses
Yes	8
No	5
Unknown at this time	12
Total	25

Comments from Responders:

1. This has become nearly impossible for us. Most of our apprentices have graduated and there are very few apprentices available through the union. The ones that are available are those who

have not worked out for other contractors and pose safety risks on the work that we do, which involves very large pieces of equipment in difficult access conditions. We also run 5-person crews, so it is impossible for 3 of them to be apprentices. The requirements need to be modified for different scopes.

2. We are prepared to fill the female apprenticeship hours, and already have a male apprentice on the job. As far as the female Journeyman, there are only 2 out of the 30 surveyors in the Union hall and they are both currently at other jobs they cannot leave. One firm currently has the 2 women working for them. With so few surveyors needed per job, our headcount is small even in the Union.
3. Our work is specialized and usually only requires one or two people. Having to utilize apprentices is an extreme hardship for us. We are a disadvantage business, yet we are expected to pay out thousands of dollars to have apprentices on your project to meet your quota. This isn't good business sense.

Market Conditions

With the City's construction boom and the shortage of skilled trades/labors in the region it was important to hear from contractors/subcontractors about how these conditions are impacting these projects. Over half of responders selected, **schedule** followed by **cost**, which is consistent from the interviews and SRG's anecdotal information.

How are the current market conditions impacting this public project?	Responses
Schedule	12
Cost	9
Too few schedulers	1
Other	7
Total	25

Comments from Responders:

1. It isn't impacting this project
2. Skilled people

We wanted to learn whether these same issues were impacting contractors/subcontractors on their other residential and commercial projects. The following are the responses.

Are these same issues impacting your other residential or commercial projects?	Responses
Yes	13
No	6
Unsure at this time	6
Total	25

Comments from Responders:

1. Yes, all projects have been impacted by a shortage in skilled workers, and particularly in the availability and cost of concrete and steel.
2. Only the City of Portland requires apprentices

SRG discussed with the project managers whether they found any trends in the type of trades that declined to bid because of market conditions. They indicated that all classifications declined to bid and highlighted the top three: Ironworkers, drywall and masonry. SRG added the question to the survey to learn if this was true for the broader group of contractors/subcontractors. Almost a third of the responders indicated all classifications declined to bid relative to the project with one adding **masonry** and one **electrician**. We can safely assume that due to the type of building that’s occurring in the City these two trades are in high demand.

What classifications/trades declined to bid because of market construction demands specific to this project?	Responses
Iron workers	0
Masonry	1
Drywall	0
All classifications relative to the project	9
Other	15
Total	25

Other comments from responders:

1. Electricians

Outreach and Recruitment

General Contractors on the Portland Building Renovation, Washington Park Reservoir and Yamhill Garage are required to facilitate the recruitment, retention and promotion of historically disadvantaged or underrepresented people, including racial and ethnic minorities, women, and low-income people who are interested in careers in the construction industry.²

SRG posed several questions to the contractors/subcontractors regarding recruitment and retention. In the next survey question, we learned that the top two successful recruitment strategies are **directly inviting subcontractors known to the contractor** and **sending out BID/RFP invitations directly to subcontractors**. In both cases responders are finding more success in using a targeted approach to recruitment.

What strategies are the most successful in recruiting subcontractors?	Responses
Send out BID/RFP invitations directly to subcontractors	6
Offer assistance in helping subcontractor prepare bid	1
Directly invite subcontractors known to contractor	11

² Requirement found in all three projects’ Community Benefits Plan.

Search the COBID website for potential qualified firms and contact firms via email or phone	1
Community Meetings - e.g. OAME, NAMC-OR	3
Subcontracting Fairs	1
Technical Work Sessions	1
Utilize technical assistance agreements with community organizations - e.g. MCIP	1
Daily Journal of Commerce	3
Other	7
Total	25

Comments from responders:

1. Union contacts
2. Word of mouth/Networking

In a tight market where the availability of apprentices, journey and subcontractors is challenging, it is apparent that focusing on retaining the relationships is critical. SRG posed questions to learn how contractors/subcontractors are addressing retention.

The responders selected as the top retention strategy to **provide enough hours to make it worthwhile** and tied for second is on **site job training** and **advance payment provisions where appropriate to facilitate participation of all tier DMWESBs**. **Providing technical assistance** was third followed by **opportunities to increase the utilization of small DMWESB firms on incidental work**. We expected to see maintaining a harassment free workplace scoring higher on the survey, especially with the degree of published information on this topic relating to construction job sites. Racial, sexual and general harassment on construction job sites has impacted minorities, women and apprentices on the jobsite to a degree that BOLI and ODOT issued an RFP titled BOLI/ODOT Respectful Workplaces in Highway Construction in 2015. In June 2016, the US Equal Employment Opportunity Commission (EEOC) also published a study on harassment in the workplace.

What strategies are successful in retaining apprentices, journey and subcontractors?	Responses
Maintaining a harassment free workplace	4
Providing technical assistance	7
On site job training	8
Provide enough hours to make it worthwhile	13
Negotiate pricing and secure a material supplier or group of suppliers for eligible participants on particular aspects of the Project to decrease or eliminate material pricing as a factor in the award of contracts to DMWESB firms	4
Advance payment provisions where appropriate to facilitate successful participation of all tier DMWESBs	8
Establishing projected measurable capacity building elements (e.g. additional equipment, expanded expertise, improved production efficiency, etc.)	3

Opportunities to increase the utilization of small DMWESB firms on incidental project work such as flagging, trucking/hauling, landscaping, or cleanup, for work that could be competitively solicited	5
Other	3
Total	25

Comments from responders:

1. Provide a good place to work
2. Finding the right fit
3. Providing enough hours to make it worthwhile is hard for us.

The following question is related to the same topic of recruiting/retaining, however, we wanted to learn what strategies contractors/subcontractors are using from the project’s Community Benefit Plan that are the most successful. The top two strategies selected by responders were operational in nature, by **keeping applications of qualified women and minorities and contacting them when a position becomes available** is a policy every contractor should adopt. The third strategy selected is to maintain a harassment free workplace, which is critically important to retaining employees across the board. However, one of the top five choices is **taking steps to reduce feelings of isolation among racial/ethnic minorities & women by making every attempt to have several racial and ethnic minorities and women at the job site and by informing such workers about available support systems.** This strategy goes beyond harassment free workplaces and proposes initiating steps to be intentional in the action we take to create a more inclusive workplace.

What strategies are successful in recruiting/retaining historically under-represented groups (racial/ethnic, minorities, women, low income, etc.)	Responses
Workshops with minority and women employees to enlist their assistance as recruiters and request their ideas on how to increase employment of underutilized groups	3
Allowing scheduled job site visits by participants in community programs, as safety allows, to increase awareness of job and training opportunities in the construction trades	2
Keeping applications from qualified women and minorities and contacting them when an opening occurs.	7
Keeping applications of those who were qualified and not selected for an opening and contacting those persons when an opening occurs	8
Maintaining a harassment-free work place by ensuring that employees are knowledgeable about the Prohibition Against Workplace Harassment, Discrimination and Retaliation and how to report a harassment problem	6
Providing a complete orientation to the job site to all workers, including procedures for reporting problems, and expected crew behaviors. Including posting grievance procedures (Regardless of the employee's status as union or non-union) on the job site	4

Reviewing and disseminating, at least annually, the EEO policy and affirmative action obligations with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions	3
Regularly providing cultural competency training to all managers, supervisors, and owners; conducting annual review of adherence to/performance under the Contractor's and Subcontractor's EEO policies, affirmative action obligations and cultural competency	2
Taking steps to reduce feelings of isolation among racial/ethnic minorities & women by making every attempt to have several racial and ethnic minorities and women at the job site and by informing such workers about available support systems	4
Providing adequate toilet facilities for women on the job site, by maintaining a clean, accessible and locked toilet for female crew members, and by removing graffiti immediately to help create a respectful environment	1
Other	9
Total	25

Comments from responders:

1. Our employees are hired through a Union
2. Find the good workers; regardless of these group designations and keep them busy
3. Train them to be safe, effective workers.
4. We look for the best workers available, and don't specifically look for any sex or race. One of our best erectors is a woman. We didn't look for her, she applied.
5. Trade Fairs
6. Keeping certified contractors who employ them
7. Cultivate inclusive culture

Technical Assistance

The categories in the City's application for grant awards is to provide disadvantage, minority, women and emerging Small Business (DMWESB) with workforce development and technical and project management assistance. Therefore, it was important to learn directly from the contractors/subcontractors what strategies are successful in helping small firms and their insight on the type of technical assistance subcontractors need.

Over half of the responders in the next question selected the more forward thinking or strategic option that helps build capacity to enable small firms to be prepared for larger projects in the future; **identifying subcontracting opportunities that will provide opportunities for DMWESBs to successfully bid, and which would build the capacity of these firms to bid for larger contracts on future City projects.**

What strategies are successful in helping small firms gain the proven experience in completing commercial projects?	Responses
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Identify subcontracting opportunities that will provide opportunities for DMWESBs to successfully bid, and which would build the capacity of these firms to bid for larger contracts on future City projects.	13
Assist qualified potential DMWESB bidders in the bidding and estimating process.	6
Once subcontracts are secured, assist the successful DMWESB subcontractor by providing technical assistance as necessary to ensure the successful completion of the subcontract.	6
Other	8
Total	25

Other comments from responders:

1. Faster Payments
2. Notifications with regards to projects that need my services.
3. Not requiring subs to have to use apprentices
4. Some of these projects are not meant for a small contractor
5. Assisting in the bid was a disaster on the one attempt that we made and then we were blamed when they could not make budget. Assisting is part of the process is good, but sometimes that transitions into us doing the work that we are already paying for. In many cases, these firms play by a different set of rules than everyone else because they must be used on projects, whereas we have to be competitive, efficient and build relationships with our clients.

SRG asked the contractors/subcontractors what technical services they need, to assist grant applicants with developing their projects. Granted this is a small group of responders that are identifying the top services they need, however, as business consulting firm which has worked with construction firms and other small trade businesses, the types of technical assistance choices are the most common. In the results that follow the responders selected **assisting in the bidding and estimating process** and **managing cash flow** which are the top two that can make or break a small business.

What technical assistance services do subcontractors need?	Responses
Assistance in the bidding and estimating process	8
Onsite technical assistance to ensure the successful completion of the subcontract	2
Managing cash flow	8
Trade/skills	6
Bonding	4
Back office	2
Project management	7
Business support	2
On the job training	3
Technical assistance and support to individuals for specific expenses towards continued employment or progression from pre-apprenticeship programs to apprenticeship level and for continued progress at the journey level	3
Other	6

Total	25
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Comments from responders:

1. Less paperwork
2. (4) unknown

Community Benefits Agreement (CBA) Pilot Evaluation ³

The Community Benefits Agreement (CBA) Pilot Evaluation provided key strategies that SRG has included in this report to assist parties as they consider applying for a grant.

In their evaluation Kelly Butte Reservoir Project and Interstate Maintenance Facility Renovation Project exceeded all CBA requirements for workforce utilization and contractor diversity except for the requirement that 9% of journey-level hours be worked by women. Stakeholders identified (and comparisons with other programs confirmed) elements of the CBA that most likely contributed to project success:

1. Goals for workforce and contracting diversity that included both apprentice and journey-level goals. CBA goals and objectives were communicated to all participants and were well understood.
2. The CBA created a mechanism for holding contractors, subcontractors and stakeholders accountable for goals and active compliance monitoring.
3. Participation of key stakeholders in real-time project workforce support and in the design of programs funded by the CBA. The Labor Management Community Oversight Committee (LMCOC) performed this role for the pilot projects.
4. Contractor commitment to the City's diversity goals, capabilities to support them and willing participation in the CBA process.
5. Investments in outreach and training for minorities and women and technical assistance to DMWESB firms.
6. Union engagement in recruitment, training and placement of workers.

Activities and Strategies

Many of the same activities and strategies to improve workforce and contracting diversity were employed on both CBA and non-CBA projects. All contractors were required to prepare workforce and contractor diversity plans and to include these with responses to Requests for Proposals. Some of the strategies outlined in comparable project contractor plans and described in interviews or emails included:

1. Use of a consultant. All firms indicated they contracted with an M/W/DBE/ESB firm for assistance with diversity programs and outreach.
2. Outreach to minorities and women. Activities (conducted by the prime contractor or consultant) including job fairs, community events, school to work programs, and internships.
3. Outreach to DMWESB firms, including public notices, advertisements, and letters to firms, outreach conferences, trade fairs, and local contracting meetings.
4. Bid assistance, including pre-bid meetings, support for projects greater than \$200,000, opportunities to review plans and specifications, and pre-bid meetings, help with writing Requests for Information responses, and review of bidding procedures.
5. Technical assistance to DMWESB firms, including assistance with cash flow projections, workshops on bonding, estimating, reporting, contract close out, assistance with paperwork, Informal mentoring, providing Schedule of Values, and capacity building.
6. Other assistance to DMWESB firms, including equipment sharing, financial assistance

³ CBA Pilot Evaluation section is taken directly from the CBA Pilot Evaluation Report performed by Framework LLC.

(advance on progress payments, payment advances), reduced or eliminated bonding requirements, negotiated materials pricing, work packaging (creating smaller work units or collections of work units appropriate to the size and capacity of firms) and help to arrange joint ventures.

7. Support to minorities and women in the workforce, including training, anti-harassment and hostile work environment activities, counseling, and language interpretation.
8. Work with labor and apprenticeship organizations, including request union dispatch assistance, work with Northwest College of Construction and other community resources, and work with Pre Apprenticeship Training Programs.

Recommendations

Based on the findings from the interviews, data review, CBA policy and assessment review and surveys SRG proposes a number of recommendations for the City in this process and grant applicants to consider as they prepare their applications for workforce development or technical assistance grants. Recommendations highlighted with *** are from the Community Benefits Pilot Evaluation Report, prepared by Framework LLC and several arise from the project's Community Benefits Plans.

SRG recommends that all projects or programs that are submitted through the grant application process include a measurable component to enable the City to report outcomes and impact to workforce development and building contractor capacity. Overall, the goal is to see projects that provide outreach, recruitment, technical assistance and training to minority, women, and disadvantaged small subcontractors that are directly working on a city projects and help them succeed.

City Procurement

Review current procurement procedures relating to Design Build model and Community Benefit Plans and recommend improvements to procurement processes that increase efficiencies while simplifying the process.

Workforce Utilization Data

Standardized External Workforce Utilization Reports. While preparing this report SRG found that it was uncommon to receive comparable reports from project to project from the City and a variety of project contacts. **We recommend:**

- Projects that identify and recommend the standard utilization reports to be published for external communications with contractor; public; oversight committee etc. Other types of reports can be used for internal use but when publishing the status of workforce goals, it's important to be consistent. Workforce Utilization reports are the DMWESB Utilization and Apprentices/Journey Utilization Reports.

Communicate Workforce Performance with Subs, Contractors. The survey revealed that 50% of the contractors did not know whether they were meeting the City's DMWESB goals or Apprentices/Journey goals. **We recommend:**

- The entire team on a project receive Workforce Utilization reports. Add subcontractors working on the project to the distribution list to receive Workforce Utilization Reports.

Trades/Skills Needed

The results of the survey indicated that the top five trades/skills most needed for these specific projects are: Project managers/estimating personnel; laborers; equipment operators; painters and carpenters. In addition, project managers indicated that ironworkers; drywallers and concrete masons were also in high demand and routinely declined to bid because they were too busy. Electricians and plumbers were identified as needed outside the public-sector projects. **We recommend:**

- Project teams collaborate with community organizations to train persons in the identified trades above, to increase the pool of future contractors/subcontractors to meet the growing construction demand.

- Project teams that collaborate with community organizations to recruit young adults to participate in apprentice/journey training in the identified trades above, to increase the pool of future workforce and DMWESB firms to meet the growing construction demand.

Workforce Needs

The survey and interviews confirmed the importance of recruiting the next generation into the construction trades. One of the barriers to recruiting DMWESB firms was fewer individuals going into the construction trades. We also learned that journey workers are in short supply. **We recommend:**

- Projects that recruit young adults into pre-apprentice and apprenticeship programs, targeting minority, women and under-represented.***
- Projects that will train apprentices and follow their work history and pathway to journey worker or DMWESB certification would be valuable. The data on how successful current programs are in graduating apprentices to journey workers or into MWESB firms would be helpful in designing future construction career pathways.
- Projects that provide support to minorities and women in the workforce, including training, anti-harassment and hostile work environment activities, counseling, and language interpretation.***
- Projects that work with labor and apprenticeship organizations, including request union dispatch assistance, work with Northwest College of Construction and other community resources, and work with Pre-Apprenticeship Training Programs.***
- Projects designed to retain apprentices, journey and subcontractors focusing on some of the successful strategies from the survey. E.g. technical assistance, onsite job training, enough hours to make it worthwhile and maintaining a harassment free workplace.
- Technical assistance and support to individual workers assigned to the project for specific expenses towards their continued employment or progression from Pre-apprenticeship programs to apprenticeship level and for continued progression at the journey level.

Outreach and Recruitment

The survey responses highlighted that targeted approaches to recruiting subcontractors are routinely more successful than other strategies. We also learned from the interviews with the general contractors that their relationships with firms helped when they went to bid a project because those firms wanted to work on their project.

However, outreach is good public relations for the industry and raises awareness about the career opportunities for the underrepresented, minorities and women. **We recommend:**

- Projects that provide DMWESB recruiting and outreach such as activities (conducted by the prime contractor or consultant) including job fairs, community events, school to work programs, and internships.***
- Outreach to DMWESB firms, including public notices, advertisements, and letters to firms, outreach conferences, trade fairs, and local contracting meetings.***
- Projects that assist small contractors with recruiting apprentices and DMWESB contractors.
- Projects designed to recruit and retain apprentices, journey and subcontractors focusing on some of the successful strategies from the survey. E.g. projects that go beyond harassment free workplaces and promote intentional actions to create a more inclusive workplace.

Technical Assistance Needs

There was clear agreement from the City representatives, General Contractors and subcontractors that technical assistance is important to the subcontractor's ability to complete the job successfully while building capacity to meet future City project needs. **We recommend:**

- Bid assistance, including pre-bid meetings, support for projects greater than \$100,000, opportunities to review plans and specifications, pre-bid meetings, help with writing Requests for Information responses and review of bidding procedures.***
- Technical assistance to DMWESB firms, including assistance with cash flow projections, workshops on bonding, estimating, reporting, contract close out, assistance with paperwork, informal mentoring, providing Schedule of Values and capacity building.
- Building Subcontractors' Capacity. Carey Bubneik, project manager with Hoffman Construction suggested using contractors with similar scope experience to shadow subs that are new to public sector contracting or need some additional hands on assistance. Projects that develop and execute a pilot of this concept would need to include accountabilities and measures to evaluate the success/impact on the subcontractor.
- Projects that work with contractors on best practices in the construction business; such as retaining applications from qualified women and minorities and re-contacting them when an opening occurs; conduct orientation on the job site to all workers, including procedures for reporting problems, and expected crew behaviors, including posting grievance procedures (regardless of the employee's status as union or non-union) on the job site.
- Projects that provide technical assistance around maintaining a harassment free workplace by ensuring the employees are knowledge about the Prohibition Against Workplace Harassment, Discrimination and Retaliation and how to report a harassment problem.
- Programs that assist small contractors with back office; bidding; project management; estimating and back office technical assistance. This includes training on the city's software (e.g. LCP tracker, B2G). In our opinion this one of the highest priorities if we intend to recruit subs that have limited experience on City projects or are new to City projects. This supports the goal to have more subs with the capacity to meet the current and future public-sector construction demand.
- Other assistance to DMWESB firms, including equipment sharing, financial assistance (advance on progress payments, payment advances), reduced or eliminated bonding requirements, negotiated materials pricing, work packaging (creating smaller work units or collections of work units appropriate to the size and capacity of firms) and help to arrange joint ventures.***

About Synergy Resources Group

Debra Dunn founded Synergy Resources Group (WBE and ESB certified) in 2012 based on a clear vision that multiple individuals using their distinct talents leads to greater results for organizations in for profit and nonprofit sectors as well as the public sector. By focusing on a singular goal — enhancing performance — Synergy's approach provides the knowledge and talent organizations need to move forward.



Dunn specializes in working with organizations facing challenges, change and transformation. Her expertise is in her ability to assess an organization's position, develop short and long term business plans that set measurable goals and then lead an implementation team of knowledgeable and well-trained consultants and staff.

4-Key Organizational Assessment

Dunn developed her organizational assessment '4Key' tool to empower organizations to grow and effect change. She uses the tool to improve effectiveness and enable organizations to achieve their goals. The approach used is tailored to the client's needs and begins with data/information collection and analysis in one or more of the following four key areas of the organization: Financial Management, Marketing/Business Development, Operations/Systems and Management/Personnel. She analyzes the organization's internal capacity, strengths, opportunities for improvement and potential areas of risk and turns the analysis into action using decision driven tactics. After the analysis, a comprehensive report including a series of prioritized recommendations are provided in each area. An implementation plan follows which includes action items and timelines for assigned individuals/teams. Guidance, coaching and training is provided to the organization's principals and/or employees to enable successful completion of the recommendations.

Synergy Resources Group professionals offer a wide variety of services, including:

- Organizational / Department Analysis
- Strategic Business Planning
- Executive / Leadership Coaching
- Feasibility Studies
- Rate Studies
- Market Research and Analysis
- Group Facilitation
- Focus Groups, Interviews and Surveys
- Operational and Process Improvement
- Personnel Performance strategies

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