

AGENDA REPORT

Resolution: Approve and Authorize the Executive Director to Extend the Maritime and Aviation Project Labor Agreement (MAPLA) with the Building and Construction Trades Council of Alameda County, AFL-CIO for Five Years **(SRD)**

MEETING DATE: 12/17/2020

AMOUNT: \$0
Choose an item.

PARTIES INVOLVED: Construction and Building Trades Council of Alameda County, AFL-CIO, Rob Stoker, President of the Board

SUBMITTED BY: Amy Tharpe, Director of Social Responsibility

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY: Staff recommends extending the Maritime and Aviation Project Labor Agreement (MAPLA) for an additional five years with the Building and Construction Trades Council of Alameda County, AFL-CIO (BTC). This Agenda Report also provides information about how MAPLA has performed since its 2016 revision and the lessons learned for continued implementation. Staff provides this agenda as a basis to extend the term of the Port of Oakland existing MAPLA which expires on February 1, 2021.

BACKGROUND

The Port began negotiating MAPLA in 1999 and it was executed in 2000 (2000 MAPLA). MAPLA provides for project stability, a sufficient and skilled workforce, and local hire employment opportunities on Port projects. MAPLA also invests in preparing local residents for careers in the building trades through support for local workforce development agencies.

In 2016, a new MAPLA was negotiated (2016 MAPLA) which became effective February 1, 2016. The Port's goals in the 2016 MAPLA were to strengthen the local hire provisions by including goals for engaging disadvantaged workers and provide more opportunities for local new hire apprentices to enter the trades. In general, the 2016 MAPLA applies to construction projects in the Port's maritime or aviation areas with an estimated cost of at least \$150,000 and which are Port capital projects or are tenant projects for which the Port issues a building permit.

The 2016 MAPLA retained its **original** journey person and apprentice local hire goals from the 2000 MAPLA, including:

50% of all hours are to be worked by Local Impact Area (LIA) residents, on a craft-by-craft basis, if workers are available, capable, and willing to work on covered projects. The LIA consists of the cities of Oakland, Alameda, San Leandro, and Emeryville. If such hours are not available, 50% of all hours are to be worked by Local Business Area (LBA) residents, on a craft-by-craft basis. The LBA includes all cities not mentioned above in Alameda and Contra Costa Counties.

20% of all hours, on a craft-by-craft basis, are to be worked by apprentices; 100% of all apprentice hours are to be worked by LIA residents, if such apprentices are available, capable, and willing to work on covered projects; otherwise, 100% of all the apprentice hours are to be worked by LBA apprentices.

The 2016 MAPLA included the following **changes and additions** from the 2000 MAPLA:

- Standardized the coverage threshold to \$150,000 for Port-projects in the Maritime and Aviation areas (the Commercial Real Estate area is exempted);
- Established a Disadvantaged Worker Goal of 25% of all apprentice hours;
- Established an annual goal that the Building Trades would take in 25 local LIA residents into the trades of which 10 residents were to be accepted into the “List Trades” (i.e., electrical, sheet metal, plumbing, etc.). Project labor agreements usually place goals only on contractors, however, the Port’s 2016 MAPLA also placed this goal on the Building Trades;
- Established a New Hire Apprentice (NHA) Goal based upon contract value (1 new hire required for \$1 million projects and an additional new hire at every \$5 million thereafter);
- Increased Social Justice Trust Fund Contributions from Port contractors from \$.15 per craft hour to \$.30 to increase available funding for local workforce development agencies;
- Added on and off-haul trucking to MAPLA coverage;
- Reduced core worker exemption from 10 to 5; and
- Streamlined the MAPLA governing structure/reduced number of committees.

ANALYSIS

At the December 3, 2020 Board meeting, Staff presented an informational Agenda Report on MAPLA’s five-year performance achievements and stakeholder assessment & best practices summarized below. Additionally, in response to discussions during the Board meeting about the impact of MAPLA on small, local, and minority-owned firms, Staff recommends identifying best practices to develop a small, local, and minority-owned participation outreach and education plan and to identify any MAPLA policies or procedures that could accommodate such measures. These measures would not require amendments to the MAPLA itself, but rather include any additional research and outreach efforts that could be undertaken while implementing MAPLA.

A. 2016 MAPLA PERFORMANCE OVERVIEW

Disadvantaged Worker Goal

A MAPLA Disadvantaged Worker is defined as an LIA resident that possesses several structural barriers to employment that meet any of the following criteria: homelessness, custodial single parent, on public assistance, has a criminal record or other criminal justice involvement, has been unemployed for the previous one year, has been emancipated from foster care, is a veteran, has been emancipated from foster youth, and/or resides in an Economically Disadvantaged area (defined by zip codes within the LIA census tract with median income less than \$40,000 per year). MAPLA requires that 25% of all apprentice hours are worked by Disadvantaged Workers. During this five-year performance period, Port contractors achieved 21.25% towards the 25% goal.

New Hire Apprenticeship Goal

A New Hire Apprentice (NHA) is a LIA resident who has joined the union within the last two years. The 2016 MAPLA requires that New Hire Apprentices work a minimum of 500 hours. A contractor is required to hire 1 new hire at a \$1 million project value and an additional apprentice hire for each subsequent \$5 million increment. Over this five-year performance period, 63 NHAs worked for over 27,000 hours towards a goal of 78 NHAs at 39,000 hours.

25/10 LIA Resident Goal

On an annual basis, the BTC committed to taking in 25 LIA residents into apprenticeship programs of which at least 10 LIA residents would be placed into the “list trades” (union trades requiring significant math test preparation with stringent test entrance exams, limited entrance opportunity, and the highest per hour wage scale among the crafts). During the 2016 MAPLA performance review, the BTC has taken in 2,366 LIA residents into its apprenticeship programs.

Social Justice Trust Fund Contributions

Each Port contractor is required to pay \$0.30 per craft hour into the Social Justice Trust Fund. The Joint Administrative and Social Justice Trust Committee (JASTC) administers the funds. During this five-year performance period, \$233,000 has been collected and awarded to three local community-based organizations for their overall workforce development activities, including pre-apprenticeship training, test preparation and worker retention efforts.

Reduction in MAPLA Committee Structure

The 2016 MAPLA reduced the number of committees and placed the major responsibility for MAPLA management, including the Social Justice Trust Fund, with the JASTC. This change has greatly facilitated the committee’s ability to identify and resolve challenges before they become grievances and potential arbitration. JASTC has also worked proactively to address worker training, availability, and placement issues.

2016 Performance Towards 50% Local Hire and 20% Local Apprentice Goals

This table shows the total number of hours worked and the percentage of hours worked by LIA journeypersons and apprentices in MAPLA 2016. The MAPLA produced an increase in the percentage of apprentice hours worked. Also, the new disadvantaged worker goal was nearly achieved.

	2016 MAPLA July 2016 - June 2020		
Total hours worked	983,450		Goal
LIA residents	285,716	29.05%	50%
LIA apprentices	98,556	10.02%	20%
DW app (new goal)	32,381	21.25%	25%
NHA app (new goal)	27,274		N/A

B. MAPLA STAKEHOLDER ASSESSMENT & BEST PRACTICES TO STRENGTHEN MAPLA

The Joint Administrative and Social Justice Trust Fund Committee (JASTC), in early 2020, convened a series of working group meetings to assess and analyze MAPLA performance as part of a larger strategy to improve and strengthen existing local hire metrics. The process resulted in a compilation of lessons learned/best practices, gathered from discussions with stakeholders, including general contractors who work under MAPLA, CBOs that provide pre-apprenticeship training and or bridge gap services, Union representatives, United Contractors Association, and Port staff.

Based on experience over the last five years, staff believes that the Port's expectations, to a great extent, have been realized. Therefore, we recommend not amending MAPLA provisions, but rather extending the MAPLA and work on implementing the following best practices within MAPLA's existing mechanisms:

Local Hiring

- **Integrated database** of available local workers is needed.
 - Recommend directing JASTC union members to request from BTC's executive board a response on what they agreed to and what they think they can provide for the MAPLA 2016 identified database.
- **Additional union cooperation**
 - Recommend those unions, that have not been responding to contractor's request for local or NHA workers, modify their dispatch procedures as agreed upon in the MAPLA.
- **Increase contractor sponsorship of LIA residents**

- Recommend enhanced education of contractor on sponsor process and CBOs that can assist, including modifying existing Contractor Information Packet and providing orientation to new contractors.
- **Pre-apprenticeship graduation and apprenticeship intake alignment is needed**
 - Recommend to pre-apprenticeship training programs that they align their graduation with the intake timeframes of union apprenticeship classes.
 - **Reporting**
- Establish timetable for **BTC compliance plans & reports**
 - Recommend Port and BTC agree that annual plans will be presented to the SJC in January of each year and that compliance progress reports will be presented no later than the end of September for report covering January through June and no later than end of March for data covering July through December each year.

BUDGET & STAFFING

The proposed action does not have any budget or staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters included in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Serve Our Community
- Goal: Improve Customer Service

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

SUSTAINABILITY

Port staff have reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities, including adaptation to sea level rise.

ENVIRONMENTAL

The action was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA). The CEQA Guidelines, Section 15061 (b)(3) states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Approving the MAPLA extension with BTC as described in this Agenda Report does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. Therefore, approving the actions described in this Agenda Report are not a project under CEQA.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

This action is not subject to the Port's Owner Controlled Insurance Program (OCIP) as it is not a capital improvement construction project.

OPTIONS

- Extend the MAPLA with BTC for five years and implement certain best practices, as further described in this Agenda Report. This is the recommended action.
- Extend the MAPLA, but according to different terms and conditions than those described in this Agenda Report, which may not be acceptable to BTC.
- Do not extend the MAPLA as described in this Agenda Report, which would mean that future construction projects in the maritime and aviation areas will not be covered under the MAPLA.

RECOMMENDATION

Staff recommends the Board approve and authorize the Executive Director to execute an extension to MAPLA with BTC extending the term for an additional five years through January 31, 2026, as well as implement certain best practices, as further described in this Agenda Report.