

PORT of OAKLAND



MARITIME and AVIATION PROJECT LABOR AGREEMENT

PROGRESS REPORT

January 1, 2007 through June 30, 2007

**Presentation to the
Board of Port Commissioners
Administrative Committee**

November 26, 2007

Davillier-Sloan, Inc.
Parsons Constructors, Inc.
Marstel-Day, LLC
Port of Oakland Engineering Division
Port of Oakland Social Responsibility Division

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Executive Summary

On December 31, 2006 MAPLA's period of coverage for non-TEX and non-V2K came to an end. While coverage continues for the original Airport Development Program projects and any residual Vision 2000 Program projects yet to be bid, the "end of MAPLA" was clearly in site. The Port and the Building Trades temporarily extended coverage of the MAPLA to allow for a period of time to pursue negotiations of a potential long-term extension of new coverage, and during this reporting period that extension was continued through the end of the calendar year. The over-arching outcomes associated with this seven-year period of MAPLA coverage are characterized by:

- strong labor-management relationships that have resulted in labor peace and labor-management cooperation for an extended period of time
- the availability of highly skilled workers to construct the Port's important construction and modernization program
- effective utilization of dispute-resolution mechanisms, including as well those for work stoppage and jurisdictional disputes
- significantly increased and sustained levels of Local hiring for apprentices and journey persons when compared to previous Port projects, non-MAPLA Port projects and those projects that are undertaken by sister public agencies in the region
- a strong Port-Labor-Community partnership to work with Contractors to identify, train and hire available and capable Oakland and Local workers
- over \$300,000 in grant funds from the Social Justice Trust to support Community-Based Organizations in their efforts to build construction careers for Oakland and Local residents and retain those careers
- a successful utilization of small, Local businesses – both through the Small Business Exemption program and through regular MAPLA prime and sub contracts
- national recognition of the MAPLA social justice program as a powerful model deserving replication on a local, regional and national basis

Your MAPLA team continues to be proud of this record of success, and of the local, regional and national attention it has drawn from other communities and agencies seeking to replicate its successes. We will continue to report on these matters in the months ahead as we implement both the legacy MAPLA projects (TEX and V2K) as

well as those projects that have been placed under this year's MAPLA extension. What follows immediately is a brief summary of this Report's main points.

Labor Relations: The MAPLA Team is pleased to report that no work stoppages or disruptions occurred during the reporting period. The dispute resolution procedures of the MAPLA and the Team's requirement that contractors and unions address issues promptly continued to demonstrate success. Pre-job conferences between contractors and unions provided basis for sound discussions.

During the reporting period, grievances were resolved without arbitration. The Teamsters continued to aggressively monitor construction site trucking activities. Demolition projects at the former Oakland Army Base required the employment of laborers trained in asbestos and lead abatement.

Local Hire: During the current reporting period ending December 2006, continued positive performance results continue to be achieved with respect to Local hiring goals. The law of large numbers means that outcomes in any one reporting period no longer dramatically affect overall numbers. Regardless, the total LIA/LBA resident hours employed during the period improved slightly, with the MAPLA lifetime number remaining at nearly 32%, with LIA apprentice employment was sustained at nearly 6%, and LIA/LBA apprentice utilization about 10%. This reflects our continued focus on securing apprentice placement of LIA apprentices. Overall, LIA/LBA resident employment was sustained at more than 60%, far exceeding the 50% goal.

The Local Hire Subcommittee continues to be an excellent monthly forum for Community Groups, Union officials and Contractors to monitor progress and to exchange views on how to achieve the workforce goals.

Local Hire Enforcement: A total of ten contractors were called before the Local Hire Sub Committee and/or the Social Justice Committee to address the issues of apparent non-compliance on MAPLA projects. Most have resulted in the resolution of local hire issues and corrective action plans to meet the local-hire requirements of MAPLA. One case has been referred to the Social Justice Subcommittee for potential referral to arbitration.

Social Justice Trust Fund Grants: During the first six months of calendar year 2007, the Trust Fund collected \$32,173 in contributions.

Based on recommendations from the Trustees, the Social Justice Committee determined that refunding this collaborative effort was what should occur with the 2008 granting cycle. Joint Labor-Management Committees, representing individual Building Trades Unions and their affiliated contractor associations, continue to seek voluntary contributions to the Trust Fund and the Trust is investigating a grant seeking effort.

Local Business Utilization

During the first six months of 2007, the Port awarded \$7,914,878 in new MAPLA contracts, of which 69%\$5,000,000 were contracted with LIA Primes and \$2,914,878 were contracted with LBA Primes. It is worth noting that although the contracts included here are covered by the full MAPLA requirements without exception, all the LIA contractors working these contracts are Port Certified Small Business Enterprises. No awards were given to non-Local prime contractors during the period.

Small Business Exemption Program

During this reporting period, two contracts were approved under the MAPLA SBE Exemption Program. One was to Downrite Demolition & Excavation for \$184,270 for Demolition of Buildings 726, 738, 740 and site clearing at the Oakland Army Base. The other contract went to Peak Engineering for \$365,860 for Site Improvements for Building D-516 Extension in the Maritime area.

As of the end of this reporting period, a total of \$10,048,210 has been awarded under this exemption program including three subcontracts for \$1,091,162 total that have been awarded by Turner Construction. This program's maximum exemption amount is \$15 million which leaves a balance of nearly \$5 million that the Port can use at its discretion under this program. Throughout the program, a total of 33 contracts or subcontracts have been awarded to 23 different small local business firms.

Going Forward: The MAPLA has been mutually extended three times beyond its December 31, 2006 expiration date (until December 31, 2007) by the Port and the Trades. The MAPLA Team will continue to focus on efforts to hire and retain LIA apprentices and will continue to work with Labor, Contractors and Community-Based Organizations to build upon success, especially by securing increases in LIA journeyman and apprentice placement.

PROGRESS REPORT

LABOR RELATIONS

The MAPLA Team is pleased to report that no work stoppages or disruptions occurred during the reporting period. The dispute resolution procedures of the MAPLA and the Team's requirement that contractors and unions address issues promptly continued to demonstrate success. Pre-job conferences between contractors and unions provided basis for sound discussions.

The internal turmoil within the National Building & Construction Trades Department, AFL-CIO has yet to be resolved. Three key unions, Carpenters, Laborers and Operating Engineers, remain unaffiliated. On the local level, these unions remain affiliated with the Alameda County Building Trades and address labor's issues. However, there are serious disagreements on a singular methodology to resolve union jurisdictional disputes. Fortunately, all unions continue to recognize a procedure that exists in the MAPLA.

During the reporting period, grievances were resolved without arbitration. The Teamsters continued to aggressively monitor construction site trucking activities. Demolition projects at the former Oakland Army Base required the employment of laborers trained in asbestos and lead abatement.



MAPLA Local-Hire Program

Goals

The MAPLA Local Hire Program continues to be an important element of the Social Justice program. The MAPLA sets specific goals for the hiring of residents from the Port's Local Impact Area (LIA) and the Local Business Area (LBA). The LIA is defined as the cities of Alameda, Emeryville, Oakland, and San Leandro. The LBA is defined as Alameda and Contra Costa counties. To achieve the MAPLA goal that Local residents receive jobs on Port projects, the agreement provides that when the workforce is available, capable and willing to work, each Contractor and subcontractor must satisfy the following requirements over the course of the project:

- Residents of the Port of Oakland's Local Impact Area (LIA) will perform 50% of all hours worked. The 50% requirement shall be applied on a craft-by-craft basis. If LIA residents are not available, capable or willing to work, residents of the LBA may be counted for compliance purposes.

- In relation to apprentice utilization, subject to any restrictions by law, 20% of all project hours performed on a craft-by-craft basis will be performed by apprentices.
- Residents of the LIA will perform 100% of the apprentice work hours. If LIA apprentices are not available, capable or willing to work, residents of the LBA may be counted for compliance with the MAPLA provisions. To enhance the maximum possible use and training of LIA apprentices, Contractors are encouraged to use LIA apprentices on non-MAPLA projects, and may receive credit for up to 50% of the utilization requirement for such off-site employment.

Performance

The overall results of the Local-hire program are displayed in Table 1, below. Under prevailing wage and other rules, certain craftwork is not eligible for placement of apprentice workers, notably the work of Teamsters, Laborers working in Asbestos Abatement, and some dredging and barge work. In order to more accurately reflect apprenticeship participation as a percentage of MAPLA craft hours worked during this reporting period, the shaded column shows Apprentice participation as a percentage of the total available Apprentice Hours (*i.e.*, “apprenticeable hours”) worked for the period. This relatively new reporting format (being used for the third time) is designed to capture apprentice utilization against actually achievable goals during the period, providing a more accurate picture of our success in this critical area. In the future, we intend to report a cumulative summary in this category as well, once we've had an opportunity to go back and capture the cumulative apprenticeable craft hours as a function of the cumulative craft hours worked over the life of the MAPLA.

Table 1: MAPLA Performance Summary

MAPLA	Cumulative Results Thru December 06		January 07 - June 07			Cumulative Results Thru June 07		
	MAPLA Hours	% of Total	MAPLA hours for last six months	% of last six months	Apprentice trades hours only	MAPLA Hours	% of Total	Goal
Total Hours Worked	2,878,632		271,770		251,200	3,150,402		
LIA Residents	917,375	31.87%	78,780	28.99%		996,155	31.62%	50%
LIA/LBA Residents	1,722,730	59.85%	167,362	61.58%		1,890,092	60.00%	50%
Total Apprentices	369,484	12.84%	35,753	13.16%	14.23%	405,237	12.86%	20%
LIA Apprentices	178,860	6.21%	16,068	5.91%	6.40%	194,928	6.19%	20%
LIA/LBA Apprentices	273,811	9.51%	26,468	9.74%	10.54%	300,279	9.53%	20%

LIA = Cities of Oakland, Alameda, Emeryville, and San Leandro
LIA/LBA = Counties of Alameda and Contra Costa including LIA cities

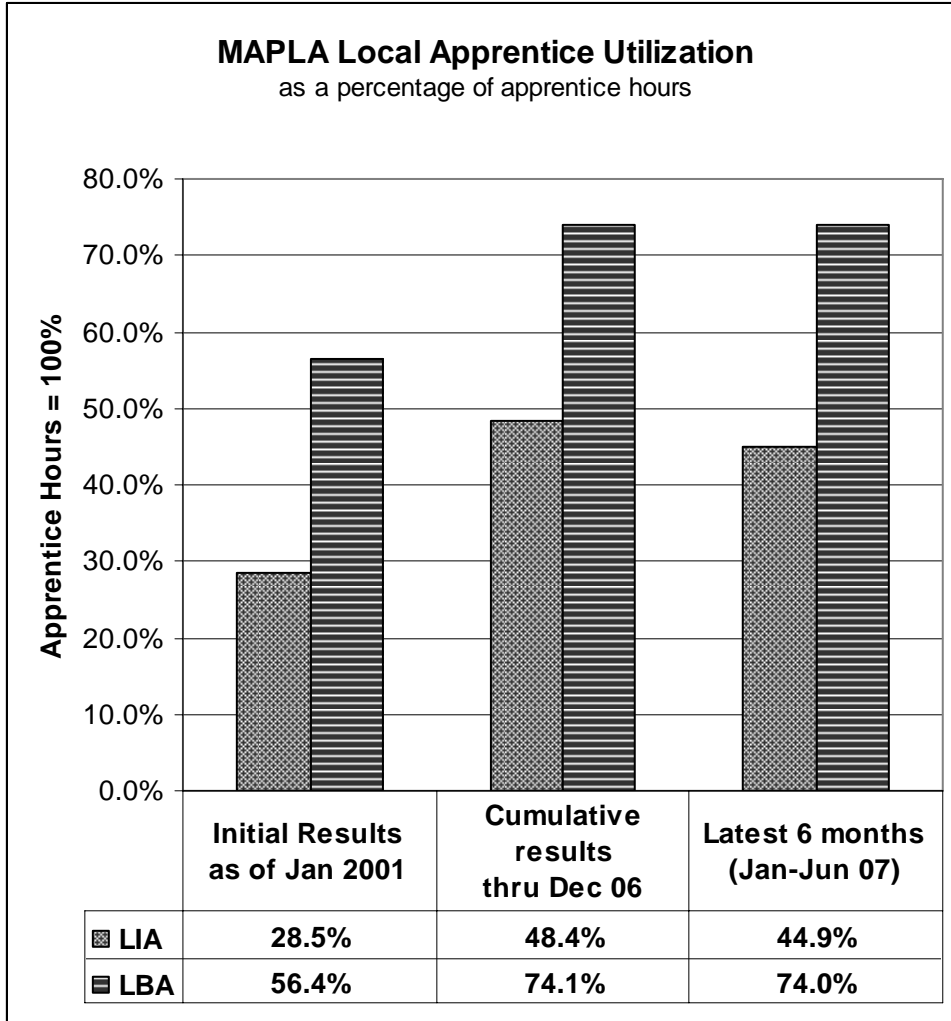
We have managed to see a sustained, comparatively high and significant percentage of cumulative hours for LIA and LBA residents remaining constant. We are especially pleased with the sustained levels of LIA and LBA apprentice hiring. We continue to pay close attention to LIA journey hires, without relaxing our first priority of focusing on placing LIA apprentices. It is important to note that LIA hiring remains significantly above (approximately twice) historic levels at the Port; and, the hiring of apprentices is an even more significant story. Moreover, in comparison to other public works projects, the Port's Local hire numbers are an impressive story – one that has communities and unions around the country trying to learn from us and to replicate our impressive results. Nonetheless, we continue to press to secure within-period performance that equals or exceeds the project average.

The LIA worker participation during the final six months of 2006, in comparison with the previous six months, showed at 28.99% versus 31.67% of total craft hours in the period, a decrease of 10%. There was a stronger maintenance of LIA apprentice utilization, down only 0.1%, from 5.91% of apprenticeable craft hours to 6.01% in this reporting period. There was, however, a jump in LIA/LBA apprentice utilization, from 10.15% of apprenticeable hours to 10.54% of apprenticeable craft hours, resulting in a continued improvement over time. These numbers remain significantly above pre-MAPLA levels that were one-half to one-third these values and well above previously measured non-MAPLA projects.

Overall progress continues, as is exemplified by the following simple comparison: In 2000 when MAPLA was just getting underway, LIA participation was under approximately 9%; it is more than three times that level in the reporting period, as well as a cumulative average. Similarly, apprentice utilization has gone up from 9% in 2003 to 14.23% at the end of this period, a more than 50% increase; and LIA apprentice utilization has gone up from 4% in 2000 to 5.91%% through the period, a 70% increase in LIA apprentice utilization (and a corresponding increase in the combination LIA/LBA apprentice utilization has climbed from about 7% to 10.5%, an increase of 50%). These increases and stabilization hours reflect the combined hard work of the Community, the MAPLA team, Contractors, Turner and the Unions. Chart 1 demonstrates how the use of LIA and LBA apprentices has increased as a percentage of overall apprentice hours.

Overall the Turner projects at the Terminal performed ahead of the Port-wide average in the apprentice area, with 8% of craft hours performed by LIA apprentices and a total of 12.60% of craft hours performed by LIA/LBA apprentices. The Turner projects mirrored or slightly exceeded the average on other Port projects at 28.2% LIA total craft hours and 64.9% LIA/LBA total craft hours.

Chart 1: LIA/LBA Apprentice Hours as a Percentage of Total Apprentice Hours



LIA = Cities of Oakland, Alameda, Emeryville, and San Leandro
LIA/LBA = Counties of Alameda and Contra Costa

During the reporting period, the bulk of the craft hours worked were performed by the following trades:

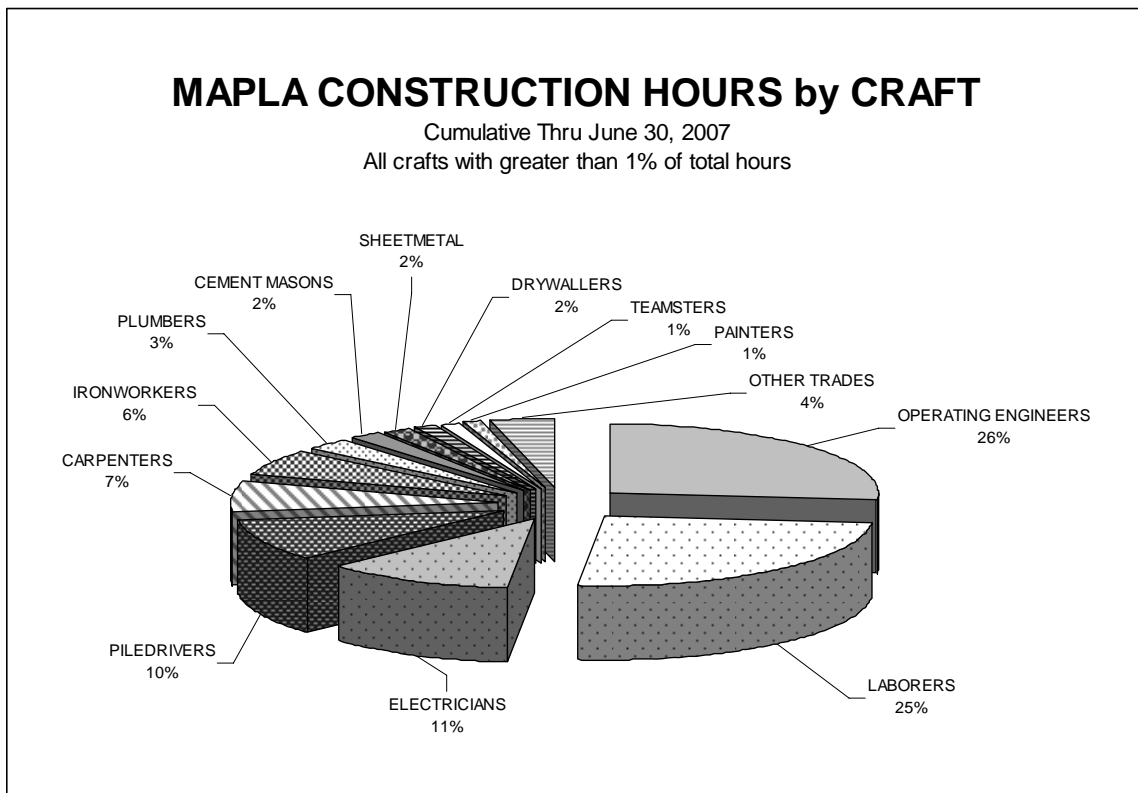
- Laborers
- Operators
- Electricians
- Pile drivers
- Iron Workers
- Sheet Metal
- Carpenters

The Laborers continue to experience problems in overcoming barriers to making their apprenticeship program work more effectively. An added concern of the

Laborers in relation to the MAPLA local hire program is that their Collective Bargaining Agreement provisions calls for a 1:5 apprentice to journey ratio in the number workers and not in hours worked. The MAPLA calls for participation in terms of hours worked on a craft by craft basis. This contractual provision has often caused problems in relation to the dispatch of laborer apprentices to contractors performing MAPLA work.

The Operating Engineers have significant work in the Maritime areas that may present work hazards that prevent effective utilization of apprentices. These two factors contribute to a diminution of apprentice usage by contractors doing MAPLA project work. Other crafts having significant hours during the reporting period included the Plumbers, Roofers, and Drywall Installers.

Chart 2: MAPLA Construction Hours by Craft



MAPLA Pacesetters-Contractors

The Local Impact Area (LIA) hiring goal is the strength of the MAPLA program and we work with the Unions to ensure that LIA residents are available in the hiring halls for referral to Port jobs. However, it is the Contractors who have the capability of actually hiring and retaining workers. With several other jurisdictions in the local area having local hire programs under PLA agreements, local residents may not be readily available for dispatch to contractors working under the MAPLA. Nonetheless,

the following contractors are to be commended for their local hiring records for LIA and LIA apprentices during the reporting period. The yardstick used was the performance of a minimum of 1,000 craft hours during the period.

<u>Contractor</u>	<u>LIA %</u>	<u>LIA Apprentice %</u>	<u>Combined %</u>
Soluziona USA Inc.	40.80%	29.00%	69.80%
IMR Roofing	45.0%	21.90%	66.90%
Baines & Robertson	80.10%	16.80%	96.90%
Lescure Plumbing	55.70%	6.40%	62.10%
Foundation Constructors	52.60%	22.70%	75.30%

MAPLA Pacesetters-Craft Unions

Special recognition should also be accorded to the following trade unions whose local impact area and local impact area apprentice participation levels were equally note worthy.

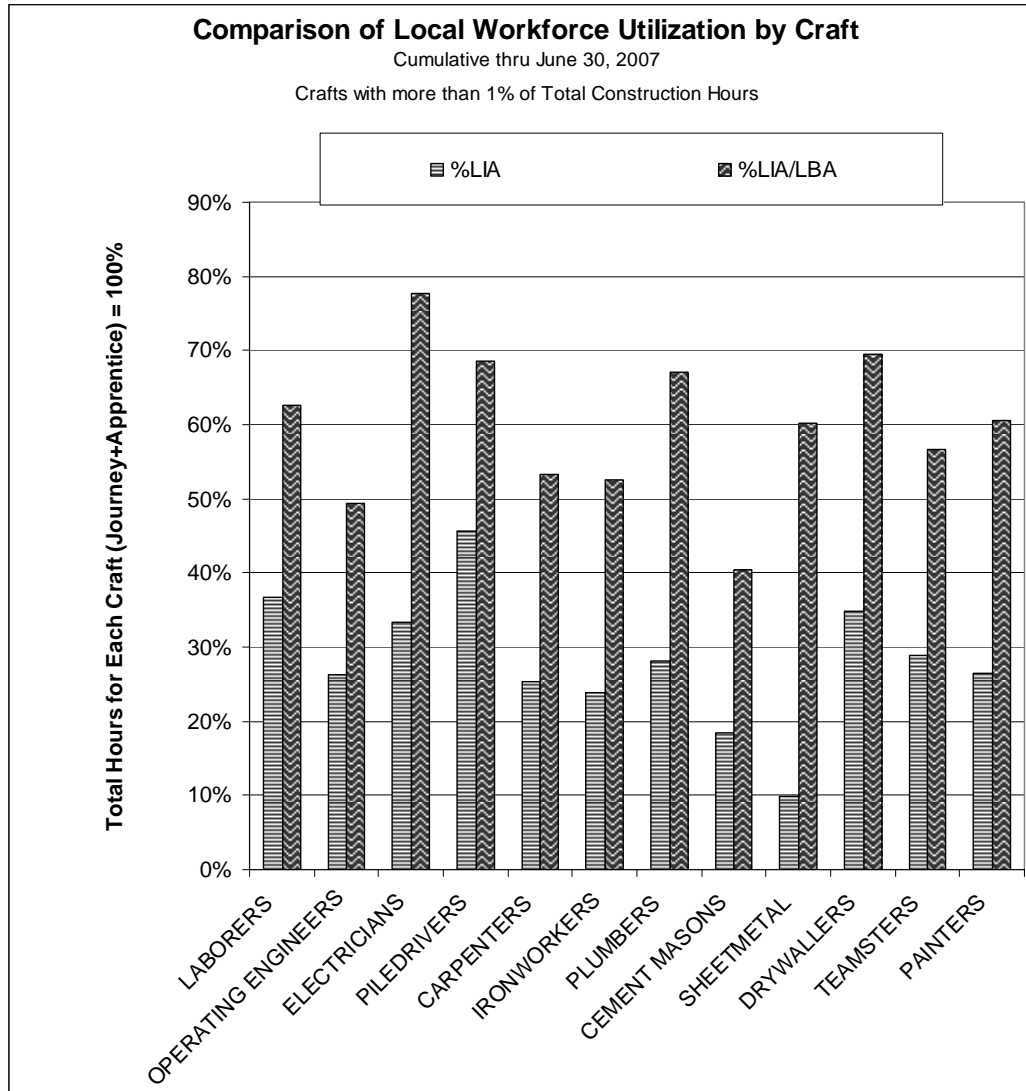
<u>Craft</u>	<u>LIA %</u>	<u>LIA Apprentice %</u>	<u>Combined %</u>
Electricians	31.30%	14.90%	46.20%
Plumbers	36.60%	10.20%	46.80%
Roofers	44.80%	21.70%	66.50%
Drywall/Lathers	45.10%	15.80%	60.90%

The electricians and plumbers are due special recognition for their efforts in the dispatch of LIA apprentices to contractors performing MAPLA project work. As list trades, these two crafts have more established procedures in relation to the enrollment and dispatch of apprentices. Individuals interested in entering those two trades must go through the following steps:

- Make formal application within specified time frames and meet the criteria established for applying to the particular apprenticeship program
- Take and pass the written apprenticeship examination and go through an oral interview
- Based upon test scoring go onto an apprenticeship list in which individuals are dispatched to work based upon their position on the list

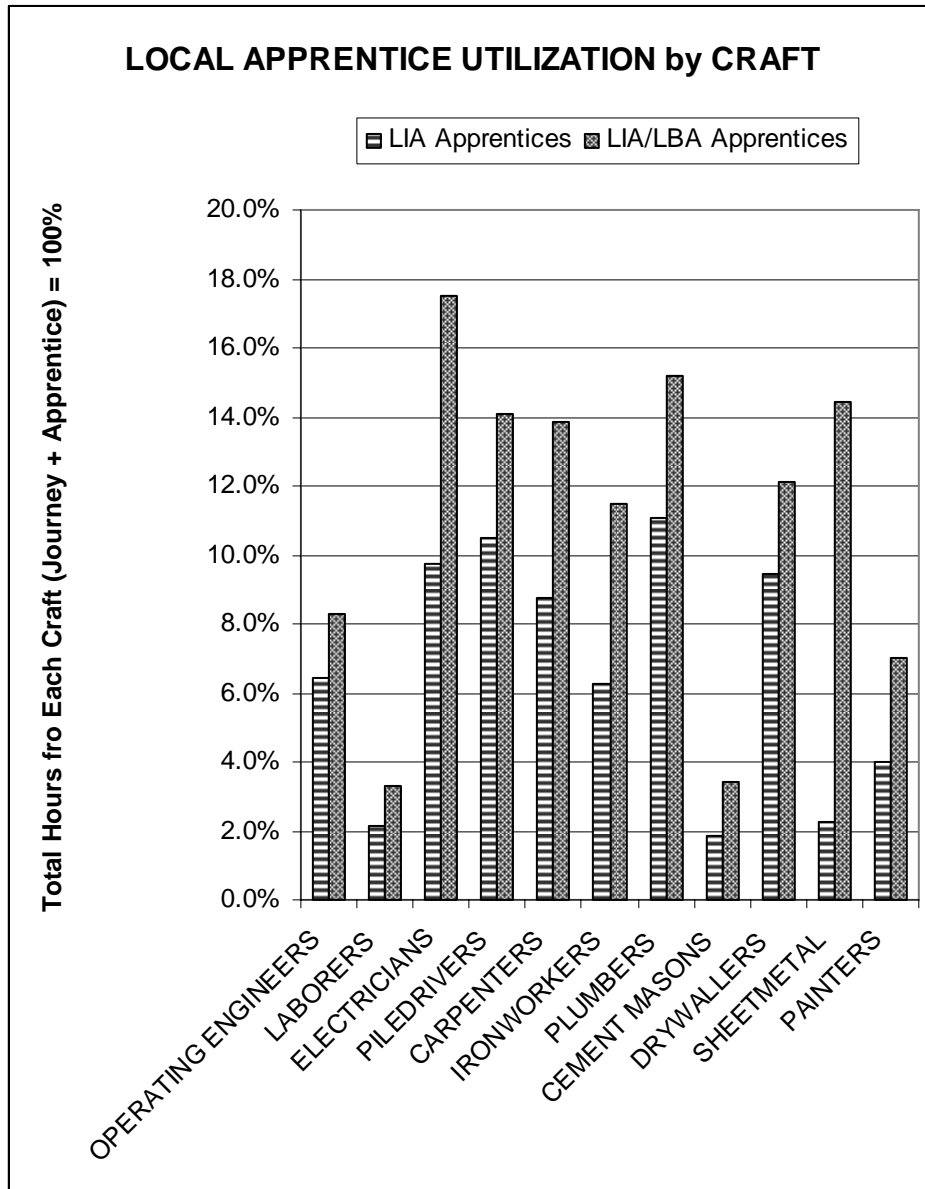
Chart 3 (below, following page) graphically illustrates the overall LIA/LBA participation by craft Union and Chart 4 (below, following in two pages) display the same information for the LIA/LBA apprentice participation. Note that, as a non-apprenticeable craft, the Teamsters have been omitted from the Apprentice Utilization Chart.

Chart 3: Comparison of Overall Local Workforce Utilization by Craft



LIA = Cities of Oakland, Alameda, Emeryville, and San Leandro
 LIA/LBA = Counties of Alameda and Contra Costa

Chart 4: Local Apprentice Utilization by Craft



LIA = Cities of Oakland, Alameda, Emeryville, and San Leandro
 LIA/LBA = Counties of Alameda and Contra Costa

Off-Site LIA Apprentice Utilization/Non MAPLA Projects

The MAPLA program structure contains a unique program aspect that is intended to further maximize local resident apprentice participation employed by contractors performing MAPLA work. Contractors that participate in MAPLA project activity can receive up to 50% credit of towards reaching their local hire goals by utilizing apprentices from the Local Impact Area (LIA) on their non MAPLA Projects.

During the reporting period, the number of contractors reporting Off Site Apprentice

Utilization hours continued to grow. Those reporting hours during the period included:

- US Glass and Aluminum
- Best Roofing & Waterproofing
- Foundation Constructors
- Galletti & Sons
- Herrick Steel
- ISEC
- Landavazo Brothers
- M. F. Maher
- Proven Management

Crafts with Reported Off-Site LIA Apprentice Hours

The cumulative totals of LIA Off-Site Apprentice hours during the reporting period for the following trades were:

- Roofers – 2002.50 hours
- Carpenters – 1642.50 hours
- Cement Masons – 2,198 hours
- Glaziers – 440 hours
- Pile Drivers - 168 hours
- Laborers – 43 hours
- Iron Workers – 16 hours

The net effect of the MAPLA Off-Site LIA Apprentice process has resulted in increased employment opportunities for local apprentice residents.

The PLA Progress Team continues its strategic focus on LIA apprentice utilization as a key element of meeting our program objectives of providing careers in the construction trades to LIA residents. Encouraging contractor utilization of the off-site LIA apprentice utilization provision assists in this effort.

Local Hiring Compliance Process

The DSI/PCI team maintains a multi-faceted process to encourage local hiring and to enforce the MAPLA goals. DSI/PCI works closely with Contractors to assure that they understand the MAPLA Local-hire requirements and know the tools by which they can comply or make the required “good faith” efforts to do so. The Team does this in collaboration with the Unions and Community-Based Organizations and in coordination with the Port’s Social Responsibility Division (SRD) and Engineering Division. DSI/PCI will continue to work closely with the Contractors, the Unions, the Community-Based Organizations and the Port to quickly identify and resolve apparent non-compliance problems. Monthly sessions are conducted with these stakeholders as well as with interested Community-Based Organizations at both Social Justice Committee and the Local Hire Subcommittee levels.

The Social Justice Committee/Local Hire Subcommittee

DSI/PCI identifies Contractors that are in apparent non-compliance with the MAPLA requirements by evaluating the labor-utilization reports and any complaints received. We work with the Contractors in order to develop plans for Local employment that we can recommend for resolution to the Local Hire Subcommittee. Based upon a review of the facts pertaining to apparent non-compliance the Local Hire Subcommittee may resolve the issue or request that the Contractor appear in person before the full Social Justice Committee to explain its apparent non-compliance or its good faith efforts to comply with the Local-hire program, and to articulate and identify any problems encountered that precluded its being able to achieve compliance. Contractors who fail to persuade the Committee of their good faith efforts may be referred to the Social Justice Subcommittee, comprised of delegates drawn from Contractors, Labor and the Community. The Subcommittee has the authority to require binding arbitration to resolve the disputed claims under the MAPLA.

A total of ten contractors were called before the Local Hire Sub Committee and/or the Social Justice Committee to address the issues of apparent non-compliance on MAPLA projects. Most have resulted in the resolution of local hire issues and going-forward plans to meet the local-hire requirements of MAPLA. One case has been referred to the Social Justice Subcommittee for potential referral to arbitration.

The Social Justice Committee and its Local Hire Sub Committee component have been recognized nationally as an innovative and effective method for promoting partnering among Contractors, Unions, the Port of Oakland and the at-large community. The continuing volunteer effort on the part of all parties to achieve the local-hire goals - and to enforce them when required - validates the Port's visionary MAPLA program and distinguishes it from other local and national programs.

In addition to continuing to aggressively monitor MAPLA projects, the Team will devote more effort to initiating increased enforcement actions against recalcitrant Contractors who have demonstrated a pattern of non-compliance with Local Hire Goals.

Union Participation in Compliance Hearings

The involvement of Labor in compliance hearings is an important part of the process of resolving non-compliance issues, identifying problems that may preclude their resolution and developing solutions to achieve our Local-hire goals. During the reporting period, the following Unions participated in either the Local Hire Subcommittee or the Social Justice Committee meetings:

- Roofers, Local 81
- Electricians, Local 595
- Sheet Metal Workers, Local 104

- Operating Engineers, Local 3
- Cement Masons, Local 300
- Iron Workers, Local 378
- Teamsters, Local 853
- Drywall/Lathers, Local 9068
- Carpenters Local 713
- Northern California Regional Carpenters Council
- Laborers, Local 304
- Building & Construction Trades Council of Alameda County, AFL-CIO

Social Justice Committee Grant Funding

As reported in the previous report, on September 8, 2006, the Social Justice Committee acting on behalf of the Social Justice Sub Committee issued a Request for Proposals (RFP) inviting Community Based Organizations to respond with proposals to support efforts to Place and Retain Port of Oakland Residents In Construction Trades.

Funding for the RFP comes through the 15 cents per craft hour worked allocation under the Social Justice Trust. Four organizations acting as a collaborative and on e other organization responded to the RFP. The collaborative was approved for funding by the Social Justice Trustees in November 2006, upon recommendation by the Social Justice Subcommittee. The organization comprising the collaborative are:

- The Workforce Collaborative (Fiscal Agent)
- Tradeswomen Inc.
- Youth Employment Partnership
- Acts Full Gospel Church's Men of Valor Program

The Collaborative engaged the services of two part-time individuals to act as Retention Team Specialists. Initial activity under the grant funding has included:

- Reviewing and locating the files of 112 former Bay Area Construction Sector Intervention Collaborative (BACSIC) and 38 Tradeswomen Inc. clients.
- Initiating contact with all eligible LIA apprentice candidates believed to still be active
- Contact with Men of Valor staff to determine how to best serve their clients
- Contact with local Joint Apprenticeship Committees and Local Hire Sub Committee to ascertain possible employment opportunities for clients

The Retention Team's initial follow up activities on former BACSIC and Tradeswomen Inc. clients has uncovered some encouraging results. Of their former



participants, 30 are still working at the trade; 13 as apprentices and 17 that have advanced to journey person status. We will stay abreast of the Retention Team's activities and report upon those in the next six-month MAPLA Administrative Report.

Based upon the success of the program the Social Justice Trustees recommended that the Social Justice Committee consider foregoing the usual RFP process and, instead, determine to fund this collaborative effort for a second year. The Social Justice Committee (typically responsible for composing the grant cycle RFP) concurred.



MAPLA beyond the Port

In the region, PLA covered projects that include a local hire social justice program far outperform projects that are not covered or were not covered in the past when it comes to achieving agency goals of local hire and apprentice utilization. For example, the Oakland Unified School District (OUSD) Program, the Peralta Community College Vista Project and the West Contra Costa unified School District , all modeled on the MAPLA, have shown significant success. Two other PLAs are being negotiated in the area and will contain provisions for local hiring based on the Model of the MAPLA.

Peralta Community College District (Peralta)

At Peralta, a PLA with hiring goals similar to those found in the MAPLA was negotiated to cover the construction of Vista College. For that project, the level of local resident participation rose from a typical 3% at the start of the project to a peak of 28%, finishing at 21% at the end of the project. The level of overall apprenticeship utilization rose from a typical level of 4% at the beginning of the project to 22% at the end of the project. Local area apprenticeship utilization has risen from .03% at the beginning of the project to 8.39% at the end.

At present, Davillier-Sloan, Inc. (DSI) is negotiating a PLA that will cover all Peralta projects. The PLA will contain goals for local hiring similar to those in the MAPLA. DSI is also negotiating a PLA for the Contra Costa Community College District. It, too, will have goals similar to those found in the MAPLA.

Oakland Unified School District (OUSD)

At OUSD, the combined journey and apprentice participation of Oakland residents now fluctuates between 25% and 50% of all hours worked, depending on the scope of work. These rates of total workforce participation by Oakland residents compare very favorably to the previous overall Oakland participation rate of only 6% before its



PLA was put in place. Oakland resident apprentices alone are now working more than 6% of the combined total hours under the OUSD agreement.

West Contra Costa Unified School District (WCCUSD)

In contrast, at WCCUSD program, similar in size to OUSD (\$500,000,000), most of the work is covered by a PLA, but there are no provisions for local hiring. There, the overall participation of local area residents stands at 12%. Local area apprentices are working only 2% of the total hours.

In 2007, WCCUSD adopted a Local Capacity Building Program (LCBP) with provisions for local hiring similar to those in the MAPLA. As a pilot program, the goals only apply to the construction of Helms Middle School, a \$50 million project. At present, local hiring stands at 22% for the first priority area, 41% when the second priority area is included and 67% when the third priority area is included.

The MAPLA's precedent-setting local-hire provisions, when replicated elsewhere, continue to serve as a successful model to secure local employment. It should be especially gratifying to know that Oakland, Port LIA and Port LBA residents have benefited in actual employment at Peralta, OUSD and WCCUSD due to the effect and success of the MAPLA local-hire provisions.

In summary, the Port of Oakland continues to set the standard for local hiring on its public sector projects.



Social Justice Trust Fund

The Port of Oakland Social Justice Labor Management Cooperation Trust Fund, receives funding through construction contracts awarded under MAPLA. Contractors make a direct contribution of 15 cents per craft hour to the Trust Fund. Grants from the fund are made by the Trustees upon the recommendation of the Social Justice Subcommittee. During the first six months of Calendar year 2007, the Trust Fund collected \$32,173 in contributions.

Grants from the MAPLA Trust Fund to Community-Based Organizations to help eliminate obstacles to employment in the construction trades of those individuals who are historically disadvantaged for entrance into the trades are an important feature in the success of the MAPLA. Over the life of the MAPLA, more than \$300,000 in grants has been released to the community from the Trust fund. Organizations receiving the grants include: The Bay Area Construction Center Intervention Collaborative (BACSIC), Tradeswomen, Inc., Cypress Mandela Training Center, Youth Employment Partnerships (YEP), Allen Temple House and Economic

Development Corporation (ATHEDCO), The Oakland Workforce Collaborative, and Act's Full Gospel's Men of Valor.

During the previous reporting period the Trust, upon recommendation from the Social Justice Subcommittee, made a \$65,000 grant to a consortium of groups (Acts Full Gospel Men of Valor, Oakland Workforce Collaborative, Tradeswomen, Inc. and Youth Employment Partnership) to fund a placement and retention team to support clients of all four organizations. This effort is administratively managed by the Oakland Workforce Collaborative. The preliminary results from the placement and retention team have been very encouraging. More information on this work has been included previously in the Local Hire section of the Report at pages 16-17.

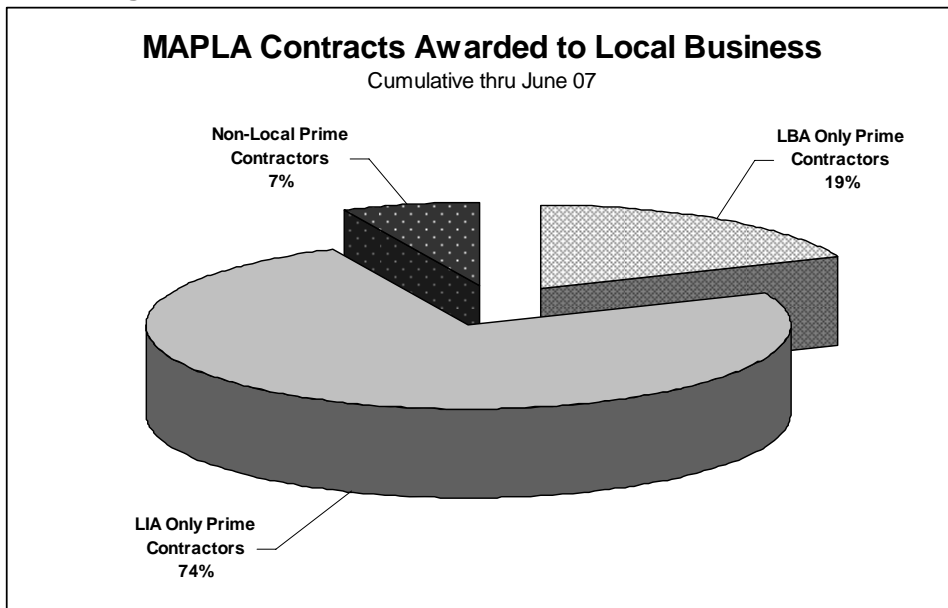
Based on recommendations from the Trustees, the Social Justice Committee determined that refunding this collaborative effort was what should occur with the 2008 granting cycle. Joint Labor-Management Committees, representing individual Building Trades Unions and their affiliated contractor associations, continue to seek voluntary contributions to the Trust Fund and the Trust is investigating a grant seeking effort.



Local Business Utilization

As a collective bargaining agreement MAPLA is unique in providing protections and opportunities for Port LIA businesses to participate in the contracts issued for Port maritime and aviation construction projects that are covered by MAPLA. The Chart below shows the cumulative percentages of prime contracts issued to LIA and LBA businesses.

Chart 5: Percentage of MAPLA Contracts Awarded to LIA/LBA Businesses



During the first six months of 2007, the Port awarded \$7,914,878 in new MAPLA contracts, of which 69 percent \$5,000,000 were contracted with LIA Primes and \$2,914,878 were contracted with LBA Primes. It is worth noting that although the contracts included are covered by the full MAPLA requirements without exception, all the LIA contractors working these contracts are Port Certified Small Business Enterprises. No awards were given to non-Local prime contractors during the period. The overall data, based on awards to prime contractors, shows the continued strong trend of Local Business participation under MAPLA.

Table 2: Dollar Value of MAPLA Contracts Awarded to Local Businesses

MAPLA Contracts Awarded to Local Businesses	
Cumulative thru June 2007	
Total Local Impact (LIA) Prime Contractors	\$626,203,094
Total Local (LIA+LBA) Prime Contractors	\$781,831,507
Total Non Local Prime Contractors	\$58,883,727
Total MAPLA awards since inception	\$840,715,234

LIA = Cities of Oakland, Alameda, Emeryville, and San Leandro
LIA+LBA = Counties of Alameda and Contra Costa including LIA cities

The MAPLA team continues to keep focused on opportunities to ensure the participation and success of Local, small businesses, and Local businesses more generally.

Small Business Exemption Program

The MAPLA contains a Small Business Exemption Program to help small local construction firms, many of which are not union contractors, increase their capacity to perform work through involvement in the Port's construction programs. This program provides contracting opportunities for small local contractors and relieves them of the contractor's responsibilities outlined in the MAPLA while they still retain the protection from strikes that the MAPLA provides. Participating firms are limited to a maximum of \$1 million of contract work under this program.

During this reporting period, two contracts were approved under the MAPLA SBE Exemption Program. One was to Downrite Demolition & Excavation for \$184,270 for Demolition of Buildings 726, 738, 740 and site clearing at the Oakland Army Base. The other contract was awarded to Peak Engineering for \$365,860 for Site Improvements for Building D-516 Extension in the Maritime area.

As of the end of this reporting period, a total of \$10,048,210 has been awarded under this exemption program including three subcontracts for \$1,091,162 total that have been awarded by Turner Construction. This program's maximum exemption amount is \$15 million which leaves a balance of nearly \$5 million that the Port can

use at its discretion under this program. Throughout the program, a total of 33 contracts or subcontracts have been awarded to 23 different small local business firms.

Table 3: MAPLA Small Business Utilization Program Follow-on Contracting

MAPLA SMALL BUSINESS UTILIZATION PROGRAM		
Through June 30, 2007		
Contractors	Total of Exempt Awards	Total of non Exempt Awards (full MAPLA)
A.R.C. Roofing	\$174,720	none
AMG	\$547,333	\$1,371,183
B Side Inc.	\$1,000,000	none
Bay Construction (2 projects)	\$774,290	\$1,774,000
Beci Electric	\$1,000,000	\$13,062,466
Beliveau	\$791,641	\$2,086,625
Bob's Iron	\$247,225	none
Broadmoor	\$297,900	none
Cal Electric	\$158,603	\$495,847
Consolidated Lock	\$96,220	none
Downrite Demo	\$309,945	none
Eclat	\$205,245	none
Eychner	\$869,702	\$1,713,000
Figueras Enterprise	\$200,000	none
J. W. Riley (2 projects)	\$442,001	none as primes
JG Roofing (2 projects)	\$891,162	none
Lindquist	\$178,176	\$12,962,539
OGISO	\$136,722	\$49,835
Peak	\$447,755	none
Silverado Contractors	\$313,000	\$1,470,456
Simco Construction	\$250,000	none
Stevelle	\$217,061	\$21,647,886
Triple S	\$499,400	none
TOTALS to date	\$10,048,210	\$56,633,837

Turner and Terminal Improvement Program

For the six months ending June 30, 2007 Turner Construction Co. continued its diligent efforts toward meeting the MAPLA local workforce hiring goals. This is not an easy feat when major projects are nearing the completion phase. Despite this

stage, Turner exceeded the Local Impact/Local Business Area goal by nearly 15%. Although its LIA effort did not meet the goal, impressive results were achieved with both the electrical and plumbing crafts.

LIA apprentice participation is noteworthy with overall reaching 16.5% with the electricians leading the skilled crafts with 15% LIA. With projects nearing completion, often apprentices are reduced before journeymen.

The MAPLA Team believes that Turner Construction Co. has done an excellent job in striving to meet the intent of the Board in providing employment opportunities for residents of the Port's Local Impact Area.

Table 4. Turner Local Hire Outcomes for Report Period

MAPLA MONITORING category	MAPLA CRAFT HOURS WORKED AS OF JULY 2006		MAPLA CRAFT HOURS WORKED DURING REPORTING PERIOD (7/1/2006-12/31/2006)			CUMULATIVE CRAFT HOURS WORKED THROUGH 12/31/2006		
	Total Craft Hours	% of Total	Craft Hours	% of Hours	Apprenticeable Craft Hours	Total MAPLA Hours	% Of Total Hours	MAPLA Goal
Total Hrs. Worked	497,501	100%	138,684	100%	136,396	636,185	100%	N/A
Total Hrs. by LIA Residents	164,477	33.06%	33,075	28.20%	32,522	197,552	31.05%	50%
Total Hrs. by LIA/LBA Residents	351,492	70.65%	90,023	64.90%	88,947	441,515	69.4%	50%
Total Hrs. by Apprentices	78,290	15.74%	22,832	16.50%	16,747	101,122	15.90%	20%
Total Hrs. by LIA Apprentices	43,723	8.79%	11,128	8.00%	8,166	54,851	8.62%	20%
Total Hrs. by LIA/LBA Apprentices	61,065	12.27%	17,426	12.60%	12,781	78,491	12.34%	20%

Conclusion/Going Forward

The MAPLA and its effective administration continued to address and fulfill the Board's principles during the first half of 2007, a period that saw several short-term extensions of the MAPLA, eventually through the end of the calendar year. Adverse, industry-wide construction labor relations did not impact the Port's capital



improvement projects in the Maritime and Aviation divisions and Local Impact Area residents worked nearly 30% of all craft hours and LIA/LBA residents worked 60% of craft hours.

The Social Justice Program is the leader amongst East Bay public works construction programs in meeting Local-hire objectives and is a nationally recognized program for its significant successes. The goal for employment of craft-workers from the combined Local Impact Area/Local Business Area has been exceeded. Employment of LIA apprentices remained positive with superb results in the electrical and plumbing trades. We will continue our focus on the placement of LIA apprentices, and will place increased attention on the placement of LIA journeypersons.

The MAPLA Team's efforts with both Contractors and Unions showed positive results. The Board can take pride in the fact that its principles for MAPLA continue to provide a sound framework for solid results across the range of interests the Board had in establishing them.

