

# PORT of OAKLAND



## MARITIME and AVIATION PROJECT LABOR AGREEMENT

### PROGRESS REPORT

July 1, 2006 through December 31, 2006

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

May 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. This is an appropriate time to reflect on the long-term, over-arching outcomes associated with this seven-year period of MAPLA coverage, which has been 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
- dramatically 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
- 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 is 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 the short-term MAPLA extension. What follows immediately is a brief summary of this Report's main points.

**Labor Relations:** The MAPLA Team is again pleased to inform the Commission that during the reporting period there were zero work stoppages that adversely impacted

either the Port's capital improvement or tenant improvement MAPLA covered projects. This success was achieved despite the internal divide that exists within the Building & Construction Trades Department, AFL-CIO and the conflicts and jurisdictional friction it has created. Three key Unions, Carpenters (including Pile Drivers), Laborers and Operating Engineers, remain outside of the Department with the Carpenters no longer members of the AFL-CIO. These three Unions work a significant number of craft hours on MAPLA projects, approximately 57% of all project hours during the reporting period.

The MAPLA proves to be a valuable tool that provides the framework for successfully managing and resolving contentious issues amongst the construction unions as they affect Port and Port tenant projects.

The Team continues to work with the Airport/Terminal Prime Builder and its Contractors on both the Terminal Improvement Program and the Roadway & Curbside Project. Union concerns over installation of terminal security components during the reporting were resolved through use of the MAPLA dispute resolution procedures. Particular focus remained on identifying and securing hiring opportunities for Port Local Impact Area (LIA) residents.

**Local Hire:** During the current reporting period ending December 2006, outstanding performance results continue to be achieved with respect to Local hiring goals. The law of large numbers means that gains in any one reporting period no longer dramatically affect overall numbers. Regardless, the total LIA resident hours employed during the period improved slightly, with the MAPLA lifetime number remaining at nearly 32 percent, with LIA apprentice employment improved slightly to 6.2%. This reflects our continued focus on securing apprentice placement of LIA apprentices. Overall, LIA/LBA resident employment has increased to nearly 60 percent, far exceeding the 50-percent 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:** During the reporting period the Social Justice Subcommittee met to determine whether a Contractor should be referred to arbitration for apparent failure to make good faith efforts to achieve the Local-hire goals. The Contractor reached agreement with the Subcommittee to hire LIA apprentices on non-MAPLA projects. The Subcommittee and the Local Hire subcommittee have both adopted aggressive programs for identifying Contractor short comings, engaging positively to secure Local-hire commitments, monitoring and securing adaptation to ensure success.

**Port ERDP:** Despite resource cutbacks, ERDP continued to provide resources and information on the building trades to community groups, to support the Oakland Unified School District's Construction, Engineering and Architecture Academy and to



make referrals of Local union apprentices and journey level workers to Davillier-Sloan, Inc. for referral to MAPLA contractors. This effort resulted in two Local apprentices being hired by a Port contractor. In addition, two ERDP referrals to the Port's Social Justice Trust Fund for union dues resulted in both apprentices getting hired by Local contractors, one as a Carpenter and one as an Ironworker.

**Social Justice Trust Fund Grants:** In this reporting period the Social Justice Trust, upon recommendation of the Social Justice Subcommittee, approved a grant to a consortium of community groups that had coalesced to provide placement and retention services to Local residents seeking positions in the Unions and work for Port Contractors. The \$65,000 grant request was structured by the groups to provide a two-person team for these services. Participating community groups in the effort are: Acts Full Gospel's Men of Valor Program, the Oakland Workforce Collaborative, Tradeswomen, Inc., and the Youth Employment Partnership. By mutual agreement of the groups, the Collaborative is the grant administrator.

**Going Forward:** The MAPLA twice has been mutually extended beyond its December 31, 2006 expiration date (until May 30, 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 journey person placement.



# PROGRESS REPORT

## LABOR RELATIONS

The MAPLA Team is again pleased to report that both during the reporting period and the calendar year there were zero work stoppages that adversely impacted either the Port's capital improvement or tenant improvement MAPLA-covered projects. This success had its challenges due to the continued turmoil within the national Building & Construction Trades Department, AFL-CIO causing heightened attention to jurisdictional work assignments.

There is no magic recipe to good labor relations except to maintain diligent effort towards open communication with Labor and affected Contractors. The Team has earned a reputation for fairness in resolving disputes. Grievances and jurisdictional disputes were addressed in a timely manner during the year with none requiring arbitration.

During the reporting period, the Operating Engineers Local Union #3 internal election resulted in a complete change of leadership. The new officials are working well with both Contractors and Unions. This is a key Union to Port construction projects.

The internal problems within the national Building & Construction Trades Department, AFL-CIO have placed strains on various local unions. The Team has worked hard and successfully to insure that these difficulties remain away from MAPLA projects.

On December 31, 2006, MAPLA's coverage of non-TEx and non-V2K projects would have ceased but for the extension signed by the Building & Construction Trades Council of Alameda County, AFL-CIO, and the Port. This milestone marked the end of seven years of MAPLA coverage, which have been characterized since the earliest days of MAPLA coverage by this outstanding relationship between Labor and the Port. It is a testament to the vision of the MAPLA in building a strong partnership with the Council and its Unions to assure job stability and skilled workers on the Port's important construction program during a period which has seen some industry-wide disruptions.

## MAPLA Local-Hire Program

### Goals

As one important element of its Social Justice program, the MAPLA set 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.*, "apprenticable hours") worked for the period. This reporting format (being used for the second 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.

**Table 1: MAPLA Performance Summary**

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	Apprenticable Craft Hours	Total MAPLA Hours	% Of Total Hours	MAPLA Goal
<b>Total Hrs. Worked</b>	2,657,234	100%	221,398	100%	212,962	2,878,632	100%	N/A
<b>Total Hrs. by LIA Residents</b>	847,267	31.89%	70,108	31.67%	68,216	917,375	31.87%	50%
<b>Total Hrs. by LIA/LBA Residents</b>	1,587,461	59.74%	135,269	61.10%	197,792	1,722,730	59.85%	50%
<b>Total Hrs. by Apprentices</b>	341,352	12.85%	28,132	12.71%	13.21%	369,484	12.84%	20%
<b>Total Hrs. by LIA Apprentices</b>	163,652	6.16%	15,208	6.87%	7.14%	178,869	6.21%	20%
<b>Total Hrs. by LIA/LBA Apprentices</b>	252,192	9.49%	21,619	9.76%	10.15%	273,811	9.51%	20%

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

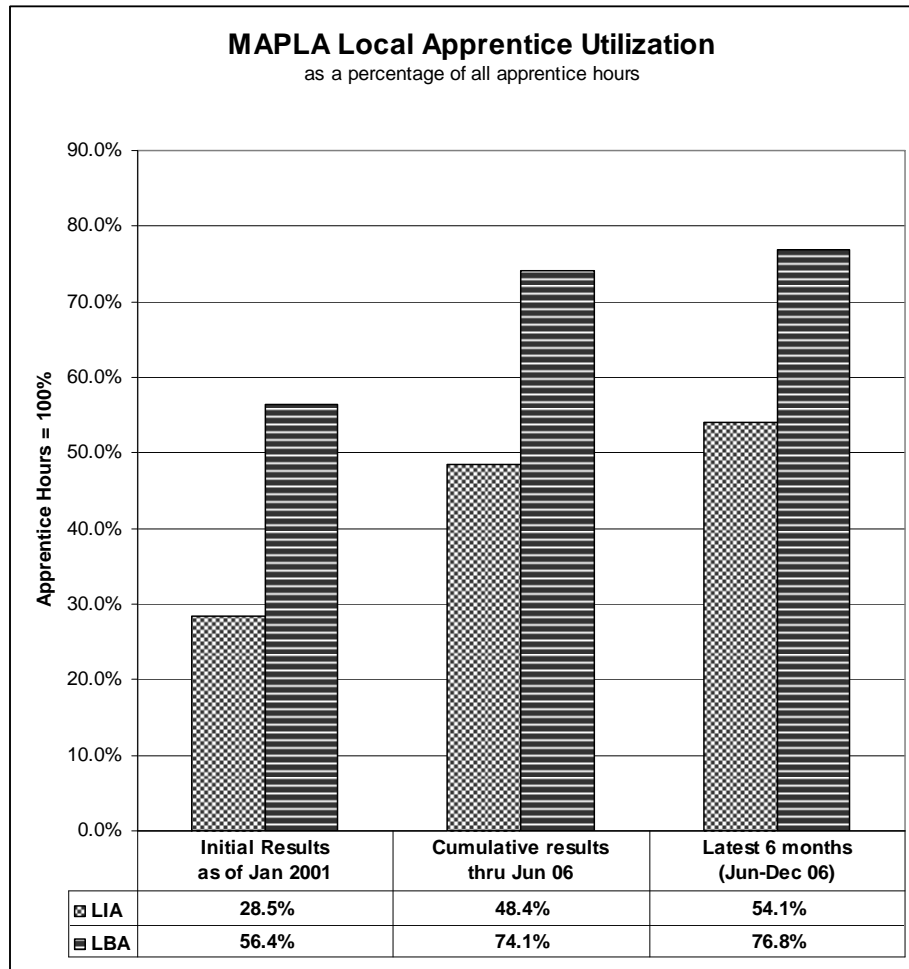
We have managed to see a sustained, comparatively high and significant percentage of cumulative hours for LIA and LBA residents remaining constant. We made back some previously lost gains reflected in the immediately previous period that had been above average and which were very satisfying in response to our compliance efforts and initiatives. We are especially pleased with the up-tick in LIA and LBA apprentice hiring. We have determined to pay increased 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 project, 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.

The LIA worker participation during the final six months of 2006 in comparison with the previous six months showed at 31.67% versus 26.26% of total craft hours in the period, an impressive 20% jump. There was a similar, nearly 15%, upturn in LIA apprentice utilization, up from 6.01% of apprenticable craft hours to 6.87% in this reporting period. This, in turn, raised the LIA/LBA apprentice number from 10.03% of apprenticable hours to 10.15% of apprenticable craft hours. These numbers remain

significantly about 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 three-and-one-half times that level in the reporting period and as a cumulative average. Similarly, apprentice utilization has gone up from 9% in 2003 to 13% at the end of this period, a nearly 50% increase; and LIA apprentice utilization has gone up from 4% in 2000 to 6.87%% 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 9.5%, an increase of 35%). These increases and stabilization reflect the combined hard work of the Community, the MAPLA team, Contractors, Turner and the Unions. Chart 1 sets out how the use of LIA and LBA apprentices has increased as a percentage of overall apprentice 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

Overall the Turner projects at the Terminal performed ahead of the Port-wide average, with 8.8% of craft hours performed by LIA apprentices and a total of 11.60% of craft hours performed by LIA/LBA apprentices (and 32.70% LIA total craft hours and 68.20% LIA/LBA total craft hours). However, there are a couple of projects in the Turner effort that are showing some Contractor unwillingness to work to achieve the LIA hiring goals. The Team has worked hard on attempting to motivate these Contractors and we have successfully enlisted Turner's efforts as well. Nonetheless, some of these cases have now also moved toward the Social Justice Subcommittee for potential referral to an arbitrator.

During the reporting period, a total of 221,398 craft hours were performed on non - Turner MAPLA projects. On these more than 70% of the craft hours were compiled by five trades.

- Laborers,
- Operators
- Electricians
- Pile drivers
- Iron Workers

The Laborers are still experiencing problems in getting their relatively new apprenticeship program to overcome start-up barriers to make their new apprentice program work effectively, which makes it difficult for us to achieve our Laborer apprentice goals. In addition, the Operating Engineers have significant levels of work in the Maritime area that, because it presents special hazards, makes this work difficult to effectively utilize apprentices. (And, as discussed above Teamsters and Asbestos Workers do not have apprentice programs at all.) These factors contribute to a diminution of apprentice usage by Contractors doing MAPLA project work.

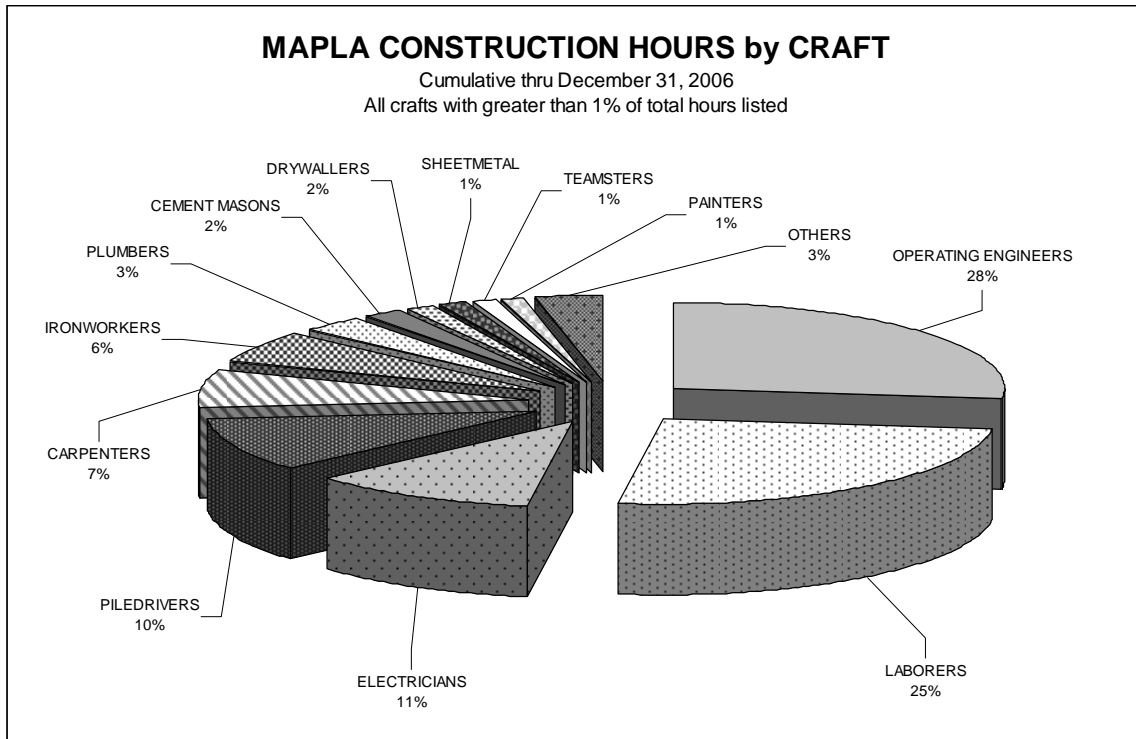
Other crafts having significant hours during the reporting period included the Carpenters, Plumbers, Teamsters, and Drywall Installers.

The aforementioned craft performance data parallels very closely with the Turner Project Trade compilations. A total of 131,522 project hours were compiled on Turner projects during the report period. Of this total, more than 72% were compiled were performed by five crafts.

- Laborers
- Electricians
- Operators
- Iron Workers
- Plumbers

The most notable craft difference was the plumber hours compiled on Turner projects as opposed to the pile driver hours performed on Non-Turner projects.

**Chart 2: MAPLA Construction Hours by Craft**

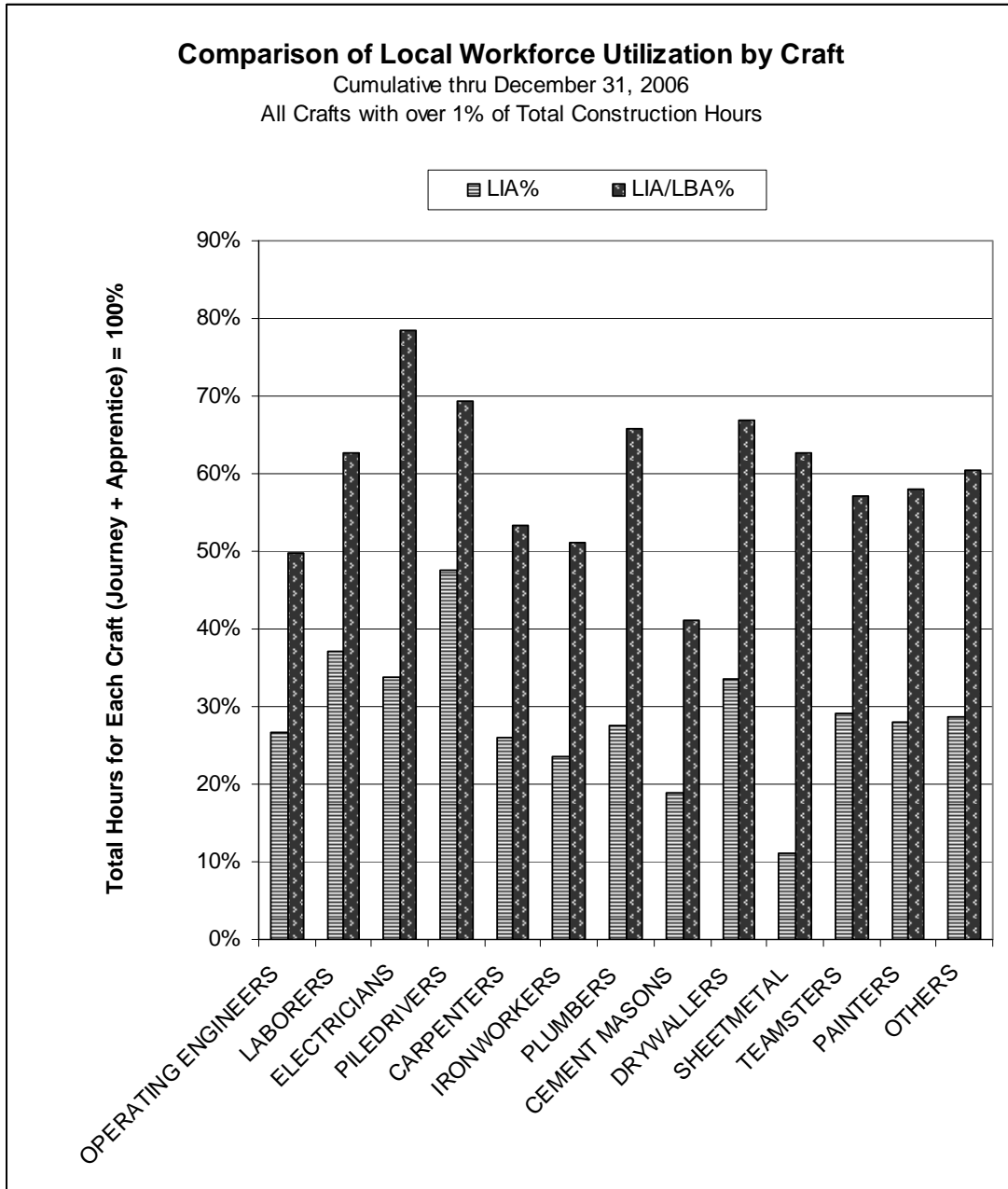


During the reporting period, the following unions performing work on MAPLA projects compiled the following participation levels in relation to meeting one or both of the MAPLA goals called for by Contractors.

<b>Craft</b>	<b>MAPLA LIA/LBA Goal (50%)</b>	<b>MAPLA Apprentice Goal</b>
Plumbers	Exceeded Goal	Exceeded Goal
Roofers	Exceeded Goal	Exceeded Goal
Tile Setters	Exceeded Goal	Exceeded Goal
Sheet Metal	Exceeded Goal	+95% of Goal
Tapers	Exceeded Goal	85% of Goal
Carpenters	Exceeded Goal	+80% of Goal
Electricians	Exceeded Goal	+65% of Goal
Drywallers	+98% of Goal	+85% of Goal
Teamsters	Exceeded Goal	
Laborers	Exceeded Goal	
Pile Drivers	Exceeded Goal	
Ironworkers	Exceeded Goal	
Laborers	Exceeded Goal	
Painters	Exceeded Goal	
Plasters	Exceeded Goal	
Asbestos Workers	Exceeded Goal	

Surveyors Exceeded Goal  
 Bricklayers Exceeded Goal  
 Elevator Technicians Exceeded Goal  
 Operating Engineers +95% of Goal

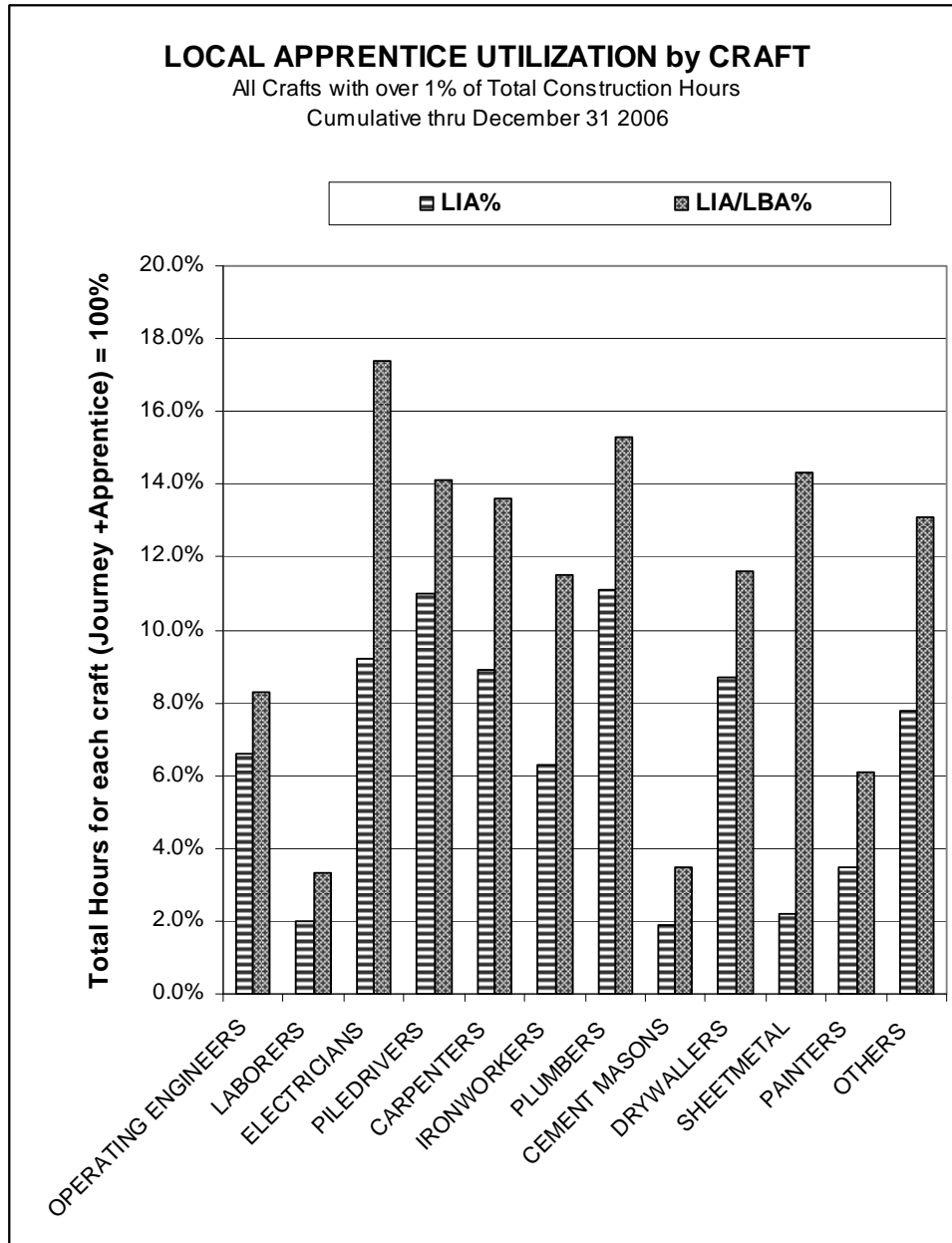
**Chart 3: Comparison of Overall Local Workforce Utilization by Craft**



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

Chart 3 (above) graphically illustrates the overall LIA/LBA participation by craft Union and Chart 4 (below) displays the same information for the LIA/LBA apprentice participation.

**Chart 4: Local Apprentice Utilization by Craft**



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

## Contractor Compliance Efforts

A number of Contractors compiled Local hire (LIA/LBA) participation records that positively impacted overall performance results. While we work with the Unions to ensure that LIA residents are available in the hiring halls for referral to Port jobs, it is the Contractors who have the capability of actually hiring and retaining workers. The following Contractors met or exceeded one or more MAPLA Local Hire goal. These tabulations are based upon a minimum of 1,000 hours worked in a particular craft category during the reporting period.

### Tier I – Contractor Exceeded Multiple LIA Craft/Apprentice Goals (\* Indicates that Contractor Achieved All LIA Goals)

Contractor	Craft	Goal
<b>Focus Const.</b>	Laborers	Exceeded LIA Goal
	Op. Eng.	Exceeded LIA Goal
<b>A. Green &amp; Shrubbery</b>	Laborers	Exceeded LIA Goal
	Teamsters	Exceeded LIA Goal
<b>Isec, Inc.</b>	Carpenters	Exceeded LIA Apprentice Goal
	Carpenters	Exceeded LIA Goal
<b>Monroe Trucking</b>	Teamsters	Exceeded LIA Goal
	<b>Zaccor</b>	Op. Eng.
	Op. Eng.	Met LIA Goal

### Tier II – Contractor exceeded Multiple Goals and At Least One LIA Goal

Contractor	Craft	Goal	
<b>Lloyd Aubry Co.</b>	Carpenters	Exceeded LIA Apprentice	
	Carpenters	Exceeded LIA/LBA Goal	
<b>Baines &amp; Robertson</b>	Laborers	Exceeded LIA Goal	
	<b>Contra Costa Elect.</b>	Electricians	Exceeded LIA Apprentice Goal
<b>Eychner Co.</b>	Electricians	Exceeded LIA/LBA Goal	
	Laborers	Exceeded LIA Goal	
<b>F3 Fireproofing</b>	Op. Eng.	Exceeded LIA/LBA Goal	
	Laborers	Exceeded LIA Apprentice Goal	
<b>Forum Metal Mfgr.</b>	Laborers	Exceeded LIA Goal	
	Plasterers	Exceeded LIA/LBA Goal	
	<b>Galetti &amp; Sons</b>	Ironworkers	Exceeded LIA Goal
	Laborers	Exceeded LIA Goal	
<b>Intrepid Electronic</b>	Carpenters	Exceeded LIA/LBA Goal	
	Cement Masons	Exceeded LIA/LBA Goal	
	Op. Eng.	Exceeded LIA/LBA Goal	
	Electricians	Exceeded LIA Apprentice Goal	
<b>Kent Lim &amp; Co</b>	Electricians	Exceeded LIA/LBA Goal	
	Plumbers	Exceeded LIA Apprentice Goal	
	Plumbers	Exceeded LIA/LBA Goal	

<b>Lescure Co.</b>	Plumbers	Exceeded LIA Apprentice Goal
	Electrician	Exceeded LIA/LBA Goal
	Plumbers	Exceeded LIA/LBA Goal
<b>M.F. Maher</b>	Carpenters	Exceeded LIA Apprentice Goal
	Carpenters	Exceeded LIA/LBA Goal
<b>McGuire &amp; Hester</b>	Teamsters	Exceeded LIA Goal
	Carpenters	Exceeded LIA/LBA Goal
	Laborers	Exceeded LIA/LBA Goal
	Op. Eng.	Exceeded LIA/LBA Goal
<b>O.C. Jones</b>	Laborers	Exceeded LIA Goal
	Op. Eng.	Exceeded LIA/LBA Goal
	Teamsters	Exceeded LIA/LBA Goal
<b>Shepherd &amp; Son</b>	Drywall	Exceeded LIA Apprentice Goal
	Drywall	Exceeded LIA/LBA Goal
	Tapers	Exceeded LIA/LBA Goal
<b>St. Francis Electric</b>	Electricians	Exceeded LIA Apprentice Goal
	Electricians	Exceeded LIA/LBA goal
	Laborers	Exceeded LIA/LBA goal
	Op. Eng.	Exceeded LIA/LBA goal

**Tier III – Contractor Exceeded LIA Goal for One Craft**

<b>Contractor</b>	<b>Craft</b>	<b>Goal</b>
<b>Gallagher &amp; Burke</b>	Laborers	Exceeded LIA Goal
<b>R&amp;W Concrete</b>	Carpenters	Exceeded LIA Goal
<b>Technical Consulting</b>	Electricians	Exceeded LIA Goal
<b>Tucker Tech.</b>	Electricians	Exceeded LIA Goal
<b>Vortex Marine</b>	Laborers	Exceeded LIA Goal
<b>D.W. Young</b>	Teamsters	Exceeded LIA Goal

**Tier IV – Contractor Exceeded LIA/LBA in One or More Craft**

<b>Contractor</b>	<b>Craft</b>	<b>Goal</b>
<b>AMG Inc.</b>	Laborers	Exceeded LIA/LBA Goal
<b>Associated Terrazo</b>	Tile Setters	Exceeded LIA/LBA Goal
<b>Bay Area Reinforcing</b>	Ironworkers	Exceeded LIA/LBA Goal
<b>Bayside Insulation</b>	Asbestos Worker	Exceeded LIA/LBA Goal
<b>Cosco</b>	Plumbers	Exceeded LIA/LBA Goal
<b>Freas Plastering</b>	Plasterers	Exceeded LIA/LBA Goal
<b>Gildersleeve Electric</b>	Electrician	Exceeded LIA/LBA Goal
<b>Gregersen Co.</b>	Electrician	Exceeded LIA/LBA Goal
<b>Heathorne Co.</b>	Teamsters	Exceeded LIA/LBA Goal
<b>Mag Trucking</b>	Teamsters	Exceeded LIA/LBA Goal
<b>Manson Construction</b>	Pile Drivers	Exceeded LIA/LBA Goal
<b>Geo. Masker Paint</b>	Painter	Exceeded LIA/LBA Goal
<b>F. Meiswinkle, Inc.</b>	Drywallers	Exceeded LIA/LBA Goal

<b>Olson Plumbing &amp; Heat</b>	Plumbers	Exceeded LIA/LBA Goal
<b>Rosendin Electric</b>	Electrician	Exceeded LIA/LBA Goal
<b>Service Metal Products</b>	Carpenters	Exceeded LIA/LBA Goal
	Plumbers	Exceeded LIA/LBA Goal
	Sheetmetal	Exceeded LIA/LBA Goal
<b>TDW Construction</b>	Laborers/	Exceeded LIA/LBA Goal
	Op. Eng.	Exceeded LIA/LBA Goal
<b>Van Mulder Sheetmetal</b>	Sheetmetal	Exceeded LIA/LBA Goal
<b>Wilson Electric</b>	Electricians	Exceeded LIA/LBA Goal

**Off-Site LIA Apprentice Utilization/Non MAPLA Projects**

The MAPLA program structure contains a program aspect that is intended to further maximize Local apprentice participation by Contractors performing MAPLA work. Contractors that participate in MAPLA project activity can receive up to 50% credit towards achieving their MAPLA project Local-hire apprentice goals by utilizing apprentices from the Local Impact Area on non-MAPLA work during the period of their MAPLA contract. Several contractors that have experienced problems reaching their Local-hire goals at Port worksites have successfully used this provision to improve their performance. This provision, negotiated seven years ago, was seen as a provision that would provide a much better apprentice opportunity for those first entering the trades, because they could be worked around at different job sites and not pigeon-holed into learning a small set of skills.

Given our experience, we believe that many hours of this “off-site” LIA apprentice utilization have yet to be reported by many Contractors. However, those that have reported “off-site” hours to us recorded the following craft totals by the end of report period.

**Crafts with Off Site LIA Apprentice Hours Reported include:**

- Roofers – 2002.50 hours
- Carpenters – 1306.50 hours
- Cement Masons – 743.50 hours
- Glaziers – 344 hours
- Pile Drivers - 168 hours
- Laborers – 43 hours
- Iron Workers – 16 hours

A positive trend is developing in which more Contractors are reporting LIA apprentice usage on their non-MAPLA projects. We expect this trend to continue. The net effect of the MAPLA Off-Site LIA Apprentice process has been to increase Local Impact Area apprentice employment opportunities, as was intended by the negotiators.

## **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.

During this Report period, compliance settlements were negotiated with F3 Fireproofing and Olson Steel, both of which provided for increased employment of LIA resident apprentices on work being undertaken by both of those Contractors.

## **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 17 Contractors were called before the Local Hire Subcommittee and the Social Justice Committee to address issues of apparent non-compliance with Local hire on MAPLA projects. Of these seventeen, three were referred to the Social Justice Subcommittee to develop specific action plans to mitigate their non-compliance. The Subcommittee appointed a negotiating team to work with the Contractors to develop their compliance plans and to cure their non-compliance.

Other Contractors continue to be monitored and referred and the Subcommittee monitors compliance with the settlement agreements. In addition to continuing to aggressively monitor MAPLA projects, more effort will also be devoted to initiating increased enforcement actions against recalcitrant Contractors that show demonstrated patterns of non-compliance with the MAPLA Local Hire Goals.

The monthly meetings of the Local Hire Subcommittee are held at the offices of the Workforce Collaborative located in downtown Oakland.

The Social Justice Committee and its Local Hire Subcommittee component have been recognized nationally as innovative and effective forums for promoting partnering among Contractors, Unions, the Public Works sponsor and the 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 visionary MAPLA program and distinguishes it from other local and national programs.

### **Union Participation in Compliance Hearings**

The involvement of the Unions 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.

- Iron Workers Local 378
- IBEW, Local 595
- Sheet Metal Workers, Local 104
- Operating Engineers, Local 3
- Carpet Layers, Local 12
- Laborers, Local 304
- Teamsters, Local 853
- Operating Engineers, Local 3
- Sheet Metal, Local 104
- Lathers, Local 9068
- Bricklayers and Allied Crafts, Local 3
- Building & Construction Trades Council of Alameda County, AFL-CIO

In October, a joint meeting was held with the Social Justice Committee, the Building and Construction Trades Council and its Unions, and the Community-Based Organizations that provide pre-apprentice training and related supportive services to LIA residents. The over-arching themes of the session attempted to address the following discussion points:

- Enhancing special outreach and recruitment efforts to reach Oakland/LIA residents and get them placed in construction Unions/jobs
- Expanding Contractor participation in the Local Hire Subcommittee and Social Justice Committee venues
- Finding funding resources for the programs operated by the Community-Based Organizations
- Increasing retention efforts to LIA residents currently in apprenticeship programs



- Sustaining the effort through future follow-up meetings, as necessary

### **Social Justice Subcommittee**

During the reporting period, the Social Justice Subcommittee convened to consider several important matters. In addition to referring the previously mentioned contractors for non-compliance and monitoring performance the Sub Committee made a funding recommendation to the Trust for the collaborative placement and retention program joined into by Men of Valor, the Workforce Collaborative, Tradeswomen and Youth Employment Partnership.



## **MAPLA beyond the Port**

Several social-justice related hiring programs have been developed in the area, using the MAPLA program as a template. The Oakland Unified School District and Peralta Community College District negotiated and are implementing Project Labor Agreements that contain goals for local hiring modeled on those established in the MAPLA.

The latest, local public entity to develop a social justice program similar to MAPLA's is the West Contra Costa Unified School District (WCCUSD). The District has developed a program, known as the Local Capacity Building Program, that sets specific goals for local hiring and business utilization in its school rehabilitation and construction program. For the program, local is defined as West Contra Costa County as the first priority, all of Contra Costa County as the second priority and Northern Alameda and Southern Solano counties as the third priority. Helms Middle School is the first project to be covered by this program. The lowest bidder on the project, which was bid in February, reached the goals for local business participation. Local contractors will receive more than 30% of the total dollar volume of work listed in the bid and more will be negotiated later. In the next MAPLA progress report, the progress of local hiring on this WCCUSD will be reported.

MAPLA was again highlighted at the annual Federal Mediation and Conciliation Service conference. Members of the MAPLA Team, Local community, Unions and Terry Hammerwold of Manson Construction presented a well received report at the conference, one that detailed our insights into using a collectively bargained project labor agreement to obtain social justice goals in the employment development field. The team also took the time to meet with the Illinois Department of Transportation to discuss our successes.





## **Port ERDP/Workforce Investment Board**

Both the loss of the Bay Area Construction Sector Intervention Collaborative (BACSIC) as the Community Resource Center to the MAPLA and the loss of the Port/WIB funded Construction Resource Coordinator have adversely impacted the ability of ERDP to continue its workforce development outreach, recruitment and placement efforts. ERDP does however continue to provide resources and information on the Building Trades to the community and Community-Based Organizations, support to the Oakland Unified School District's Construction, Engineering and Architecture Academy as well as referrals of potential Local union apprentices and journey level workers to Davillier-Sloan, Inc.

This cooperative effort did result in two ERDP referred Local apprentices being hired by a Port contractor. In addition, ERDP made two referrals to the Port's Social Justice Trust Fund for union dues, once for dues to the Carpenters Union, and one for dues to the Ironworkers Union, both of which referrals resulted in Local apprentices getting hired by Local Contractors.

ERDP continues to highlight careers in the Building Trades at presentations and workshops to community groups regarding employment opportunities.



## **Social Justice Trust Fund**

Another important feature in the success of the MAPLA has been the funding of grants 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. 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 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 will be administratively managed by the Oakland Workforce Collaborative. The Trust provided partial funding, with the balance due upon a report in May of the progress made in the effort.

These grants are funded by the Port of Oakland Social Justice Labor Management Cooperation Trust Fund, which 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 2006 Calendar year, the Trust Fund collected \$51,389 in contributions. Based on the traditional funding cycle, the Trustees remain on track to make the next funding decisions with the Subcommittee in November.

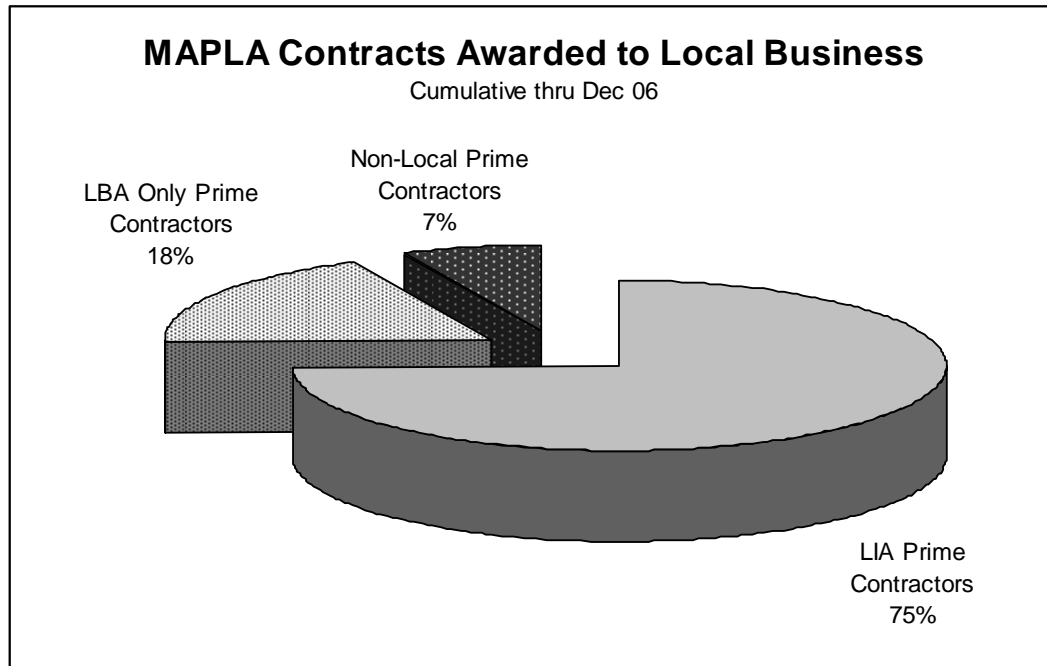
Two prior grants established loan funds to pay Union initiation fees and dues and another to purchase tools and equipment necessary to report to work for clients entering into construction employment. Because these funds were initially established as revolving loan funds (*i.e.*, applicants would repay the loans), the Social Justice Subcommittee and Trust had to evaluate the emerging reality that these “loans” were not being repaid. Upon recommendation of the Social Justice Subcommittee which conducted an investigation into retention rates of referrals (nearly half were still in the Union), the Trust (1) agreed to maintain the funds; (2) waive the repayment requirement; (3) consolidate the two funds into a single fund for both purposes and (4) not to add additional funds at that time. These funds, now grants, continue to provide additional support for residents seeking entry into the trade Union apprenticeship programs and should have sufficient funds between them to carry the program through another year, when the issue of their replenishment will again be considered.

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. The Table on the following page shows the dollar volumes of those contracts.

**Chart 5: Percentage of MAPLA Contracts Awarded to Local Businesses**



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

The Port's Local Business Utilization policies continue to support high levels of Local business participation under the MAPLA contracts. On projects where there has been a significant level of competition between Local firms and contractors from other parts of the Bay Area, the firms located in the LIA or LBA have been helped by the evaluation discounts. During the last six months of 2006, the Port awarded \$7,060,316 in new MAPLA contracts, of which 69 percent (\$4,143,997) were contracted with LIA Primes. One award of \$2,916,319 was given to a non-Local prime contractor during the period. The overall data, based on awards to prime contractors, shows the continued strong trend of Local Business participation under MAPLA. Please note that, in order to track the total MAPLA construction awards more accurately, we have again included Turner's Terminal Improvement Program contracts in the data for this report.

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

<b>MAPLA Contracts awarded to Local Businesses</b>	
<b>Cumulative thru December 2006 including Terminal Improvement Program</b>	
Total Local Impact (LIA) Prime Contractors	\$623,288,216
Total Local (LIA+LBA) Prime Contractors	\$773,916,629
Total Non Local Prime Contractors	\$58,883,727
Total MAPLA awards since inception	\$832,800,356

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.

This program's total exemption amount is now \$15 million after the Social Justice Subcommittee, whose delegates represent Contractors, Labor and the Community, by unanimous vote, increased the maximum amount by an additional \$5 million. This is the maximum amount possible under the current MAPLA.

During this reporting period, one contract was approved under the MAPLA SBE Exemption Program. It was awarded to Beliveau Engineering for \$630,941, for beach modifications at the Middle Harbor Shoreline Park.

As of the end of this reporting period, a total of \$9,498,071 has been awarded under this exemption program including three subcontracts for \$1,091,162 total that have been awarded by Turner Construction. That leaves a balance of \$5.5 million that the Port can use at its discretion under the MAPLA SBE exemption program. Throughout the program, a total of 31 contracts or subcontracts have been awarded to 23 different small, Local business firms.

The Table on the following page shows the Contractors, the amount of the Exempt Awards, and the amount of the non-exempt prime contract awards they received in addition to their participation in the SBE Exemption program. The high level of participation by the MAPLA Exempt award recipients on non Exempt MAPLA covered projects demonstrated to the Trade Unions the positive nature of their support for a program that was designed to bring small and disadvantaged businesses fully into the contracting process. It helped lead to the unanimous vote in the Subcommittee to add an additional five million dollars to the program, overcoming their previously stated reservations about the exclusion program.

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

<b>MAPLA SMALL BUSINESS UTILIZATION PROGRAM</b>		
<b>Through December 31, 2006</b>		
<b>Contractors</b>	<b>Total of Exempt Awards</b>	<b>Total of non Exempt Awards (full MAPLA)</b>
A.R.C. Roofing	\$174,720	none
AMG	\$547,333	\$538,923
B Side Inc.	\$1,000,000	none
Bay Construction (2 projects)	\$774,290	\$1,774,000
Beci Electric	\$1,000,000	\$12,770,466
Beliveau	\$791,641	\$2,086,300
Bob's Iron	\$247,225	none
Broadmoor	\$297,900	none
Cal Electric	\$158,603	\$495,847
Consolidated Lock	\$96,220	none
Downrite Demo	\$125,775	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	\$81,895	none
Silverado Contractors	\$313,000	\$1,470,456
Simco Construction	\$250,000	none
Stevelle	\$217,061	\$21,647,886
Triple S	\$499,400	none
<b>TOTALS to date</b>	<b>\$9,498,071</b>	<b>\$55,509,252</b>

### Turner and Terminal Improvement Program

For the six months ending December 2006, Turner Construction Company's prime Contractors continued their overall record of success towards achieving the Local workforce hiring goals. With increasing hours in the electrical and mechanical trades, Contractors employing key Unions represented on the construction site still exceeded the LIA/LBA 50% craft-hour goal with an overall impressive 68% performance. Table 4 on the following page displays these numbers for your ready reference:

**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	Apprenticable Craft Hours	Total MAPLA Hours	% Of Total Hours	MAPLA Goal
<b>Total Hrs. Worked</b>	365,985	100%	131,522	100%	129,904	497,501	100%	N/A
<b>Total Hrs. by LIA Residents</b>	121,521	33.20%	42,956	32.70%	42,745	164,477	33.06%	50%
<b>Total Hrs. by LIA/LBA Residents</b>	261,842	71.54%	89,650	68.20%	88,298	351,492	70.65%	50%
<b>Total Hrs. by Apprentices</b>	58,975	16.11%	19,315	14.70%	14.87%	78,290	15.74%	20%
<b>Total Hrs. by LIA Apprentices</b>	32,122	8.78%	11,601	8.80%	8.93%	43,723	8.79%	20%
<b>Total Hrs. by LIA/LBA Apprentices</b>	45,981	12.56%	15,284	11.60%	11.77%	61,065	12.27%	20%

LIA craft hours worked on the project were nearly 33% of the total. Among the most encouraging outcomes in this overall picture of success was the LIA participation in both the electrical and plumbing trades. Both of these Unions achieved 39% LIA resident employment, 20% above the statistical average of 32%. In addition, LIA apprentice employment was impressive in these two skilled trades with electricians at nearly 13% and plumbing at an astonishing 23% – fifteen percent above goal!

Overall, on Turner’s projects, labor relations’ was positive with minor grievances being resolved short of arbitration. The Teamsters continued to closely monitor on-site trucking.

Turner continues to work cooperatively and aggressively to secure from its subcontractors a vigorous compliance program with the MAPLA Local-hire goals.

## Conclusion/Going Forward

The MAPLA and its effective administration continued to address and fulfill the Board’s principles during calendar year 2006. 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 one-third of all 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.

In summary, 2006 was a successful year. 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.

