

WSDOT APPRENTICESHIP UTILIZATION ADVISORY COMMITTEE

May 24, 2012
1:30 – 3:00 PM

MEETING MINUTES

Mt. Rainier Conference Room
WSDOT Transportation Building
310 Maple Park Ave
Olympia, WA 98504

Committee Members: Jeff Carpenter (Chair), Peter Lahmann for Bob Abbott, Josh Swanson for Randy Loomans, Dave Meyers, Bob Adams, Tyson Morris for Pamp Maiers, John Littel, Dean Smith, Tom Zamzow

Attendees:

Absent: Craig McDaniel

WSDOT Staff: Randy Dubigk, Jenna Fettig, , Ron Wohlfrom, Brenda Nnambi, Jackie Bayne

Meeting Observers: Valerie Whitman, Lorraine Lucas, Shelly Williams, Julie Printz, Phil Meenah, Jim Prouty, Jerry Walker, Grant Youngren, Van Collins, Jared Ross, Julie Perez, Ted Lucas

Meeting Overview and Outcomes:

Action Items:

The following action items will be addressed prior the following meeting:

1. Jenna to send out corrected version of Active Projects list.
 2. WSDOT to look into why the current participation percentage on the Alaskan Way Viaduct Holgate to King project is low.
 3. Jenna to add 'percent complete' field to active projects list which would be dollars paid divided by current authorized dollars.
 4. Jenna to look into completed contracts utilizing the NWCC program and provide information to the committee.
 5. Jenna to analyze contracts based on prequalification work classes.
 6. WSDOT to send out a survey on crediting apprentice participation after graduation for one year. The team will respond by the first week of July.
 7. WSDOT to attend WSATC meetings and present program data.
 8. Committee to meet prior to Legislative Session. Jenna will send handouts to team members prior to the meeting.
-

Meeting Minutes:

1:30 - Welcome

Jeff thanked the group for attending, went over the agenda and told the group what to do in the event of an emergency.

Program Update

Apprentice Hours by Occupation: Jeff went over the handout. Most of the hours to date have been worked by Laborers, Operators, Carpenters, Electricians, and Ironworkers.

Active and Completed Projects: Jeff went over the active and completed projects. Overall, WSDOT is doing well. John noticed that on the active projects list three large active projects are listed one after the other: the SR 520 Pontoons, Alaskan Way Viaduct Holgate to King St, and the I-90 Hyak project. The Pontoons and Hyak are meeting the requirement to date, but Holgate to King is not and the project is wrapping up. WSDOT agreed to look into why the Holgate to King project is not meeting the requirement. The committee noticed that actual costs paid seemed high on some of the Design-Build projects that were just getting underway. Jeff and Bob explained that this may be due to Design work. It would be useful on the Active Project List to show contract percent complete based on amounts paid to the current approved amount. Jenna will add this to the report.

Members asked if there is a threshold that triggers WSDOT to respond to a contract falling short of the requirement. For instance, on an active project, is there are times that WSDOT asks the contractor why they are not meeting the requirement or performing differently than planned. Jeff explained that it is up the Project Offices to manage the contracts. Generally, the Project Offices use the plan and monthly reports to track how well the contractor is progressing. Jenna explained that the offices send letters to the contractor as appropriate, asking for updated plans or informing them that good faith documentation will be due by completion of the contract work.

Good Faith Update: Jeff informed the group of non-compliance letters that have been sent out. At the end of the last construction season, letters were sent out to each contractor that had a contract where the requirement was not met and no good faith effort was submitted. The letters received a large response and it appears that most of these contractors are adjusting their programs to increase their attainment. Dave pointed out that as you move down the active projects lists to the contracts that are just beginning there is a significant opportunity for corrective action to be taken. Jeff explained that further letters will be sent out at the end of this season and that if companies that did not meet the requirement in the past fail again, WSDOT will escalate the situation further.

Jared Ross informed the group that he is aware of a contractor that has taken their existing journeymen that did not go through an apprenticeship program and enrolled them in one for the purpose of meeting the apprenticeship requirement. He also believed that the contractor was taking these journeymen in and out of the apprenticeship program as needed when working on a contract with the apprenticeship requirement. Bob Adams told the group about a journeyman cement mason that applied as an apprentice laborer to get work. Most of the program representatives indicated that they would not accept a worker into their program that did not need training. They would accept a worker that had journeyed out of a different program. Generally, WSDOT believes there are very few opportunities for this type of fraud. While these issues are not WSDOT's

responsibility to police, WSDOT can provide data to bring to the programs or to the apprenticeship council.

Apprentice Utilization by Size of Requirement

Jeff presented a handout that showed that regardless of what the contract requirement is, the program attainment is at 12%. On contracts that met the requirement, utilization has increased gradually. Members need to understand that WSDOT does not adjust the percentage on a contract when the requirement has been met by good faith efforts.

Jim asked the trades if they are dispatching union workers to non-union contractors. The Laborers and carpenters are, operators aren't. One trend has been that union contractors perform better, but we are still trying to educate contractors that they can use union programs without signing a collective bargaining agreement.

Apprentice Utilization Agreement with Oregon

Jeff went over the agreement reached with Oregon. The contracting agency will include its requirements in the project, so Apprentice Utilization shall apply to all areas of the contracts that span Washington and Oregon if WSDOT administers the contract. It was good to reach this agreement prior to any Columbia River Crossing projects. Oregon also has a program but it is very different, as it is an incentive/disincentive program.

Maintaining an Apprenticeship Program when Employment Opportunities are Low

Bob Adams discussed economic conditions with the group. He had expected to see less attainment, but the industry has done pretty well. During the life of this program we have seen one of the most severe economic downturns. WSDOT work was enhanced by the ARRA funding but now, the program is finally shrinking. After 2016 there will be no Nickel and TPA money left and the work will drop off. What we are starting to feel now is going to get much more severe in the next few years. There are opportunities outside WSDOT with Sound Transit and some private contracts, but these will create jobs mainly in urban areas.

Allowing contractors to count apprentices toward meeting their requirement for one year after graduation could help us meet these economic challenges. Currently guidance allows contractors to count apprentices toward meeting the requirement for one year or until the end of the project - whichever comes first. This has enabled the larger prime contractors to retain their recently trained apprentices but does little for the smaller subcontractors who may graduate an apprentice on a project and wish to keep them employed on a number of other WSDOT projects that summer, but cannot because their hours don't count.

Tom explained that as a shorter duration contract completes and apprentices graduate the contractors and subcontractors might wish to keep the new

graduate apprentice working on the rest of their jobs for that summer. Bob said it gives the contractor time to assimilate the worker into the company. Dean said that you don't want to punish the apprentice for graduating. John said he would support this approach. Josh would like to discuss it further before deciding. Peter agreed with the project approach, but wasn't sure about crediting the apprentice on multiple projects. Dave understands the balance of keeping the new journeyman employed vs. creating a training opportunity. Josh said he understands this on a paving crew but not for all work areas. As opinions were mixed, Jeff agreed to give the group some time to think about it. WSDOT will send members a survey and require their response by July 1st.

Coordinating Federal and State Requirements

WSDOT received FHWA approval to use the apprentice requirement on federal projects as long as it remained separate from federal training goals. WSDOT would like to combine at least the reporting aspects of the two programs. The group disagreed with crediting federal trainee hours toward meeting the apprentice utilization requirement to ease into combining the two programs, but Bob felt WSDOT should continue looking for a way to coordinate the requirements.

Criteria for Adjusting the Requirement.

One of the Committee's charters is to come up with criteria for adjusting the participation requirement, which has not happened. The committee needs more data to determine if a trend is occurring, however, WSDOT has not been able to find any such trend. Tom suggested looking at the prequalification work class. Tyson suggested looking through the various items of work on the project and setting a goal based on that similar to the DBE goal setting methodology. Peter asked about adjusting for a high materials cost to labor ratio. John suggested identifying regions of the state where we are having difficulty or certain times of the year that apprentices are not available. Bob felt the economy was having a large effect. Jeff pointed out that the 15% requirement was chosen in 2006 and now the economy has changed. WSDOT will continue to look for a trend among contracts that do not meet the requirement.

Frequency of future meetings

The group will meet again prior to Legislative Session. A date and time will be determined through e-mail.

3:00 - Meeting Adjourned