

# WSDOT APPRENTICESHIP UTILIZATION ADVISORY COMMITTEE

November , 2009

1:-30 – 4:00 PM

## MEETING MINUTES

Capital Conference Room  
WSDOT Transportation Building  
310 Maple Park Ave  
Olympia, WA 98504

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Committee Members: Bob Abbott, Jeff Carpenter, Dave Johnson, John Littel, Randy Loomans, Dean Smith, Jason West,

Absent: Bob Adams, Tom Zamzow

**Attendees:** WSDOT Staff: Jenna Fettig, Craig McDaniel, Ron Wohlfrom

Meeting Observers: Van Collins (Associated General Contractors, Lorraine Lucas (Graham Construction and Management), Julie Printz (Scarsella Bros.), Jody Robbins (Labor & Industries), Valerie Whitman (Max J. Kunej Co.), Shelly Williams (Scarsella Bros.),

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## Meeting Overview and Outcomes:

### Action Items:

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**Future action is needed on the following items:**

1. Craig will address issues regarding plans to meet the requirement on short duration jobs at the upcoming Construction Engineers meeting. He will discuss specific upcoming projects with the Construction Engineers from the Advance Schedule of Projects.
2. WSDOT will keep collecting data from projects and look at trends on contracts that met the requirement and those that did not and try to find some early indicators of if a job will work for apprenticeship. If trends are noticed prior to the next meeting, WSDOT will set up an special meeting of the committee.
3. WSDOT will send reports to L&I to be shared at meetings of the State Apprenticeship and Training Council.
4. The Apprenticeship Utilization Advisory Committee will chair a workshop at the upcoming Apprenticeship Conference hosted by L&I on apprenticeship requirements.

### Date Setting:

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**The Apprenticeship Utilization Advisory Committee set the following tentative meeting date:**

- **Wednesday, May 19<sup>th</sup>, 2010 – 1:00 to 3:00 p.m. at the Apprenticeship Conference at the Tacoma Convention and Trade Center**
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## Meeting Minutes:

### Welcome

Jeff welcomed the group and reviewed the agenda.

## **Actions Taken Since Last Meeting**

Apprentice Hours by Occupation (handout)

The group reviewed the overview of apprentice hours by craft or trade

## **Active Projects (handout)**

The group reviewed the handout and began discussing issues on specific projects. Some projects have experienced issues due to the number of flagging hours on the job. Bob explained that there is not a flagger program but flagging is covered in the Laborers program, though apprentices must perform other duties as part of their training. The issue of rock scaling work came up as WSDOT has strict requirements about who can perform the work. Bob mentioned that the laborers created a high-scaling class that will need to be reviewed by WSDOT. They are working with Hi-Tech on this. Dean said that flagging was an issue on contract 7746 that prevented them from accomplishing a higher percentage due to complex traffic control. Craig mentioned that trucking has been an issue, too.

## **Completed Projects (handout)**

The group reviewed the handout and Jeff explained that overall there is compliance, though there have been some projects with issues.

- Dave asked if there was a reason there were no apprenticeship hours on 7461.
- Craig mentioned that it is a chip seal, which is a fixed mobile operation all over the state.
- Jeff mentioned that the company that was awarded the chip seal has been steadily improving their utilization.
- Craig said that he thinks seals will be a problem as well as pavers. The projects that did not have any apprentice hours were chip seals from all across a region combined together.
- Randy didn't understand why the nature of the chip seal work would make the contractor unable to use any apprentices and asked for clarification.
- Bob said he does not believe that the contractor is a training agent and thought that they were relying on subcontractors for all of the apprentice hours performed. He said there are programs available in the area the work took place in. The issue was would they become a training agent or not. Other non-union contractors have signed onto the program. Bob's understanding is that the chip seal contractor is accomplishing apprenticeship through the subs.
- Dave asked how they performed apprentice hours on their next seal.
- Bob said that they used subs that were training agents, but he felt you can't put the whole burden on the sub. He brought up that becoming a training agent doesn't mean you have to become union.
- Randy thought it was unacceptable for the contractor to have so few apprenticeship hours since they were awarded so much work.

- Dean said a region-wide seal is pretty unique in the way the work bounces around.
- Jason said if we want to regulate that we train, it will have to cost everybody money. Someone either has to not have a job or someone has to sit and watch somebody.
- Dave felt that any crews would have somebody that would actually qualify as a trainee or apprentice that could be enrolled in a state-approved program. He explained the benefit of using a state-approved program to train the individuals is that they can be paid a lower wage than the prevailing wage. He also explained that it provides high-quality training that helps the employer from the perspective of being more competitive. This could be utilized instead of saying they have set crews and have to hire somebody new. That is the answer to the problem. They are picking up some work off their subs. If they do have a trainee on their set crew it is to their advantage to fulfill these goals and to get them some training. It would be more beneficial to the company in the long run.
- Craig explained that the project with zero utilization slipped by the project office and HQ as it was completed before WSDOT could do anything to encourage the contractor to comply with the requirement, but he still thinks that the nature of the work being a mobile operation with cause issues meeting a 15% requirement. He said that truck driving is another area he is hearing about and they don't want to put apprentices in the truck. He thinks there are jobs that cannot make 15%.
- Bob felt the issue was about one contractor, not the type of work. He said that as long as they are not a training agent and put their full burden on subs they will not meet the goal. There is both a sub issue and a training agent issue.
- Randy brought up that of the projects that have been completed and didn't meet the requirement, three are from the same firm. She said more effort needed to go into asking them to illustrate a good faith effort and that more thought should be put into the situation before contracting with them in the future.
- Contractors have been having trouble finding people that are willing to travel and willing to work nights.
- Dave said his experience has been that they have people travelling all over the place, willing to go anywhere to find a job. Based on what we know in terms of the work situation, most people are willing to travel.
- Jeff said paving is a tough job. He appreciates the observations, but the utilization is improving. Jeff said the goal is to get them in compliance and do the training, rather than imposing penalties for not meeting the requirement.
- Craig pointed out that the jobs that did not meet the goal have much fewer hours than the ones that did.
- Jason asked what the repercussions are of not meeting the goal.

- Jeff brought up the performance review at the end of the job. Jeff said that if the contractor doesn't comply, it is dealt with in their performance evaluation.
- Craig said they also could be found in breach of contract. Craig said they try to encourage compliance. Otherwise the contracts would be full of penalties. Craig also brought up that for the majority of contracts, subs are diluting the hours, rather than being forced to perform all of them. Craig said he is concerned about what happens when we get to 15% and \$2 million.
- Valerie said the DBE firms are having a hard time making it. She said her company just absorbs their hours and uses more apprentices.

### **Advance Schedule of Projects (handout)**

The group reviewed upcoming projects. Jeff mentioned that if you remove 520 and the SR 99 Corridor from the Advanced Schedule, there is not a lot coming up, pointing to the small list of projects. He said that for the rest of the state, we are almost back to the 2003 budget.

- Dave said the good news is that he has visited other states that would love to look at a list like the Advance Schedule.
- Jason asked if the outlook will change with Federal Reauthorization
- Jeff said right now there is a six month extension that will likely last 18 months and then congress will decide what to do next, but the outlook seems to be similar funding levels.
- Dave asked what the funding looks like normally (without ARRA, Nickel and TPA).
- Jeff responded that the usual revenue is \$200-300 million from the Federal funding. Preservation is almost entirely funded from that. Everything else is earmarked.
- Dave asked what the state gas tax funds.
- Jeff responded that the state tax is basically funding administration, state patrol, maintenance and the ferries.
- Jeff responded that new construction is the last penny obligated.
- Randy asked how the funding changed in 2003, and Jeff said that was when the Nickel started. There is a sunset on the Nickel. The TPA could be reallocated. The Nickel is scheduled to go away in 20-30 years from when the last project is built. Jeff said they are hopeful for a new source of revenue in 2011.
- Jason asked if stimulus is in excess of the revenue mentioned.
- Jeff responded affirmatively. There was \$300-400 million spent mostly this year. The money was used mostly for overlays but also helped Tacoma HOV and the Bellevue Braids. Because of the requirements for being shovel ready, most of the projects were pavement.
- Jeff pointed out some of the projects that were funded by ARRA like the pavement repair jobs on I-90.

- Jason asked if any had apprenticeship requirements.
- Jeff responded that many did, and gave a few examples from the list of active projects.
- Dave mentioned that the paving industry was very happy to see the list of ARRA projects.
- Jeff mentioned there wasn't time to do other types of work like the fish passage barrier projects due to the requirement for the projects to be shovel ready.
- Jason asked if the federal government mandated training requirements in addition to apprenticeship.
- Jeff explained that the ARRA contracts were no different from other federal contracts, except the employment reporting that was added.
- Randy asked about the federal training requirement.
- Jason asked if the federal goals don't recognize white males.
- Craig explained the differences between the programs. The agreement with the feds is to allow us to put apprenticeship goals on the federal jobs.

### **FHWA Training Coordination Update (handout)**

Jeff went over the letter sent to FHWA on apprenticeship pilot performance. Craig mentioned John Huff has been working with the Feds to combine the programs.

- Jason asked if there has been any progress.
- John said they have an open ear on the national level, but he is not sure about the local level.
- Jason asked how the goal is determined on federal projects.
- John replied that every federal project is evaluated to see if it will have training hours and if there is no goal that is because it was not viewed as a project that would support training hours. In evaluating, they take geography, availability and duration into account.
- Dave asked if the state apprenticeship goals could apply toward the federal hours. He asked if there was a letter of confirmation approving this. If in fact, you ended up with 2,000 hours of apprenticeship utilization and 500 training goal hours they could be met with the 2,000 apprentice hours.
- Craig said most jobs have met the fed requirements that way, but pointed out that not every state-approved apprentice can meet federal training goals due to the affirmative action aspect of it.

### **Apprenticeship Participation Issues (handouts)**

Jeff went over the Apprentice Utilization Trends handout. He pointed out that generally contracts that meet the requirement have more working days and higher dollars than the ones that don't.

- Randy said that on the shorter jobs that are 90 days or less there was a project where the contractor did not recruit from the programs during the contract. Randy said that they need to let us know sooner than 30 days in advance how they will incorporate people on the short duration jobs. She asked how long they have to turn in the plan.
- Jeff explained that the plan is due within 30 days of execution of the contract and that the contract is executed within 21 days of being awarded.
- Dave pointed out that it is outlined in the pre-bid documents that there will be apprenticeship, so the contractor should know this before they submit bids for the job.
- Craig said originally the plan was intended as a tool for the project offices so they would know when the apprentices would be on the job and could track the contractor's progress. Craig said that it wasn't meant to be an enforcement tool as much as a planning tool.
- Randy said she was worried that on jobs with fewer days they may trend toward not being timely about making commitments with apprenticeship programs. She wondered if the window to turn in the plan is too big.
- Jeff also said that when this started, there were a number of contractors on a learning curve and now that the requirement is on smaller contracts, there are new contractors on the learning curve.
- Dave asked when the clock starts ticking in terms of them making phonecalls and contacts. When does that start. Dave asked if it was in the contract.
- Craig confirmed and explained the language in the specification.
- Valerie said that she turns in their plan when they get their hours, and adds to it as they get subcontracts. Smaller subs do better after they have had a subcontract on a job with the requirement before. As the cost goes down, you have whole new sets of contractors that are not familiar with the requirement. Valerie said the issue needs to be put down to the regional offices.
- Jeff explained how the process works through the regions and offices up to HQ.
- Craig mentioned that he can address plan issues on small contracts through the Construction Engineers during an upcoming meeting.
- Randy wondered if the smaller jobs might even be better for apprenticeship than the larger jobs.
- Craig said he will look at the upcoming projects and speak with the Construction Engineers about ones that might have issues.

### **Economy and Apprenticeship**

Craig asked how the labor groups are dealing with journeymen on the bench with current economic conditions.

- Bob said WSDOT work has been a big help. They do have journeymen busy, and are still hiring apprentices. There is a ratio of how many apprentices to journeymen can be on the job.
- Randy said that the ratio is their commitment to train the upcoming workforce, but also to keep apprentices from sitting on the bench.
- Dave said in the last few years, they have more apprentices than they normally take in.

### **Apprentice and Journeymen Hours by Craft or Trade (handout)**

Jeff went over the journeyman to apprentice hours by craft or trade handout with the group. The document is overall, what WSDOT is seeing as a percent of total hours for each occupation that were performed by apprentices. Some of the occupations with zero hours don't have apprenticeship programs.

- Bob mentioned that he doesn't want us to think that there aren't programs available for some of the crafts or trades listed. For instance, flagging is covered under laborers, as well as hod carriers and mason tenders. Laborers also can perform landscaping.
- Jeff mentioned that that what the committee sees on the handout has a lot to do with how it is reported by the contractor.
- Bob said with flagging that there may be 100,000 hours for contractors that don't use apprentices and they are just not becoming training agents.
- Jason asked Dean what they do for Teamster apprentices.
- Dean said if he was going to put an apprentice teamster on they would drive a water truck. Maybe they would do that for a year or two and then drive a mix truck.
- Jason asked why there are so few Teamster hours.
- Dean said Lakeside has downsized trucks.
- Jason asked if there is even a program for truck drivers.
- Dave confirmed there is a Teamster program and he explained that they let their program go for a while but are really ramping up now.
- Jason asked if operators can drive trucks.
- Randy said the operators train for CDL. They have mechanics and oilers. Randy said that they train them and test them.
- Jason asked about why the truck drivers have so few apprentice hours and so many journeymen hours.
- Jason said that in his work they do not use Teamster apprentices.
- Jeff mentioned there is a quality control issue with how it is reported.
- Dave explained the difference between operator and teamster activities.
- Jason said that there is a big opportunity there to get a lot more hours.
- Dave said that is a tricky area with the overlays. The Teamsters are in the same boat.
- Bob asked if the number includes owner operators. It should not, though there may be issues with how the data is reported.
- Jason explained that most are subcontractors. Jason brought up again that is the cost of apprenticeship and that is why the pavers have such a

difficult time, because you really have to have someone paid to watch the operation.

- Dave mentioned they invest in training for safety before they hit the job site.
- Randy mentioned the benefit of paying less than prevailing wage to apprentices.
- Jason said that apprenticeship should not be 15% across the board, it should be distributed based on the opportunity.
- Dave mentioned there had been discussion on that.
- Randy said that they had considered that, and apprenticeship has been working since 2000.
- Jason said he sees there is more projects that the committee will be unhappy with coming up in the near future.
- Jeff said there are opportunities. But there will be some issues as the dollars go down and the requirement goes up.

### **Number of Apprentice Occupation Per Job (handout)**

Jeff went over the handout on the number of occupations per job. This is an update to information the committee requested at the last meeting. Overall, the projects are doing well training multiple occupations. Just 3 contracts have only one occupation training. Most jobs have two or more. The job that had eight is a remodel of the Eagle Harbor Maintenance Facility.

### **Apprentice Utilization Compared to Cost and Time (handout)**

Jeff went over the handout on utilization compared to cost and time. It is not an issue of just cost or just time, but on jobs with a high cost and a small number of working days there are more issues meeting the goal. He brought up the criteria for making adjustments to the requirement and said that he isn't trying to say that smaller jobs shouldn't have goals, but the committee may need to consider adjusting them based on performance.

- Dave said that if you look at two jobs with similar dollars and similar days, some meet the requirement and some don't.
- Jeff said we aren't close to a criteria for adjusting the requirement, but asked how we can modify the requirement and look at how to adjust goals.
- Randy said that we have too little of a snapshot to look at how to make an adjustment. Randy mentioned the state has a ten year track record of success with apprenticeship.
- Jeff asked what data we need to pull together for the committee to look at. One criteria we have is geographic. What are our geographic training areas we need to look at?
- Dave said that if we go back to the original report, it shows all the geographic areas that are covered statewide. While the training centers

may be located in a specific area, the apprentices travel from a large area. The assumption is that there will be a certain number of apprentices in that area.

- Randy said that they have halls across the state.
- Bob said that even Inland Northwest's program covers a whole side of the state and the apprentices are located wherever they are working.
- Randy asked if Jeff and Craig would be interested in a tour of any facilities. There are a number in the Olympia area.
- Bob said there are satellite office across the state.
- Jeff summarized by saying we will keep collecting data but we need to be prepared that as the percentage increases and the dollars decrease and new contractors come in, there will be less compliance.
- Bob said that he knows the high cost of materials to working days means a lot but cities and counties are going down to \$1million. It seems like it is a hard goal to reach, but a lot of it is education and outreach. Bob said that there is a big misconception with some contractors about apprenticeship.
- Jeff said that one concern is that the nature of how we deliver is a lot different from the cities. The legislative expectation is that we will deliver differently, faster.
- Some contractors on WSDOT jobs have said they have had a hard time finding apprentices who will work only at night.
- Bob said that was something that happened a couple years ago, but now money is the name of the game and apprentices must take whatever work is available.
- Jody said that in the standards, apprentices typically can't pick and choose where and when they will work, so finding the apprentices to work night, day and wherever shouldn't be an issue.
- Dean said his firm had two that refused to work nights.
- The labor groups said to contact the apprenticeship programs about these types of issues.
- Jody said there is language with regard to apprentices not accepting dispatches.
- Randy asked that we take a closer look at the smaller completed projects and if we see a trend, even before the next meeting, we meet again to discuss what they can do to meet the requirements.
- Bob said that one thing that came up at the State Apprenticeship and Training. Council would be that they would like to see WSDOT's report.
- Jenna will send the reports to Jody.
- John said with respect to apprentices refusing to work, right now people are going to FHWA and complaining for a variety of reasons why people are not being accepted into the program. John mentioned that you need to be able to show the feds the whole picture and from the industry side understand what is going on.

- Jeff said that as an action item we will look at the data and try to find predictors.

## **Outreach**

The group discussed what outreach actions they have taken since the last meeting.

- Craig gave an overview of apprenticeship at a DBE meet and greet
- Dave mentioned that they have produced a book to get into high schools and it has been adopted by skills centers. It is designed for soft skill training and goes into math and science. It is focused toward junior high and high school to get some familiarity into the school system and enforces you can have a decent career as a construction worker.
- Jason asked if there are some schools in Washington that are directing kids into vocational tech.
- Randy responded that there are community colleges.
- Dave mentioned there are not many schools with shop classes anymore. Dave said a whole class of students has been ignored and there has been a whole applied math and science focus that has been ignored. OSPI has been looking at the curriculum and has said that if the student went through the course, there is no reason they couldn't get their algebra credits that way. They will learn basic skills that you don't find in high schools anymore.
- Bob said they are doing soft skills training now – work ethic, financial.
- Jody said that May 19<sup>th</sup> and 20<sup>th</sup> of 2010 there will be an apprenticeship conference at the Tacoma Convention and Trade Center. He would like the committee to attend and give a workshop on apprenticeship requirements.

## **Date Setting and Topics for Next Meeting**

The next meeting will take place during the Apprenticeship Conference at the Tacoma Convention and Trade Center on Wednesday, May 19<sup>th</sup> from 1:00 to 3:00 p.m.

## **Meeting Adjourned**