

# PORT of OAKLAND



## MARITIME and AVIATION PROJECT LABOR AGREEMENT

### PROGRESS REPORT SUMMARY

July 1, 2014 to June 30, 2015

Presented  
To the  
Oakland Board of Port Commissioners  
November 2015

## HISTORICAL OVERVIEW TO MAPLA

The Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) was adopted by the Board of Port Commissioners (Board) in 2000. It was intended to cover the capital projects in the Port's Aviation and Maritime areas. In response to Board policies, the MAPLA was designed to ensure project labor stability, employment of Port local residents, and utilization of Port-recognized small businesses.

Initially adopted for five (5) years (through December 2004), MAPLA was extended for two (2) years as a result of the settlement of an arbitrator's award extending coverage of MAPLA to Port tenants' construction activities (through December 2006) and was further extended three times by Board action and the concurrence of the Building Trades Unions on a month-by-month basis. In June 2010, the Board adopted a five (5) year extension to the MAPLA and in February 2011, an agreement extending the MAPLA for five (5) years was executed between the Port and Alameda County Building and Construction Trades, to June 30, 2015. While negotiating revisions and amendments, MAPLA was further extended two times by Board action to September 30, 2015, and October 30, 2015.

The MAPLA Local Hire Program continues to advance the Port's local-hire goals with specific goals for the hiring of residents from the Port's Local Impact Area (LIA) and Local Business Area (LBA).

Currently, the goal is that LIA residents will perform 50% of all hours worked, on a craft-by-craft basis to ensure local resident utilization in all crafts. If LIA residents are not available, capable or willing to work, LBA residents may count for compliance purposes.

Apprentices, as allowable by law, are to perform 20% of all project hours performed on a craft-by-craft basis, with a goal that all of these hours will be performed by LIA resident apprentices, with LBA resident apprentices as an allowable back up. This goal applies if local apprentices are available, capable and willing to work on PLA covered projects.

This report contains a summary update that serves as a progress report covering highlights of the Port's MAPLA during the period of July 1, 2014 to June 30, 2015.

## HIGHLIGHTS

Highlights of **this fiscal** year include:

- The MAPLA continues as a catalyst for enhancing Port efforts to secure Local Impact Area (LIA) employment opportunities and sound labor relations on Port projects.
- Despite pressures noted below, Port projects have not been subject to labor disruption and all disputes have been resolved using MAPLA's agreed-to dispute resolution provisions. The Unions have worked to dispatch the skilled workforce that the Port sought as part of its effort to ensure sound, on-budget and on-time construction of its projects. Unions continue to work successfully with non-Union Contractors working under the MAPLA to ensure that those Contractors are able to use both their "core" employees and skilled Union members from the hiring halls on their work crews.
- The jointly administered Employer-Union Joint Apprenticeship Training Committees (JATCs) have provided key opportunities for LIA/LBA residents to receive on-the-job training on the MAPLA construction projects and to start careers in the construction Trades.
- The MAPLA Social Justice Trust Fund continues to provide an opportunity for financial support in local workforce development efforts that support the LIA employment goals of the MAPLA, especially with regard to the utilization of LIA apprentices. During the reporting period, an award of \$37,300 was made to the West Oakland Jobs Resource Center to support pre-apprentice preparation, training, placement and in apprentice retention.

### Local Workforce Utilization

The MAPLA Local-Hire Program continues to be an important element of the Port's Social Justice Program and a key Port priority. The MAPLA sets goals for the hiring of residents from the Port's LIA and LBA and requires Contractors to use reasonable and good faith efforts to achieve those goals. Collaboration among the Port, Contractors, the Unions and community groups occurs in the forums identified, and this achievement is entirely through the voluntary efforts of the Contractors and not through use of any enforcement mechanisms available under MAPLA.

The Social Justice Committee regularly reviews the MAPLA local-hire performance and works with Contractors to help them achieve these goals. The committee provides an excellent venue to review local-hire outcomes and to engage Contractors and Unions in constructive dialogue to see how this important Port goal can be best accomplished, consistent with all other requirements.

The overall results of the local-hire program and the results in this fiscal year period are displayed in Table 1 (below). During the report period a total of 177,762 construction

work hours were compiled. There were fewer active construction projects during the reporting period, resulting in a decrease of 65,758 work hours over the prior reporting period.

Even with this decrease in the number of project hours, there were modest increases in LIA journey and apprentice participation during the report period but a decrease in LBA apprentice participation.

- The percentage of total LIA work hours in this reporting period is 33.74%, an increase from last reporting period of 1.17%.
- The percentage of total LIA/LBA work hours during this reporting period is 63.85%, an increase from last reporting period of 0.07%.
- During this reporting period, LIA Apprentice work hours is 11.14%, an increase from last reporting period of 0.79%
- During this reporting period LIA/LBA Apprentice work hours is 13.33%, a decrease from last reporting period of 1.31%.
- During this reporting period total Apprentice utilization is 15.06%, an decrease from last reporting period of 3.00%

Table 1 sets out the totals and percentages of hours – cumulative through July, 2014 (the last period) and then cumulatively through the end of June 2015.

Table 1: **MAPLA Local-Hire Performance Summary**

MAPLA	Cumulative Results Thru June 2014		July 2014 Through June 2015			Cumulative Results Thru June 2015		
	MAPLA Hours	% of Total	MAPLA hours for last twelve months	% for last twelve months	Apprentice Trades hours only	MAPLA Hours	% of Total	MAPLA Goal
<b>Total Hours Worked</b>	4,375,908		177,763		132,032	4,553,670		
<b>LIA Residents</b>	1,313,329	30.01%	59,972	33.74%		1,373,301	30.16%	50%
<b>LIA/LBA Residents</b>	2,578,111	58.92%	113,505	63.85%		2,691,616	59.11%	50%
<b>Total Apprentices</b>	560,051	12.80%	26,778	15.06%	20.28%	586,829	12.89%	20%
<b>LIA Apprentices</b>	263,186	6.01%	19,805	11.14%	15.00%	282,991	6.21%	20%
<b>LIA/LBA Apprentices</b>	414,741	9.48%	23,700	13.33%	17.95%	438,441	9.63%	20%

*(Please note that 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 above shows Apprentice participation as a percentage of the total available Apprentice Hours (i.e., the "apprenticeable hours" worked for the period.)*

In the area of apprenticeship utilization, the program has been increasing its apprentice utilization and is close to reaching the 20% goal, as Table 2 displays below. The

MAPLA Team **continues** to work with community groups, contractors and labor through the Social Justice Committee to increase local resident utilization to a level more in line with and beyond the success achieved during the “boom” years of MAPLA construction activity.

**Table 2: Total Employment Hours vs. MAPLA Apprentice Utilization (Annual by Hours & Percentage) from July 2005 – June 2015**

MAPLA Period	Total Employment Hours	Apprentice Employment Hours	Apprentice Percentage Hours
<b>July 2014 – June 2015</b>	<b>177,762</b>	<b>26,778</b>	<b>15.06%</b>
July 2013 – June 2014	243,520	43,984	18.06%
July 2012 – June 2013	337,547	47,034	13.93%
July 2011-Jun 2012	57,430	4,478	7.80%
Jan 2010 – June 2011	82,059	9,418	11.48%
Jan – Dec 2009	57,611	3,739	6.49%
Jan – Dec 2008	220,489	18,585	8.43%
Jan – Dec 2007	498,620	63,226	12.68%
Jan – Dec 2006	567,702	79,093	13.93%
July – Dec 2005	193,880	31,353	16.17%

Economic Impact of MAPLA During This Report Period

During this period local area employment on MAPLA Projects point to the following estimated wage earnings:

- LIA residents estimated earnings of \$2,355,991
- LIA/LBA residents estimated earnings of \$4,458,266
- LIA apprentices estimated earnings of \$1,158,563
- LIA/LBA Apprentices estimated earnings of \$1,385,601

MAPLA Pace Setters—Craft Unions

The partnership with the various Unions affiliated with the Building and Construction Trades Council of Alameda County (AFL-CIO) plays a crucial role in achieving the local-hire goals of the MAPLA. To this end, the Unions displayed in Table 3 cooperated with Contractors through hiring hall dispatch in achieving the LIA/LBA hiring and LIA/LBA apprentice utilization levels that benefit the MAPLA local-hire goals as shown below.

**Table 3: Crafts Meeting or Close to One or More LIA/LBA Journey and/or Apprentice Dispatch Goals during the July 2014 to June 2015 period.**

Craft	% LIA Journey (50% goal)	% LIA/ LBA Journey (50% goal)	% LIA Apprentice (20% goal)	% LIA/LBA Apprentice (20% goal)
Glazier	57.8%	57.8%	51.6%	51.6%
Painter	56.7%	87.3%	10.6%	12.1%
Asbestos Removal Workers (Laborer)	38.3%	50.1%	n/a	n/a
Electricians	33.4%	63.6%	16.7%	19.6%
Laborers	43.3%	70.4%	11.7%	12.8%
Roofers	42.7%	96.1%	4.9%	15.4%
Carpenters & Related Trades	28.8%	68.5%	16.9%	20.5%
Operating Engineer	28.0%	56.2%	10.8%	11.2%
Teamsters	22.9%	78.5%	n/a	n/a
Plumbers	15.1%	68.8%	5.0%	13.7%
Drywall Installer/ Lather (Carpenter)	13.7%	67.6%	0.6%	15.2%
Sheet Metal Worker	12.5%	69.0%	3.8%	19.0%
Field Surveyor	2.8%	42.2%	2.8%	5.3%

MAPLA Pace Setters—Contractors

The partnership with the various Contractors performing MAPLA-covered work also plays a crucial role in achieving the local-hire goals of the MAPLA. To this end, the lengthy list of Contractors displayed in **Table 4** achieved significant measures of the LIA/LBA hiring and LIA/LBA apprentice utilization levels that benefit the MAPLA local-hire goals as shown below. **The listed contractors performed a minimum of 1,000 craft hours of work during this period.**

**Table 4: Contractors Meeting or Close to One or More LIA/LBA Journey and/or Apprentice Dispatch Goals during the July 2014 to June 2015 period.**

Crafts	% LIA Journey	% LIA/ LBA Journey	% LIA Apprentice	% LIA/LBA Apprentice
Turner Construction Co. – Carpenters & Laborers	99.6%	99.7%	41.7%	41.7%
George E. Masker, Inc. – Painter	97.9%	98.6%	11.6%	11.6%
Industrial Railways Company – Laborers & Operating Engineers	78.7%	86.5%	16.6%	19.6%
D-Line Constructors, Inc. – Laborers & Operating Engineers	77.7%	84.6%	22.8%	22.8%
McGrath Electric - Electricians	60.1%	78.7%	28.7%	28.7%

<b>Crafts</b>	<b>% LIA Journey</b>	<b>% LIA/LBA Journey</b>	<b>% LIA Apprentice</b>	<b>% LIA/LBA Apprentice</b>
<b>Sterling Environmental Corp. – Asbestos Removal Worker</b>	58.9%	87.0%	n/a	n/a
<b>Silverado Contractors, Inc. - Laborers &amp; Operating Engineers</b>	46.8%	65.2%	8.5%	8.5%
<b>Berkeley Cement, Inc. – Carpenters, Cement Masons, Laborers &amp; Operating Engineers</b>	43.4%	84.10%	21.7%	24.0%
<b>Balfour Beatty/Gallagher &amp; Burk, JV – Laborers &amp; Operating Engineers</b>	43.3%	62.3%	20.8%	22.3%
<b>D.W. Nicholson – Carpenters, Electricians and Iron Workers</b>	41.4%	98.9%	25.10%	25.10%
<b>Vellutini Corp – Electricians, Laborers &amp; Operating Engineers</b>	39.5%	60.9%	12.3%	13.7%
<b>Beci Electric, Inc. – Electricians &amp; Laborers</b>	38.0%	77.4%	25.0%	25.0%
<b>Schembri Construction Co., Inc. – Carpenters, Laborers &amp; Operating Engineers</b>	37.4%	69.2%	0.0%	2.0%
<b>Gallagher &amp; Burk – Laborers &amp; Operating Engineers</b>	35.2%	74.2%	14.8%	15.3%
<b>TDW Construction – Laborers &amp; Operating Engineers</b>	34.2%	73.0%	0.0%	0.0%
<b>Mountain Cascade, Inc. - Laborers &amp; Operating Engineers</b>	30.5%	79.5%	6.6%	6.6%
<b>Red Top Electric – Electricians &amp; Laborers</b>	29.4%	75.0%	16.5%	25.2%
<b>Union Modular Construction - Carpenters</b>	25.9%	32.7%	7.7%	13.5%
<b>Deharo Mechanical – Sheet Metal Workers</b>	22.0%	49.7%	0.0%	22.4%
<b>Tennyson Electric, Inc. – Electricians, Laborers &amp; Operating Engineers</b>	20.1%	42.7%	0.5%	3.10%
<b>Crusader Fence Co., Inc. - Laborers</b>	18.9%	42.5%	18.9%	18.9%
<b>Alamillo Rebar – Iron Worker</b>	6.0%	36.70%	0.0%	12.3%
<b>Stacy and Witbeck, Inc. - Laborers &amp; Operating Engineers</b>	7.80%	48.5%	7.8%	7.8%
<b>Milestone Contractors, Inc. – Plumbers &amp; Sheet Metal Workers</b>	2.6%	75.0%	2.4%	16.2%
<b>Valentine Corporation – Carpenters, Cement Masons, Laborers, Operating Engineers &amp; Pile Drivers</b>	15.7%	15.7%	15.7%	15.7%
<b>Evans Brothers – Laborers &amp; Operating Engineers</b>	11.4%	53.7%	2.1%	2.1%
<b>AVAR Construction, Inc. - Laborers &amp; Operating Engineers</b>	16.9%	63.3%	0.0%	0.0%

## MAPLA Extension

The MAPLA is currently extended to October 30, 2015. With the MAPLA in place this allows the Port to achieve its objectives as established by Board policy. Specifically, those policies are to ensure project labor stability, provide employment opportunities for Port Local Impact Area (LIA) residents, and achieve Building Trades support for Port policies for the utilization of Port-recognized local, small businesses.

## Social Justice Trust Fund

The low work levels under MAPLA for several years adversely affected the amount of funds available for the Trustees of the MAPLA Social Justice Trust. However, during the reporting period, a grant of \$37,300 was issued to West Oakland Job Resource Center for pre-apprentice preparation and apprentice retention. This grant supports a collaborative effort by multiple local agencies to identify and retain Oakland-based workers with a focus on apprentices through collaboration with contractors and the Alameda County Building Trades affiliate members. With that grant, the seventeenth in the history of the MAPLA Social Justice Trust Fund, the total contributions provided to community based organizations exceeded \$420,000. The table below shows the organizations, grant amounts and number of grants since the inception of the Trust Fund.

Grants/Recipient	Total Grants	Number of Grants
Allen Temple Housing and Economic Development Corporation	\$45,115	2
East Bay Community Law Center, on behalf of BACSIC	\$66,000	3
Oakland Private Industry Council, on behalf of Cypress-Mandela Training Center	\$86,654	3
Tradeswomen, Inc.	\$15,000	1
West Oakland Job Resource Center	\$37,300 <sup>1</sup>	1
The Workforce Collaborative (as the manager in the above mentioned collaboration with four other community based organizations)	\$135,000	5
Youth Employment Partnership, Inc.	\$35,000	2
<b>Total</b>	<b>\$420,069</b>	<b>17</b>

It bears mentioning that administrative costs of the fund are approximately 4.5% of all funds distributed by the fund manager, the East Bay Community Foundation. These relatively small administrative costs pay for trust insurance, legal services, fund

<sup>1</sup> Covers fiscal year 2014 and 2015

management and, in one case, for an arbitrator to enforce the Social Justice provisions of the MAPLA.

## Local and Small Business Utilization

As a collective bargaining agreement, MAPLA is unique in providing protections and opportunities for Port LIA and LBA businesses to participate in the MAPLA covered contracts issued for Port maritime and aviation construction projects. Over the life of the MAPLA, 90% of the total value of contracts placed in the Small Business Program (i.e., projects whose bidding pool was limited to Port certified small businesses) was successfully awarded to Port certified small local businesses. Approximately 50% of the total value of contracts awarded under the Small Business Program was subject to the MAPLA exemption, as per the provisions of the Small Business Exemption Program (SBEP). The SBEP was established to help small local construction firms, many of which are non-union contractors, by providing opportunities to increase their capacity to perform public work through graduated involvement in the Port's construction projects. Participating firms are limited to a total maximum of \$1million of contract work under the program and must graduate to work covered by the provisions of the MAPLA. A total of \$15 million of such work is set aside. Over two-thirds of the \$15 million in this program has been awarded.

## Site Visits

Starting in April 2014, DSI has been conducting site visits on MAPLA projects to assist the Social Responsibility Division in monitoring the proper payment of prevailing wages in the field. During site visits, DSI observes contractors and trade work being performed, interviews workers and compares that information to the certified payroll reports. No issues of prevailing wage underpayments have been discovered.

During the reporting period, DSI has interviewed 31 workers on the following MAPLA covered projects:

1. Design Build of the Outer Harbor Intermodal Terminal (OHIT) Support Yard, Phase 1 under prime contractor Balfour Beatty/Gallagher and Burk Joint Venture
2. Construction of the OHIT Support Yard, under prime contractor Stacy and Witbeck, Inc.
3. Furnish of Pre-conditioned Air Units under prime contractor Angotti and Reilly
4. Construction of Runway Safety Area Improvements for the South Field under prime contractor Gallagher and Burk
5. Construction of Runway Safety Area Improvements for the North Field under prime contractor Gallagher and Burk
6. Renovation of Building M102 Air Traffic Control Tower and Building M102 Swing Space TSO#14 under prime contractor Turner Construction

## Going Forward

The MAPLA team remains committed to the cost-effective management of its social justice and labor-management goals and objectives. Toward this end, the priorities for the next period are:

- To seek ways to maximize the opportunities presented by the upturn in the economy and the number of Port projects covered by the MAPLA, with a particular focus on increasing the entry of local residents in pre-apprenticeship and apprenticeship training programs.
- To look for collaborative ways to maximize funding for pre-apprenticeship training, apprenticeship entry and retention.
- To continue to streamline and make more cost effective the management and oversight of MAPLA in light of the reduced capital program it supports. Of particular concern is maximizing the effectiveness of the various committees, taking into account that members serve on a voluntary basis.
- To continue to educate the Port's private partners and tenants to ensure application of MAPLA on maritime and aviation projects.
- To build upon the already successful Community-Port-Labor-Contractor forums and working relationships to secure best efforts at achieving the Port's social justice goals for local residents and businesses.
- To sustain the highly productive and cooperative labor-management relationships that have proven a boon to the efficient execution of MAPLA covered projects.

The Board can take pride in the fact that its principles for MAPLA continue to provide a sound framework for attaining solid results based upon performance. The Port's business model change toward Public Private Partnerships for capital improvements continues to provide a sound process to attaining positive employment results with its partners and tenants.

The MAPLA team is available to answer any questions the Board may have regarding its management and implementation.

## Acknowledgements

This report was prepared with information compiled by the following:

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