WSDOT APPRENTICESHIP UTILIZATION ADVISORY COMMITTEE

MEETING MINUTES

February 9, 2007

12:-00 – 3:00 PM

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

Attendees:

Committee Members: Kevin Dayton (Chair), Bob Abbott, Bob Adams, Randy Loomans, Dave Johnson, Tom Zamzow, Butch Brooks.

Meeting Observers: Rick Slunaker, Tom Gaetz

WSDOT Staff: Craig McDaniel, Ron Wohlfrom, Todd Lamphere, Jennifer Brown, Jenna Fettig,

Absent: John Littel, Nick Tommer

Meeting Overview and Outcomes:

Action Items:

The committee compiled the following list of issues to work through:

1. Define/develop disproportionately high ratio of materials to labor: criteria and guidance.
2. Define/develop criteria for excluding geographical areas.
3. Discuss coordination with federal training requirements.
4. Talk about Washington State Ferries apprenticeship utilization.
5. Touch base on report to Legislature.

Date Setting:

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

- **Thursday, May 3rd, 8:00 AM – 12:00 PM**

Meeting Minutes:

Welcome

Kevin Dayton welcomed the committee and gave an overview of the agenda. Items on the agenda are touching on actions taken since the last meeting, defining disproportionately high ratio of materials to labor and developing criteria and guidance for excluding projects for that reason, developing criteria for excluding geographical areas, discussing coordination with the federal training requirements, coordination with Washington State Ferries (WSF) and setting a date for the next meeting. Kevin announced that he accepted a new position. The Committee chair at the next meeting will be the new State Construction Engineer.

Actions taken since last meeting

Finalization of Specs (handout)

Kevin asked the group to take a look at the final apprentice utilization specification in their packets. At the last meeting, the group discussed the specifications and made recommendations. The specification was revised to reflect the comments and emailed to the committee for review and comment. It has been finalized. It is a locked document, not available for regions to tweak. If people are seeing different versions of specifications out there, the Construction Office needs to know to get it fixed. It is in two pilot jobs: SR 9/ Schloman Road to 256th Street E and US 195 / Cornwall Road to Hatch Road dowel bar retrofit and Paving. SR 9/ Schloman Road to 256th Street E is on ad now with a bid opening date in mid March. US 195 / Cornwall Road to Hatch Road dowel bar retrofit and Paving will go on ad in the middle of February. Kevin mentioned that it is a few weeks from the bid opening, nobody who is looking at the job has complained about the requirements.

New Committee Member

Kevin announced the appointment of Randy Loomans to Apprenticeship Utilization Advisory Committee. Her appointment is in place of Alan Darr. A letter was sent out announcing her appointment in December.

Project List

Jen briefed the group about the advanced schedule of projects that is being developed to assist in providing a look ahead for which projects will have the requirements. She said there are a couple things to talk about that feed into reporting. She wants to provide a watch list of upcoming projects that would have these apprenticeship requirements. What she has found is that WSDOT can come up with pretty reliable information looking 6 months into the future. The list she has today goes to July so it is not helpful for phase one implementation. This list may be helpful in the future. It could be provided to the committee monthly or quarterly. She is trying to get to a projected project amount, which is different than what the line item budget is provided in the 6 month look ahead. We have had to draw some really broad conclusions to get to a projected project amount, taking off 27% of the budgeted cost (this 27% being the projected costs for construction engineering, sales tax and contingency with 8% removed for sales tax, 15% for CE, and 4% for contingency). If the requirement was in place right now, based on the current approximate outlook through July, we would be looking at 11 projects that could potentially have apprenticeship requirements.

- Rick Slunaker asked how often the list varies. When you make that number, does it change?
- Jen replied the ad date would vary most
- Kevin described the budgeting process using Tacoma HOV as an example. The line item budget is basically a corridor. As WSDOT designs the projects, we begin to know with certainty.
- Bob Adams asked if generally, it becomes known 6 months ahead.

- Kevin said there is not a system he knows of that can generate project amounts 6 months ahead.
- Butch said that whenever the advanced schedule is updated it would be nice to get that as a look ahead.
- Bob Adams said what needs to be looked at is if we are picking up the best opportunities for apprenticeship. What areas, what projects?
- Jen said this is the forward looking list. She thought what Bob was talking about is the second report that could be a report to this committee on a quarterly basis. We want to be reporting back to this committee on a quarterly basis on which projects had the requirement. She said they could be provided the look ahead and a look back each quarter.
- Rick said he doesn't think it is useful to see a changing list. It is confusing information.
- Kevin said that everything in a report on the look back is our data, we can tell you anything. The futuristic look forward, we have a very difficult time coming up with it. We are not any closer today being able to forecast into the future. Pin level dollars are not the contract dollars. That is where we run into difficulty. We really need to look at the engineer's estimate; that is when it becomes real.
- Bob Adams asked when the engineer's estimate is developed.
- Kevin replied that the engineer's estimate is developed about 3 weeks before the ad date. 6-12 weeks ahead, they start looking at what goes into the estimate.
- Bob said during that 3 week window then you make the decision if it has the requirement.
- Dave Johnson agreed with Bob. If it is not a huge inconvenience, it would be nice to see the 6 month look ahead. There is no assumption that this will be real. It would be helpful just to see what is actually taking place. The final report back would be useful as well. As long as it is not overly time consuming. As long as it is known that the look forward is not a definite list
- Kevin said if we report the engineer's estimate as the budgeted amount minus 27%, we need to make it obvious. He mentioned there are also planning studies on this list, and money that we give to local projects. We can't stand behind this data to the absolute degree. When it goes on ad, we can hold it accountable to the exact numbers.
- Jen said next month, if she provides the 6 month look ahead it will be through August.
- Dave said that will be useful. No one will hold WSDOT accountable to doing apprenticeship utilization on a planning study.
- Kevin said WSDOT will get to a better future look within the next 6 months to a year.
- Craig mentioned they are putting a system in right now for consistent reporting across the state.
- Kevin said that the Statewide Program Management Group (SPMG), a consortium of consultants helping.

- Bob Adams asked how well WSDOT is doing lately at hitting bid amount with the estimate.
- Jen said we can send the quarterly update to the apprenticeship committee that goes over those items.
- Kevin said that in January, WSDOT had an average of 3.9 bidders and was 0.4% below the engineer's estimate for the 10 highway projects awarded.
- Craig said we are really only concerned about the projects with estimates landing right at the threshold.
- Bob Adams asked if the legislation prohibits WSDOT from putting it in smaller jobs.
- Kevin said it does not.
- Rick said it seems that these three different reports would be beneficial to post somewhere on the web.
- Jen said the future look ahead should not go on the webpage, but there is an advanced schedule of projects on the contract ad and award web page.
- Rick said that flagging possible apprenticeship projects on advanced schedule of projects report may be useful.
- Kevin said there is nothing in the report back to the committee that we wouldn't want to have available.
- Jen said we will not post all the names and numbers of apprentices, which is required in the reporting to GA. Another item is the upcoming report to the legislature.

Outreach
Jen said we have continued to do some outreach. The committee is getting the updates quarterly that are sent to interested parties. If committee members know anyone who should be added to that list, please let her know. The notice to contractors was posted on the website to let them know what is coming up (handout).

- Kevin asked if there anything else that anyone knows of that has been done for outreach. He said now is the time we need to advertise this program and get people at the high school college level to be interested. WSDOT would like them to say that there are two avenues: owner or contractor. He said we need to advertise working for transportation in either avenue. There are those that want to be part of public service and those that want to be in the trades
- Randy said everyone worried about this when apprenticeship utilization started in 2000, but when you look at it, there was only one job that was not able to meet requirements.
- Bob Abbott said that every apprenticeship program is going through an outreach effort. His group is creating a CD.
- Kevin said that is exactly what he wants to hear. We cannot wait until tomorrow to do things that we need to be doing today.

- Bob Abbott said he is looking at the running start program for the apprentice programs. That's where a lot of the outreach has started to happen.
- Dave said that Labor & Industries OSPI Two agencies? Which one? L&I and OSPI? has budgeted for an apprenticeship position. They have full blessing from the superintendent.
- Randy thinks the legislature is going back to envisioning apprenticeship attached to the K-12 system rather than community and technical colleges. Hopefully they will have the people in the pipeline eventually.
- Kevin said WSDOT is hitting their goals and introduced Todd Lamphere to talk about WSDOT's Apprenticeship and internship opportunities.
- Todd Lamphere told the group about WSDOT's apprenticeship programs and recruiting. He said WSDOT has a pretty good broadband approach. He has an employee working on a program called engineers in the classroom. Massachusetts has a robust program and is sharing resources and notes. A resource in Oregon is helping WSDOT develop the programs. One is geared at engineering – the entire engineering approach. WSDOT is saying that like the housing market if we continue to starve ourselves we are not going to be able to do any work anymore. The apprenticeship program just closed a recruitment effort successfully. WSDOT is growing its own diversity. Eventually the WSDOT apprentices will be trained to become engineers. The program requires 2,090 hours training, tech 1 or tech 2. They are not targeted toward a specific project; they are targeted toward disciplines so they cannot account for apprenticeship utilization hours. If WSDOT charged them to one project, they can only work on one aspect. WSDOT received 300 or more applications for 7 positions. They ask for science and math to ensure their success. They used to mandate that they spend 6 months in construction engineering, design, environmental and traffic. Now they do 6-8 months in construction and preconstruction. That is the interest of this committee. They are state employees. With the internship program, they have to be enrolled in a school's engineering program. They are employed for summer, winter or spring break. Comments were overwhelmingly positive. If WSDOT waits to recruit the engineers until they graduate, they have already accepted a job as juniors.
- Tom Zamzow said Wilder hired 4 engineers who were previous interns.
- Kevin said legislative activity that relates to apprentice utilization is 5242 which encourages the department to hire veterans. He wants to be careful that WSDOT does not take this bill and say that it is meeting the intent of this apprenticeship utilization effort. He thought we have to be careful that we not combine the two. They are two different work units.
- Todd said he put that in the bill analysis and that this crosses over.
- Kevin said this has moved out of transportation.
- Randy thinks if you stick with the work internship, you are covered.

- Rick said there are two additional apprentice utilization bills that will increase competition if they are introduced. One is for school districts and one for the port of Tacoma.
- Kevin said outreach should be targeted to get folks into transportation.
- Todd is watching the 5242.
- Dave is watching from the perspective of Helmets to Hardhats. It seems like a great bill.
- Rick said it is really not limited to the apprenticeship program either.
- Kevin said it could be engineers, apprentices, or interns.
- Todd said that implementation is subject to receiving funding.
- Dave said we have always said that there are the people that want to get into apprenticeship and we need to provide them the opportunity to make sure that they can do that. I don't see that there is going to be a great competition out there to get into the apprenticeship programs.
- Bob Adams mentioned that the carpenters have added 630 apprentices in the last year. They are pleased with the radio advertising around the Seahawks games.
- Dave said they are looking at TVW and are pleased with the commercials aired during the Seahawks games. As long as the work is out there we are getting the message out that is fine. The biggest problem we have is if we don't have the work and are trying to recruit. If you don't have the work, you lose them and lose them for good. We have more of an issue with our long standing members who see the apprentices as a potential for losing their jobs. I've thought about that a lot and looked at how many people are going to be retiring. I don't think we run the risk of taking on too many apprentices. Even in a flat economy. It is something that we need to keep an eye on.
- Butch thinks the only place that gets a little tricky is that if the goals we need to achieve are company wide that would make it a whole lot easier.
- Bob Adams said that carpenters indicate 20% natural attrition in the first 12 months.
- Dave said that the average apprentice is 26 years old. I think the military initiatives in the end will be our best recruiting tool. Returning veterans have skill sets that we can utilize.

Define Disproportionately High Ratio of Materials to Labor and Develop Criteria for Excluding Geographical Areas

Kevin Dayton

Right now the bill allows us to exempt jobs for having disproportionately high ratios of materials to labor or to exempt geographical areas. We don't have a procedure for exempting jobs. If we can establish some criteria to exempt jobs based on these items, we can exempt jobs. If we don't , all projects at that dollar amount or above will have the requirement. What is a job that we would like to look at and take off the table? The worst case scenario is that if apprentices are not available in an area, good faith will cancel that out.

Define disproportionately high ration of materials to labor
Craig McDaniel
I consider my role as a facilitator to help us come to a conclusion. I bring perspective from the DBE program, a parallel system to this. I can give you some background. Look at the actual law that is describing this (handout). Look at the definitions. It talks about awarding agency directors and the transportation secretary. Several things need to be defined in my mind. Is adjusting the requirements making it 10%, 8% or taking them away? What about high material costs drives apprenticeship availability? What tells us that there is an area where we will have difficult time?

- Butch said many have been targeting paving as the typical job we are talking about with a disproportionately high ratio of materials to labor. More so than the cost of material is the transportation of the materials. The Teamster program lags behind the other crafts. I went back and looked at two projects we have done for WSDOT in the last few years (handout). The first was 507 Tenino with 16,500 tons of asphalt. I think it is inline with the jobs you are talking about. Over 30% of the hours were on the trucks. A large portion was with laborers (flaggers). The next project, a little bigger, 30,000 tons, you can see that once again laborers have highest percent of hours, teamsters are 37%. I would think there are projects out there, a large fill project with a whole bunch of dump trucks on the road. With a paving project we have a foreman, topside, street, 3 rollers, material transfer, raker and one other. In a paving operation, the roller operator is a big part of it. They directly determine pay factors. I called locals from the laborers and wasn't sure whether or not laborers provide apprenticeship flaggers or not. They do, although there was a concern for supplying enough. I'm concerned about the nomadic nature of the work. Come in for two days, go away for six months. Talked with teamsters, they currently bring in about 30 apprentices a year. There are 5 six-person classes. This (paving projects for WSDOT) is not exactly the spot we would like to put apprentices in on that craft. I think that to me when the legislature was looking at this, these are the types of projects we had in mind. How to define that is very difficult. The emphasis should be on the cost of materials to projected labor hours, not on just the cost of materials.
- Bob Adams asked what the duration of these projects was.
- Butch said the first was 1 month and the second was 6 – 8 weeks. On these projects where they were the prime contractor it would be easier to make the goal than on a project where they were the subcontractor on someone else's schedule. A couple years down the road when we start integrating people it may be easier, but right now it would be hard to find an apprentice raker. No one wants to take those risks because it is a major pay risk. The majority of the pavers in the state of Washington who do paving work run multiple projects at one time. The goal is to get

apprentices educated, not footballing where you take them from one job to another to fulfill the goal. A lot will be timing to see if they are available. Until we get to the point where we fully implement apprentices into crews, it will be difficult. At the time we are doing the majority of the work, we are really busy and it is going to be hard to document at that time as well.

- Dave has discussed this with the Teamsters and they are getting that picture. They understand that they need to expand. That will be a moving target as we move forward. I know there have been a lot of conversations about this. They are committed at least to bringing that up. When I see that there are 37% teamsters, where would you normally put an apprentice and how hard is that to reach?
- Butch replied that it is against his nature to do this. I think apprentices should move their way up. There is so much risk on a paver. There is no going back. Typically we would like use apprentices on a project without as much risk, or in a position with less risk. They would direct trucks, flaggers, possibly a topside operator. I have never seen an apprentice street operator. They are going into places that are quota fillers, menial positions.
- Bob Abbott said you might say they are menial positions, but they are also learning experiences. You get them familiar with the construction industry.
- Butch said he is all for this. I think the flaw is that we are putting apprentices on the worst place that we can put them to start out.
- Bob Abbott said he doesn't want to put anyone in an unsafe position. How many strictly paving projects will we run into at over 5 million at this time?
- Butch said he will be doing a lot as the subcontractor.
- Bob Abbott asked if Butch is looking at exempting paving.
- Butch said want the goals to be lower.
- Craig asked how good faith will fit in.
- Kevin said good faith is making or not making the goal.
- Bob Adams said good faith is defined as efforts to find apprentices, though.
- Butch said in a perfect world, I would like to say that paving is exempt. When we are working as a prime contractor, what we need are realistic or lower goals, not an elimination of them. We are not going to come up with our goals. Every green dump truck we have has an established seat in it. We subcontract the flagging. So the laborer or operator goes way down and teamsters goes way up. We would need an entire fleet of apprentice drivers.
- Craig said it is the nature of our work, in and out. We are going to be challenged.
- Tom said it seems that one of the most difficult things is how to capture this discussion and put it in the statute. Does what Butch explained fit within a definition of disproportionately high ratios of materials to labor that isn't defined yet?

- Rick thinks you could use this to develop good faith. You can come up with a formula approach that says pavers would be required to use less than 10 percent.
- Dave said there are Teamster apprentices out there. We have always felt the number was too low. You have to remember that you are talking about 1 out of every 10 workers on an aggregate basis. We are getting away from the disproportionate materials and how that is addressed and what this committee will supply to the director. We also have other criteria the awarding agency director deems appropriate. That could be the safety issue, putting people in harms way. On this project the only place I can employ them are flaggers on the freeway? Maybe that could be criteria for exemption.
- Kevin said we need to go back to pre-ad issues. The only thing we can do once we award it is the good faith. We either have to do it or don't do it. We have to be very consistent on when we grant you a variance or don't accomplish a goal on the project. I don't think you use any of the criteria for exempting a project post-ad or post-award, it has to be pre. If we advertise and Butch calls and complains, so we reduce the requirement? We need to avoid making an arbitrary decision while the project is on ad.
- Rick said these criteria are taken in total, not one or the other. Prior to ad everyone knows going in. Prior it looks like there is going to be a disproportionately high ratio of materials to labor so it is exempted, The concern that it will be just one craft when there is no viable alternate can be seen prior to ad. One of the things this group can do is help you come up with these broad guidelines. At least you know going in that criteria has been applied and applied uniformly. Not uniform in each case, but a broad set of guidelines.
- Kevin said that the way we have defined good faith is a demonstration that the contractor has tried and failed, but if the contract is such that you did not make the requirement then you have sections 1, 2, 3, 4 and finally 6.
- Craig mentioned that with the DBE program, today we don't have any data that shows where there may be a geographical area where we are lacking.
- Dave said I know that all of our crafts cover all geographic areas. We can't carve out parts of the state and say that you can never get them there.
- Kevin: So we are done and do not need to carve out criteria for exempting geographical areas.
- Butch said most projects of that size have opportunities, unless it is a preservation project. When you get into something specialized is when you get problematic geographic areas, but that works out through good faith.
- Kevin thinks geographical availability is a pre-ad issue and once contract is active the only thing is good faith.
- Rick said that there could be an assessment pre-ad to see if the geographical area will be a problem.
- Kevin said geographical areas will be covered by good faith.

- Bob Abbott said that what he has seen on the GA projects it was in the bid at the time, when they got there they asked for a waiver, by the time they got to reporting they were at 17%, not five percent. You don't give them a waiver from using apprentices; you give them a waiver from the percent of utilization.
- Rick said there is going to be competition for the apprentices. There are a lot more projects out there. The legislation and specifications are to develop a two stage program. Going in if it looks like there is going to be a problem, DOT can address that. After, good faith can address that.
- Dave said the geographic concern is a lot clearer to address. Timing is everything. If you have a project of over 5 million, I don't see the need to ask the department to call and see if they are available at the time. Lack of availability directly goes to good faith. Any pre research is an exercise that DOT doesn't need to do. When the contractor calls, we do everything we can to find them, even pulling them in from other areas.
- Randy asked Butch how he brings people in and trains them up if they do not get to work on the paving projects.
- Butch said he doesn't use them on public works in the beginning. They are not going on I-5. We don't have teamster apprentices. Operator starts out as a grade checker and works up to a roller, dozers to excavators. Apprentices on paving crews typically start out as rollers on private projects where requirements are lower and it is not a direct pay factor. Butch asked Tom about geographical areas and if there were problems.
- Bob Adams said that it is not a geographical problem, it is timing.
- Kevin said if we do not develop criteria, we do not use that as a screen to exclude. If there is a geographical timing issue you prove it to WSDOT through good faith. He said he has no problem dropping geographical areas from pre-screening.
- Tom said there are geographical issues at play. Portability is an issue when you have a short frame project in a remote area. That could challenge good faith.
- Dave said that an easy way to fix that is waivers. Contractor calls, if we can't supply them apprentices we fax them that verification. Once the contractor has that, they have their good faith.
- Kevin mentioned that is only step 2. After that the contractor will need to show that they updated their plan and tried to solicit apprentices in other trades, demonstrate that they required subcontractors to solicit and employ apprentices and finally that they have met company wide goals.
- Tom Gaetz said he looks at it from the perspective of trying to invent the event on non-compliance. Everyone will take a lot of time to document. I'm not saying we don't have apprentices. The contractor is having to defend themselves from being non-compliant to compliant. Look at the disproportionately high ratio of materials to labor. Are there industries, or segments that categorically fall into that realm all the time whether they are prime or subcontractor? When they are subcontractors it becomes

difficult as well. The prime wants everybody to feel their equal share. Is there an industry that hits it all the time?

- Butch said that on the Tacoma Narrows where they are a subcontractor, they have 30% operators and laborers to 70% teamsters?.
- Kevin said that good faith should very seldom be used. If it used on 50% of projects, we have failed.
- Tom said that they tested on one of their projects. They did have some guys on the project, but didn't make 10%.
- Bob Abbott asked how we monitor some of the projects to see if there is a real issue and track and see how the infusion of apprentices will transform that or not. Asphalt is the number one glaring problem we have in front of us right now. We can track to see where we are at on those projects and adjust the ratio. Right now we are talking about 10% on projects $5 M or greater, eventually it will be 15% on projects $2 M or greater. There was voluntary reporting showing apprenticeship at around 12%.
- Jen said that the committee is running out of time for this conversation. Ron Wohlfrom from WSF would like 5 minutes or so.
- Randy mentioned that she knows there is a lot to worry about but hates to see exemptions before we put it out there and see what we can do.
- Rick said this comes down to what kind of system you want to have, exception based system, guidelines of best assessment, exceptions to overall requirements prior to getting down the line. If WSDOT staff feels that they have enough input from both sides of the table, they can draft something to bring back to the committee for approval
- Kevin doesn't think we are going to have a whole lot of answers. What if nobody ever claims good faith, what if everyone cannot make the goal?
- Dave said we haven't seen a specific industry that may have the impact we are talking about on pavement. He said when the disproportionately high materials to labor criteria was developed, what they anticipated was what to do with a $750,000 turbine that takes 4 people to set up, or an expensive piece or artwork that takes one person to hang. That is what was anticipated. There is no specific industry that this applies to. You have to define disproportion using material costs to labor hours.
- Butch said that when they were sitting around crafting this the paving came up. The freeway is not a place for apprentices considering the insurance, deaths, and the safety issues. In the last 10 years, we have had two paving machines crashed into. The one thing you (WSDOT) have been concerned about for the last 5 or 10 years is diminishing bid returns because compared to the private sector you are a pain to work for. This is one more thing that you are required to do. Contractors are not going to want to bid the jobs. We are throwing state jobs away because there are better things to do. We want to train and provide tomorrow's workforce. It is important, I just cannot overemphasize that the paving industry on public works projects is the wrong place to do it.
- Bob Abbott asked how big of a problem is it right off the bat? to bid a paving project with the requirement and see what happens. I don't want to

see us exempt everything right now. We talked about how to address the paving industry, the duration of project, night work, a lot of in and out.

- Dave said if there is a specific paving job, no other elements, straight overlay, dangerous area, that may be the first area of exemption we come across for an entire industry. What you are saying makes a lot of sense. I think it is going to have to be clear if we do that, why we do that.
- Butch mentioned that safety is not one of the outs that we have.
- Kevin said that the director is the same as the secretary and we have other criteria deemed appropriate by the awarding agency director (subject to review by the office of the governor).
- Bob Abbott said that in the Yakima project, the exemption was not from having to use apprentices, but from having to get the percentage. There is still a tracking mechanism to see if there is an infusion and track the industry. Not exempting the whole project if it is just an overall overlay.
- Butch said the hope is that 4 or 5 years down the road we are not having these conversations because there are integrated and initiated.
- Bob Abbott said he doesn't want to throw a 60% apprentice outside on I-5
- Kevin summarized that his sense is that the committee is not getting to a definition of disproportionately high ratio of materials to labor, or geographical areas to exempt, or the criteria for exemption projects for these reasons.
- Bob Abbott thinks we need to have a lot of discussion with the asphalt industry. Hopefully we do have a paver over 5 million dollars.
- Butch said that a $20M project with 2 million in paving can achieve the goal in other parts of the project. It would certainly make it nicer for the general contractors if there was something there about the paving. It sounds very simple for us in this room but I can see what happens when we send out an HOV job to some big contractors and exclude the use of apprentices on this project.
- Bob Adams would prefer WSDOT to look at contractors' overall companywide effort. The clause should say we anticipate providing apprenticeship on a companywide basis.
- Bob Abbott said that maybe that is the exemption for the paving industry, what is your overall companywide utilization on the paving. If you are utilizing you are in compliance with the requirements.
- Dave said that company wide number should not be allowed to dilute what happens on the project.
- Kevin asked if Bob Abbott meant that he wanted contractors to document attainment even if there is not a goal on the job. We are not set up to do that. If we don't put this GSP in there is no requirement to report. We have no instrument to report that. If that is the desire we can work on that. Potentially on a 5 million dollar paver on a big road, we could exempt the project out and bring to you guys.
- Butch said when he called about flaggers he was reminded you can only have so many apprentices per journeyman.
- Tom Gaetz asked what the life of the committee is.

- Kevin said he intends to have quarterly meetings throughout the life of the implementation.
- Tom said the committee does not die on July 1.
- Rick pointed out that the committee makes a report in January 08.
- Tom said the agenda is too big for the committee to die on July 1.
- Kevin said we thought this would be a contentious issue and would take some time.
- Rick asked how portable all of the trade and craft programs are and if a contractor working in King County from Pasco can use the King County apprentices.
- Dave said they just need to call and say what they need and where they need it.
- Kevin said this is a good time to move on to the WSF discussion.
- Randy Loomans left the meeting

WSF – Implementation of Apprenticeship Requirements

Ron Wohlfrom

The ferries issue is that there are two fronts; vessels and terminals. On terminal type projects, the reporting process will be the same. Vessels are a problem, they are a unique area. I put vessel repair opportunities Puget Sound-wide. Prevailing wage is subject to different counties. Vessel repair facilities are in Seattle, Anacortes, Bellingham, Port Angeles, etc. The contractor has an advantage because of the prevailing wage in the county. There are six different labor pools and labor sheds. Some represent 6 crafts, some represent just boilermakers. Is that contractually giving some an advantage? The firms more or less have apprentices. Some are not state approved and that would not qualify.

- Dave said that the contractor is not prohibited from being a state approved program.
- Ron said that it is a unique situation. We take the boat to the yard and are dealing with 7 potential bidders. We may have too many apprentices in Seattle and none in Anacortes.
- Butch asked if they typically work on more than 1 job at a time.
- Ron said some have a wide range of projects. Everett will only have one vessel in the yard at a time. Anacortes will have 1 or 2 new jobs, a fishing boat and a state project.
- Butch asked about the firms that WSF does business with currently, what percentage of their labor hours are apprentices? Especially yards that are working on multiple projects, there is nothing there to say that they are working on your project.
- Dave said that other than the one that doesn't have a state approved program, it would be nice to know what the numbers have been. His expectation is that they are meeting or needing their goals on a companywide basis.
- Ron mentioned there will probably be 4 – 6 contracts over the 2 million dollar threshold in the next biennium. New interior, topside, etc. New

construction is not an issue. The first batch of new vessels is already on ad.

- Rick asked if ferry work is considered public work. The statute that defines public work is very specific.
- Ron asked how apprenticeship utilization will be applied to a unique situation where WSF takes the boat to the contractor. If you are taking the boat to Bellingham, am I going to get a different bid from Bellingham because they know they cannot meet the goal? Are they geographically exempt, or do they use the good faith?
- Dave said they wouldn't be geographically exempt because there would be apprentices available in whatever trade they are looking for in that area. They are not going to be geographically exempt because they choose not to participate in the program.
- Tom said that this legislation makes the assumption that you as a bidder on public works will have an affiliation with some apprenticeship labor program. It makes the assumption you are affiliated and if you are not, you can't make a good faith effort saying that you are not willing to do that.
- Butch asked what kind of dollars WSF spends at these yards during a typically year.
- Ron said that is in the millions
- Butch asked if it is a significant portion of their work.
- Ron said he has no idea whether they lobbied for or against this bill. WSF has an honest concern that when we have only two bidders, one may opt out.
- Butch supposes this is also something that Doug has to look at. It would be good to gather information from those yards and take a good look at it. It sounds like there is one company that does not have an affiliation.
- Kevin asked Rick if he has any sense that ferries are not public works.
- Rick doesn't remember ferries being public works. Maintenance is an exemption. But the ferry vessel work is preservation. Why would these projects be any different than highway work? If you put a project out in North Central Region and only one contractor bids on it, what is the difference?
- Tom said if there is only one bidder, DOT doesn't have to award.
- Ron said that WSF wants it on the table that vessel construction is a unique set of crafts. Picking and choosing how we are going to grant exemptions I want to bring that out to the table. Maybe it works well for terminal but vessel cannot comply.
- Dave said we need a sense of how they are able to perform.
- Ron said that the first year we are going to be out of it.
- Tom asked if Ron would be able to bring historical information about the number of bidders.
- Dave said they are talking about the Seattle metal trades they got us a metal trades agreement. They all have apprenticeship programs. The metal trades get their laborers through the same sources as we do.

- Butch said something helpful would be a list of the state certified programs.

Disproportionate Ratio of Materials to Labor and Geographic Exclusion

- Kevin said the committee is not going to deal with geography. Do we want to hone in on criteria before phase one? We do not have any numerical analysis of the hours. Do we have the ability to look at what we would see exempted.
- Bob Abbott said it would be nice to see the list of the projects before they go to ad.
- Kevin suggested getting together a week into the final approach and look into that
- Craig said he could put together some historical data for the group to look at. Use good faith, and then sort out the geographic area exemptions. If good faith is starting to be used too often, than we go back. We need to have a proposed system in place to train our people on. We need to define pavers that would be exempt. The 6 month list is provided to the committee. In the fall, we will have data from the summer to report back.
- Bob Adams said the examples that Butch brought up do not present enough labor dollars to make up a definition. As one way of measuring them, see how many labor dollars there are. A million dollars or more labor in it, don't put the requirement on it.
- Dave thought folks should have some input on what they think the disproportionate ratio is and bring it to the next meeting.
- Bob Abbott understood from talking to Kevin that WSDOT has no understanding of labor dollars on a project.
- Kevin said he cannot pull hours.
- Ron said that the affidavit on wages paid gives the total labor hours.
- Bob Abbott said they even have the number of apprentice hours on the prevailing wage.
- Butch said if you look at the breakdown on his projects, it is rare that he has the opportunity to employ union trucks. They often use independent workers.
- Bob Adams asked if the WSDOT reporting form is new.
- Kevin replied that it is.

Discuss Coordination with Federal Training Requirements

Kevin Dayton

- Dave brought up an email he intercepted from Brian Moorehead to Grays Harbor that was a response to a request for apprentice utilization in Grays Harbor. WSDOT told Gray Harbor that they cannot use their county apprentice requirements on jobs with federal funding. It said you cannot include your counties regulations to any projects with federal funds.

- Kevin mentioned that WSDOT has not formally asked the feds. They have approved WSDOT's specification, but they have also said it could be a non-competition thing. The letters comes from WSDOT local programs funding to the counties.
- Tom said there was just a ruling that came down on a statewide or national level in California.
- Kevin said WSDOT has avoided making them make a decision. If all of a sudden we implemented this and had a single bidder on every job, they would pull it. Those projects are county projects with federal funds.
- Dave said project labor agreements are a whole different thing.
- Kevin said WSDOT has not thought of these being exempt from federal jobs.
- Rick asked if he was saying that the apprenticeship program laws will not allow mixing.
- Dave said that if it has any federal funds you cannot use the apprenticeship program.
- According to Kevin, If FHWA says no that is a no. Maybe someone who deals with local programs thinks that this will limit competition. This does not limit us from using it on state projects.

Date Setting

The next meeting will take place from 8 – 12:00 on May 3rd.

Meeting Adjourned