Government of the District of Columbia

Department of Transportation







November 8, 2021

Mr. Tarsem Lal sdPOM Manager, DC Division Federal Highway Administration 1200 New Jersey Avenue, SE East Building, Room E64-455 Washington, DC 20590

Reference: South Capitol Street Corridor Project – Phase I

Contract No.: DCKA-2017-C-0755

FAP No.: 2016 (016)

Subject: Special Experimental Project (SEP) - 14 Local Labor Hiring Provision

Interim Report

Dear Mr. Lal:

Attached you will find the District Department of Transportation's (DDOT) Interim Report on the Assessment the success of implementing the Local Labor Hiring Provision (LLHP) contract provisions on the project.

This interim report takes a closer look at the progress of local hiring on the project via labor analysis. Specifically, the percentage of DC new hires is compared across the quarters in 2019-2021 to benchmark the progress of local hiring goals. DDOT's Equity and Inclusion Division worked closely with SCB to implement the On-the-Job Training (OJT) program in which DC residents from wards 7 and 8 were prioritized in a program that empowers them as a skilled local workforce. Additionally, this report describes SCB's initiatives to recruit DC residents, including the Labor Management meetings, public outreach, and social media outreach. As anticipated, we faced barriers in hiring DC residents on the project, and we describe how these barriers have hampered the project goals. In response, we outlined policy recommendations, a few already implemented, such as CM Training and Jobenomics program, which bolster accessibility and awareness of the FDMB project to DC residents. The final report will be forthcoming as the project progresses.

Please feel free to contact me at 202-210-4542 should you have any questions or need additional information.

Sincerely,

Digitally signed by Dennis Howland II PE Dennis DN: cn=Dennis Howland II PE, o=DDOT, Howland II PE Date: 2021.11.08 11:38:32 -05'00'

Dennis W. Howland, II, PE

Program Manager

District Department of Transportation

SEP-14 INTERIM REPORT

District Department of Transportation

Frederick Douglass Memorial Bridge

Contract Number: DCKA-2017-C-0755

November 8, 2021







EXECUTIVE SUMMARY

The purpose of the Special Experimental Project (SEP) – 14 Local Labor Hiring Preferences (LLHP) is to determine if LLHP contract provisions impact the Federal-aid project and the extent to how competition on the project was affected. As stated in the name, the Special Experimental Project (SEP) – 14 is a pilot program published in March 2015 that enables the Federal Highway Administration (FHWA) and Federal Transit Authority (FTA) to grantees, state and local recipients, and sub-recipients, the utilization of social and/or economic contracting requirements to evaluate the impacts on contract competitiveness. The program began with a 1-year time period; however, in March 2016, the US Department of Transportation (DOT) extended the pilot program until March 6, 2017. In January 2017, the DOT published a notice that extended the program for five years to run through March 6, 2022.

The SEP-14 pilot program was awarded to 19 projects from 11 different contracting agencies focusing on local and other geographic labor hiring preferences, economic-based labor hiring preferences, and labor hiring preferences for veterans. The District Department of Transportation (DDOT) Frederick Douglass Memorial Bridge Project was one of the agencies selected to participate in the SEP-14 pilot program. DDOT's pilot program was awarded to focus on local and other geographic labor hiring preferences and economic-based labor hiring preferences. The requirements for the SEP-14 program under the DDOT award allocates that at least 51% of new hires on the project should be District of Columbia residents. DC residents are defined as any individual that has been domiciled in the District during the tax year and/or individuals who have held a home within the District for at least 183 days or more.

In addition to new hire requirements, the SEP-14 requires 51% or more training and apprenticeship positions to be filled by DC residents. Incorporating training positions as a component of the pilot program allows for DDOT to develop the local workforce into skilled laborers in their specific classification. To further those efforts, the prime contractor, South Capitol Bridgebuilders (SCB), will work with local unions, according to the Project Labor Agreement (PLA), to hire DC residents into apprenticeship and On-the-Job Training programs (OJT).

Lastly, the SEP-14 intends to evaluate how the LLHPs reduce high unemployment rates in Ward 7 and Ward 8. East of the River, or neighborhoods in Washington DC's Ward 7 and Ward 8, has historically been known to represent disproportionate numbers of low income, high unemployment rates while housing a large population of African American residents in the District. While many factors affect the socioeconomic status of these DC residents, workforce development is a significant component to ensuring residents are qualified for construction opportunities on the project that can lead to current and future career opportunities and upward economic mobility.

DISCUSSION

The Frederick Douglass Memorial Bridge Project aims to replace the 70-year-old bridge and reconstruct the Suitland Parkway/I-295 interchange. This project is the largest public infrastructure project in DDOT's history, estimated to be at \$480 million. The new bridge is designed to support the increase in vehicular travel and encourage alternative modes of transport, such as biking and walking. The project also supports small businesses through the DBE program and increases workforce participation in underrepresented wards, including wards 7 and 8.

The District Department of Transportation (DDOT) Frederick Douglass Memorial Bridge Project was one of 19 projects selected to participate in the SEP-14 pilot program with a focus on local and other

geographic labor hiring preferences and economic-based labor hiring preferences. The award allocates at least 51% of new hires on the project, and training and apprenticeship positions be filled by DC residents.

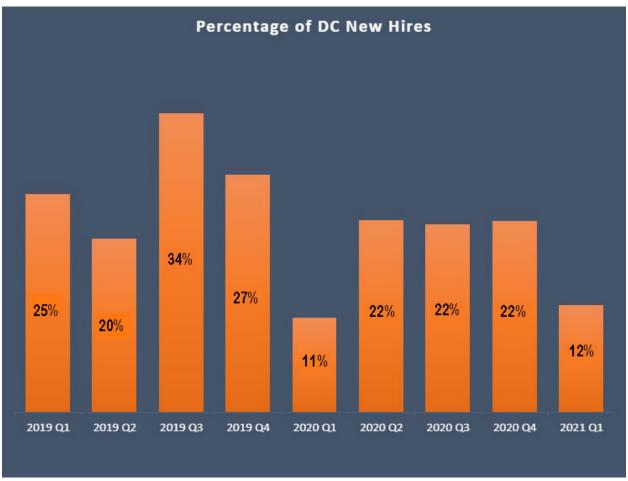
DDOT took a hands-on approach to support the prime contractor, SCB, in recruiting and hiring DC residents. Weekly and monthly meetings were implemented to keep communication open and transparent with SCB, monthly reports were submitted to track progress and compliance, and even new programs were initiated to meet the need. In this report, you will find the steps taken to recruit, hire, and combat barriers faced in the process during 2020 and 2021.

DATA ANALYSIS OF LABOR WORKFORCE

Weekly and monthly reports are produced to monitor the progress of local hiring on the project. This data provides insight into who is being hired and the demographic breakdown of the project's workforce, which is also shared with the project team. In the paragraphs and charts following, an analysis of the labor workforce is provided per quarter.

The percentage of DC new hires and new total hires can be seen below in data gathered from the workforce roster. During 2019, there was a higher percentage of DC new hires due to the needs of the projects. Since Q1 involves less activity on the project due to weather conditions, those months exhibit decreased DC new hires for 2020 and 2021. In 2020, the project was impacted by a global pandemic but remained steady at 22% from Q2 to Q3. Although there has been a decrease in DC new hires, SCB and DDOT have attempted to center DC residents on the project and provide pathways for laborers in Ward 7 and Ward 8 to join the project.

Workforce Breakdown



On-the-Job Training (OJT) Program

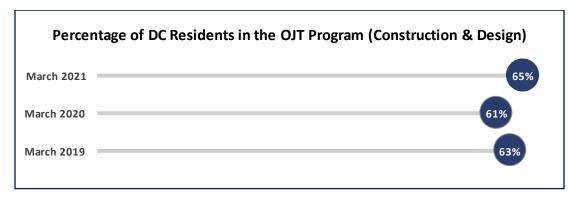
The OJT program is a well-known program utilized in DDOT's Equity and Inclusion division to support, empower and train participants into a skilled local workforce. For the Design-Build project, SCB was required to build its project-specific OJT Program under DDOT's approval. For the construction portion of the project, SCB set aside 41 positions totaling 49,400 goal hours to provide training to participants. OJT trainees must meet the following criteria to be considered for the program. Federal and District regulations require that:

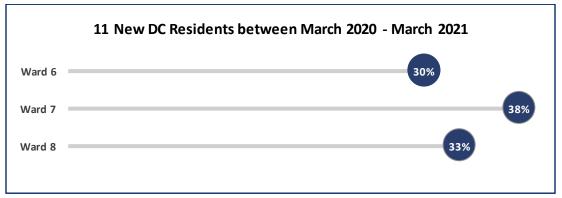
- ☐ The applicant must be at least eighteen (18) years of age
- ☐ The applicant must be in good health
- ☐ The applicant must be able to pass a drug screening test
- ☐ The applicant cannot be a current college student on a seasonal break from classes seeking to use the OJT program as a summer employment opportunity
- \Box The applicant must be placed in a position that permits him/her to move from semi-skilled to skilled craft status; and

☐ Unless under specific circumstances, an applicant may enroll in a total of no more than 2 training programs. The OJT program was also used to prioritize DC residents' hiring, especially from Ward 7 and 8.

Percentage of DC Residents in the OJT Program. This project piloted a Design OJT program supervised by the project designer, AECOM, and SCB managed the Construction OJT Program. Both programs were proactive in their efforts to recruit and hire DC residents, minorities, and women in the program.

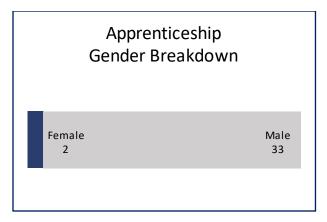
From March 2020 – March 2021 there were a total of 49 OJT trainees in the Construction and Design Program. Of those trainees, 32 trainees were DC residents. During this period, there were 11 new DC residents hired on the project which greatly benefitted Wards 6-8. The increase in labor inclusion across wards 6, 7, and 8 is a positive indicator of the efforts of the contractor and the District.

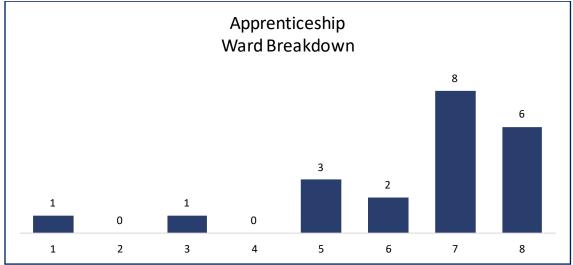




Apprenticeships

SCB worked with local union and staffing professionals to recruit DC residents into Apprenticeship programs. There was a total of 35 apprentices on the project from March 2020 – March 2021. Of those, 21 were DC residents (60%). The remaining apprentices came from the neighboring states of Maryland and Virginia. Below is the gender breakdown and Ward Breakdown for DC resident apprentices.





Program Initiatives and Activities

DDOT's Equity and Inclusion Division (formerly the Office of Civil Rights) and the DDOT Project Management and Construction Management teams have taken a collaborative approach in supporting and ensuring the contractor, SCB, is diligent in their outreach efforts to recruit and hire DC residents. DDOT and SCB have partnered together to host events and develop programs to recruit eligible DC residents on the project to meet the LLHP goal. Below are the outreach steps are taken to accomplish this goal.

Public Outreach. In conjunction with project management and construction management representatives, SCB attends public meetings and updates community stakeholders on the project progress, the impact the project has on their daily lives, and opportunities for employment & advancement. One type of public meeting this information is frequently distributed in is: the local ANC or Advisory Neighborhood Commissions meetings. There have been about 141 Advisory Neighborhood Commission events that SCB attended and promoted the project. Meetings were attended at ANC 6B, ANC 6D, ANC 7B, ANC 7D, ANC 8A, ANC 8B, ANC 8C, ANC 8D, and ANC 8E to date. The project team currently focuses on attending Wards 6 and 8 due to their proximity to the Frederick Douglass Memorial Bridge.

The project team attended numerous community-affiliated events as well as organization-led initiatives. There were about 16 Anacostia Coordinating Council meetings attended. Many neighborhoods also hold civic and community association meetings, which SCB attends to distribute

information about employment opportunities on the project. Sixty meetings collectively were held between DuPont Park, Congress Heights, Hillsdale, Penn Branch, and Hillcrest. All the meetings mentioned above allow for a direct tie between the community leaders, SCB, and the Project Management team. Attendance of the Southwest Neighborhood Assembly is also an example of how DC residents were prioritized in recruitment efforts, especially those from southwest DC. About 16 Southwest Neighborhood Assembly meetings were attended during this period.

Career Job Fairs. The contractor hosted and exhibited at career and job fairs throughout the city. These job fairs resulted in numerous occasions where workers from wards 6, 7, and 8 were able to find work on the project. These events were conducted in coordination with the Department of Employment Services (DOES) and the Department of Human Services (DHS). The Construction Trades Job Fair, DOES Job Fair, the US Coast Guard (USCG) HQ Transportation Fair, and the Union Construction Job Fair were successful initiatives for the project. DC residents were prioritized through these local initiatives. Below is a list of hiring events SCB hosted:

- o March 20, 2020 Hiring Event at DC Infrastructure Academy
- o May 26, 2020 Virtual Hiring Event
- o May 27, 2020 Virtual Hiring Event
- o February 16, 2021 Virtual Hiring Event with DOES
- o March 2, 2021 Virtual Hiring Event with DOES

Construction Management (CM) Training Program. The project management and construction management team developed a Construction Management Training Program to recruit local DC minorities and provide general construction training to prepare participants for a potential career in construction. This program was designed to provide skills and certifications transferable throughout the construction industry. The CM program trained participants and provided Concrete, Asphalt, and Soil Testing, Flagging, and Safety training certifications. Trainees learned from knowledgeable, skilled construction management professionals.

To date, two cohorts of DC resident participants have completed the training. The first cohort was held in Fall 2018. This cohort consisted of 16 participants. They were recruited by announcements shared via Frederick Douglass Quarterly Communication Committee (FDQCC), ANCs, targeted email lists, and workforce development programs. The program produced a total of 9 graduates, of which two graduates were hired onto the project.



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The second cohort was held in Spring 2019. The Spring 2019 cohort had 7 participants. They were recruited by announcements shared via FDQCC, ANCs, targeted email lists, and workforce development programs. From this cohort, there were four successful graduates. One participant was hired onto the project and other graduates were provided opportunities to get a job on other DC projects.

Four graduates from the first and second cohort were hired onto three additional DDOT projects, indicating the success of the construction management training program.



Graduation Ceremony for Second CM Training Class

Labor Management Meetings. Labor Management meetings are held to keep communication transparent and identify hiring needs and concerns. It occurs monthly and consists of labor union leaders, DDOT project managers, construction management teams, DDOT's Davis Bacon division, workforce-related community organization, and SCB's compliance manager and site managers. Labor needs are communicated, and the preference for DC residents is always emphasized. Project compliance goals for DC residents, minorities, women, and veterans are compared alongside the current analytics for SCB to provide a benchmark for the progress on the project. It allows for tangible goals to ensure racial minorities, gender minorities, and DC residents are being included in the workforce as frequently as possible. Along with upcoming available positions, these meetings also give the union representatives and community organizations an opportunity to share new hiring programs intended to support SCB recruitment efforts.

Advertising. Marketing and advertising are other techniques implemented by the contractor and DDOT to ensure opportunities were shared with the public. Two websites are utilized to disseminate information to the public, specifically project job opportunities.



newfrederickdouglassbridge.com



southcapbridgeproject.com

Social media is also leveraged to advertise and market available positions. The project utilizes Facebook, Instagram, and Twitter to disseminate information and reach potential trainees that search for jobs online or on their mobile devices. Below are a few posts from the project's Instagram pages @scb_dc and @newfdmb that receive engagement and strong followings.







Community Organizations. The project team has leveraged its relationships with community organizations to recruit, inform and engage these stakeholders in helping reach the DC hire goal. Public meetings have been held at locations such as Pennsylvania Avenue Baptist Church to discuss project updates and job opportunities. The contractor and project team have worked with the Far Southeast Collaborative to recruit DC residents for Jobenomics candidates.

Collaboration with local government agencies. SCB and project managers have collaborated on numerous career fairs with DC's Department of Employment Services (DOES). This partnership has resulted in access to a larger pool of candidates and interview support. SCB has also tapped into the Mayor's Office of Returning Citizens Affairs (MORCA) as potential candidates for training programs.

RESULTS

Although in 2020 Q2, there was a strong start with DC new hires, there has been a steep decline of DC new hires with subsequent quarters. However, the outreach efforts and programs have strived to incorporate DC residents into the project, as there has been an increase of at least 30% in DC new hires from wards 6, 7, and 8 between March 2020-2021. Whether it be via the neighborhood associations in Wards 6, 7, and 8 or the job fairs that specifically target DC residents, recruitment efforts have been implemented since the initiation of the project. However, with specialization of labor needs and lack of DC residents to meet these needs, there has been an overall decline in DC resident's new hires. Nonetheless, with respect to the recruitment of minorities and women, there has been immense success with the programs curated for Ward 7 & 8 residents. This is especially important to note because Wards 7 and 8 are historically underrepresented in the workforce and have the lowest median household income in the District's Wards.

Constraints

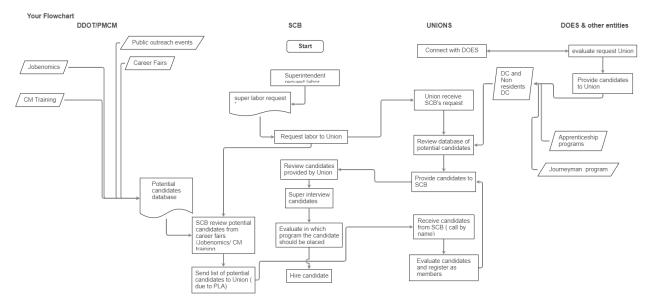
Project Labor Agreement. The Project Labor Agreement (PLA) is a new requirement for DDOT construction projects that created DC hiring challenges. The PLA holds contingencies within its sections

that can restrict who is hired on the project. For example, within Section 2: Union Referral, the PLA states that the Design-Build Contractor and Contractors agree to hire craft employees via job referral systems and hiring halls established in the Local Unions Area collective bargaining agreement. However, according to labor management meeting minutes, this constraint has been mitigated in the past as the Design-Build Contractor and Labor representatives agree to work together to achieve project goals. The contractor and union representatives had to work together to adjust requirements while staying within compliance standards. When unions did not have DC residents available to hire, they provided non-DC residents to the contractor. One of the issues the union communicated early on was their lack of ready (skilled) and available DC residents. Many union training headquarters are further out in Maryland. Union representatives found that non-DC residents were more likely to have reliable transportation to attend training classes at night as required for apprenticeship programs which leads to skilled crafts employees. Reliable transportation for DC residents became a barrier to stay active in apprenticeship programs, isolating DC residents from programs designed to be pathways to becoming skilled workers.

In addition, as the project progresses, the specialization work required on the project limited the individuals that could be hired. Specific skill sets are needed and often it means a particular type of laborer is required for each role. Incorporating DC residents with these specific skillsets can be challenging as union representatives do not have enough DC residents with these skills. SCB often worked with the unions and DDOT OJT and Supportive Services Manager to re-classify roles in the OJT Plan based on labor needs changing.

Coronavirus. Another factor that posed a barrier to hiring efforts was the Coronavirus (COVID-19) pandemic. The third cohort of the CM program was initially scheduled for Fall 2020; however, this inperson training event was postponed by almost a year due to the pandemic safety procedures. Additionally, COVID-19 delayed and canceled many in-person career fairs that SCB planned to attend. Much like the rest of the world, the project team transitioned into the virtual world. During this shift, recruiting efforts became virtual as well. SCB held a total of five virtual hiring events, two of those in partnership with the Department of Employment Services. Additional hiring efforts were postponed due to project team members contracting COVID-19.

Hiring Process



As shown in the workflow chart, there are multiple institutions and steps involved in hiring a candidate. Due to the various steps and interactions, external variables are not under the project's control. For example, the interaction between DOES and the union is an uncontrollable variable. There could be potential candidates on the union's bench that are eligible to be on the project, but the union could have a job that became available faster than SCB. Since the union has an obligation to put their workforce on a job as soon as possible there is competition with other projects.

Drug testing. Since the project is federally funded, it is mandatory by law to establish and maintain a drug-free workplace policy. The varying marijuana policies from the federal and local government poses a barrier to hiring efforts. The federal government classifies marijuana as a Schedule I drug, with a high potential for abuse. In the District, Initiative 71 states that adults over the age of 21 are permitted to possess up to two ounces of marijuana in their residence without penalty. Due to the contradictions in federal and local legislation regarding drug use, SCB encountered instances where highly qualified applicants could not be recruited to their workforce or the OJT program because of the applicant's failure/refusal of the required drug test.

Collaborative steps taken to increase DC new hires

Jobenomics. The Jobenomics Pilot Program ran for ten weeks, March 1 - May 7, 2021, with a continued connection, post-program, to ensure employment connections were established and maintained. The program started with ten candidates, and six of the candidates successfully completed the program. The participants were sent/recommended by the Far Southeast Collaborative. The six candidates who completed the program are in contact with a few employers, including SCB and some of their subcontractors. Other graduates are preparing for interviews or starting new employment elsewhere.

Construction Management Program Continuation. Two cohorts for the Construction Management Program have taken place thus far. From these two cohorts, four graduates were hired onto three other DDOT projects. The third cohort for Summer 2021 starts mid-July. The third cohort will commence on Friday, July 16, 2021, and tentatively end Monday, October 4, 2021. Recruitment is underway for the cohort. Program announcements are currently being sent out to FDQCC, ANCs, targeted email lists, and workforce development programs.

CONCLUSION

This project has faced barriers in trying to hire DC residents but has stayed consistent in the management team's efforts to meet the goal. Many lessons were learned in adding a PLA requirement for the very first time on a DDOT project. As the project continues to progress, preventative measures were taken to address hiring numbers with initiatives like the Construction Management Program and the new Jobenomics program. Results from these programs include four of the CM cohort graduates being hired onto three additional DDOT projects and six graduates of the Jobenomics program interviewing for jobs within SCB and elsewhere. Additional recommendations are provided below to increase numbers.

Recommendations and improvements

Labor representatives and SCB need to be synchronously communicating labor needs to ensure any qualified DC residents from labor unions can be sent over to fill roles. Not all participants will successfully complete the program with job training programs, which should be accounted for. With labor market fluctuations, it is not realistic to expect increases within every quarter to meet the goal for DC residents on the project. There are various compounding factors such as the availability of DC residents, specialization of roles, and program completion that will affect the quantitative measurement of the goals.

Perhaps, there can be incentives for DC residents to join OJT, Jobenomics, and construction management programs. There should also be support provided to those enrolled in these programs-identifying any possible needs such as housing, transportation stipends, and food security. According to labor management meeting minutes, data provided about the Jobenomics program, and CM Training cohort analysis, there has not been full retainment of the participants. Perhaps there is a form of inaccessibility that needs to be addressed, such as a lack of consistent transportation for the participants in the program.

Networking with more local Ward 7 and Ward 8 community organizations can introduce more DC residents into the workforce. Partnerships with Wards 7 and 8 schools & colleges can also bring in students eager to work and learn skills in construction and design. DDOT has begun tapping into STEM schools, local middle schools, and high schools to educate future workforce members on career paths in construction.

More advertising could increase the possibility of candidates for the program, especially DC residents. If mediums such as radio or paid advertising are incorporated into outreach, it could boost numbers immensely.

Although the Jobenomics and CM Training Program creates opportunities for local DC minorities as well as provides training in general construction, there is no guarantee of employment after the program. To increase the effectiveness of the training program in the recruitment of local DC residents, these programs must be in constant communication with the labor unions to develop and foster a mutually beneficial relationship. Including Unions in the planning process of these programs could help improve retention rates among qualified program graduates.