# **Government of the District of Columbia**

## **Department of Transportation**







June 5, 2023

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 2021-2022 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.

Please contact me if you have any questions or need any additional information.

Sincerely,

Joseph D. Dorsey

Digitally signed by Joseph D. Dorsey
DN: cn=Joseph D. Dorsey, o=IPMD, ou=DDOT,
email=joseph.dorsey@dc.gov, c=US
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Joseph Dorsey Program Manager District Department of Transportation

## **SEP-14 INTERIM REPORT- 2022**

**District Department of Transportation** 

Frederick Douglass Memorial Bridge

Contract Number: DCKA-2017-C-0755







#### **FXFCUTIVE 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. 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 (DC) residents. DC residents are defined as any individual that has been domiciled in the District of Columbia during the tax year and/or individuals who have held a home within the District of Columbia 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 and 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 along with 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 bridge is expected to be completed by the end 2022. 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 Disadvantaged Business Enterprise (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 for

at least 51% of new hires on the project, and training and apprenticeship positions to be filled by DC residents.

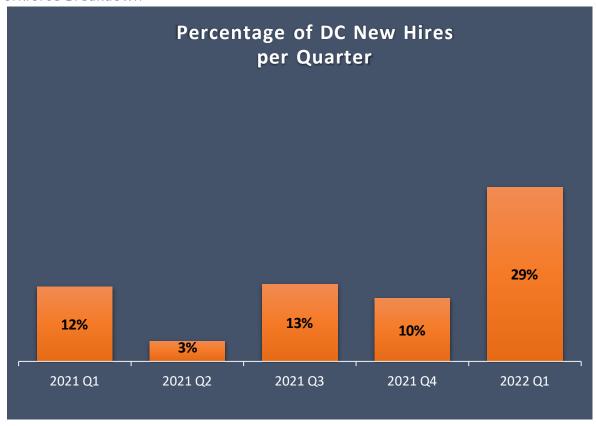
DDOT took a hands-on approach to support the prime contractor, SCB, in recruiting and hiring DC residents. Weekly and monthly meetings were implemented to keep communication open and transparent with SCB, monthly reports were submitted to track progress and compliance, and even new programs were initiated to meet the need.

#### 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. In 2020, the project was impacted by the Coronavirus global pandemic, which had a ripple effect on 2021's growth in DC new hires. By the end of 2021, 20.3% of new hires were DC residents. From 2021 Q1 to 2022 Q1, there have been 216 total new hires and 22 DC new hires. Since Q1 involves less activity on the project due to weather conditions, those months exhibited 7 DC new hires for 2021. 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. In an effort to hire laborers in Ward 7 and Ward 8, SCB and DDOT representatives communicated job opportunities at virtual recruitment events and during public outreach efforts at community meetings.

#### Workforce Breakdown



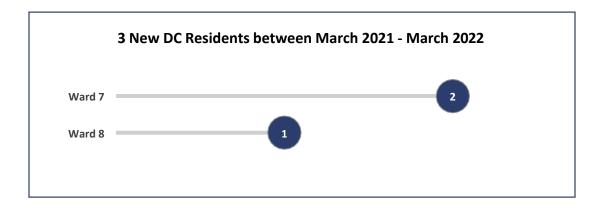
#### On-the-Job Training Program

The On-the-Job-Training (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 identified 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
$\square$ The applicant must be able to pass a drug screening test
$\hfill\Box$ 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
$\hfill\square$ 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

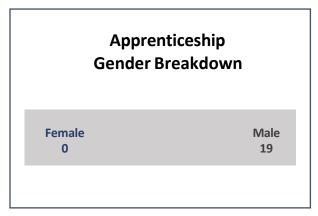
*Percentage of DC Residents in the OJT Program.* This project piloted a Design OJT program supervised by the project designer, AECOM, and SCB managed the Construction OJT Program. Both programs were proactive in their efforts to recruit and hire DC residents, minorities, and women in the program.

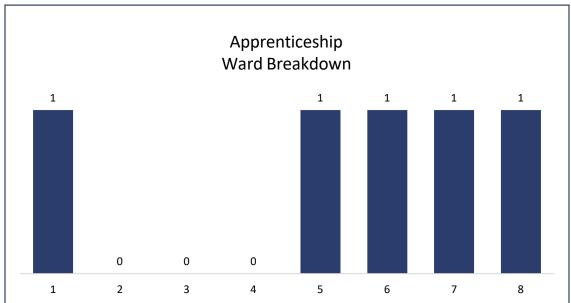
From March 2021 – March 2022 there were a total of 15 OJT trainees in the Construction Program. During this period, there were 3 new DC residents hired on the project who were residents of Wards 7 & 8. The increase in labor inclusion across wards 7 and 8 is a positive indicator of the efforts of the contractor and the District.



#### **Apprenticeships**

SCB worked with local unions to recruit DC residents into Apprenticeship programs. There was a total of 19 apprentices on the project from 2021 Q1 - 2022 Q1. Of those, 5 were DC residents (26%). The remaining apprentices came from the neighboring states of Maryland and Virginia. Below is the gender breakdown and Ward Breakdown for DC resident apprentices.





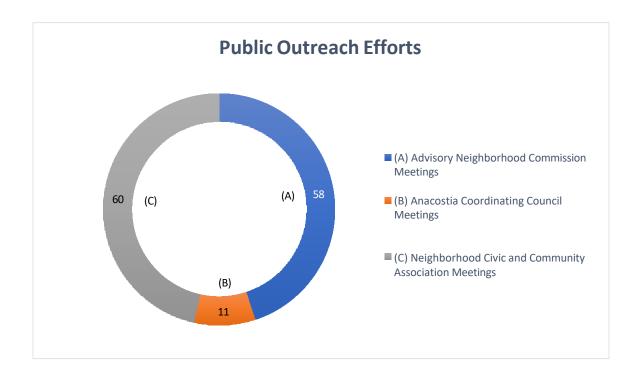
# Program Initiatives and Activities

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 in which this information is frequently distributed is the local ANC or Advisory Neighborhood Commissions meetings. There have been about 58 Advisory Neighborhood Commission events that SCB attended and promoted the project. The project team focused 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 11 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.



Career Job Fairs. Due to the global pandemic, the contractor was not able to host in-person career and job fairs, as they have done so previously. However, they were able to attend virtual recruitment events. The virtual events were conducted in coordination with the Department of Employment Services (DOES) and various employers around the city. DC residents were prioritized in this local initiative. Below are the hiring events SCB attended:

- o March 2, 2021 Virtual Hiring Event with DOES
- o March 2, 2022 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 OSHA 10-Hour, Nuclear Regulatory Commission Safety, ATSSA Flagging, ACI Level 1 Concrete Technician, and MARTCP Soils and Aggregate certifications. Trainees learned from knowledgeable, skilled construction management professionals.

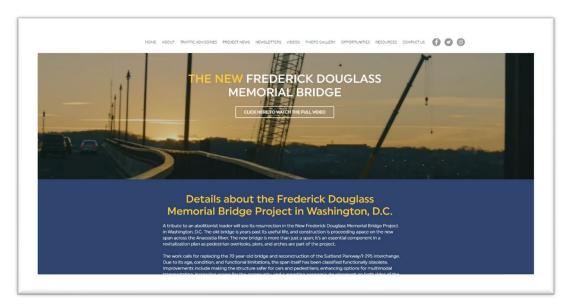
As of March 2022, a total of three cohorts of DC resident participants have joined the training program. The latest cohort was held in Fall 2021. The program interviewed 45 participants during this time period and the majority were from Ward 8. They were recruited by targeted email lists, workforce development programs, ANC Commissioners, community groups, and received support from the Skyland Workforce Center. The third cohort had 9 participants that received 2,052 training hours. The program produced a total of 5 graduates, of which three graduates were employed immediately after the program concluded. Two of the three students were employed as part of DDOT's OJT Program.



Third CM Training Class

Labor Management Meetings. Labor Management meetings were held once a month to keep communication transparent and to 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 of the project. It allows for tangible goals to ensure racial minorities, gender minorities, and DC residents are 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.



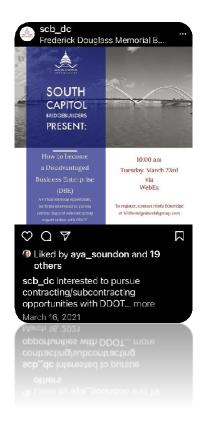
newfrederickdouglassbridge.com



southcapbridgeproject.com

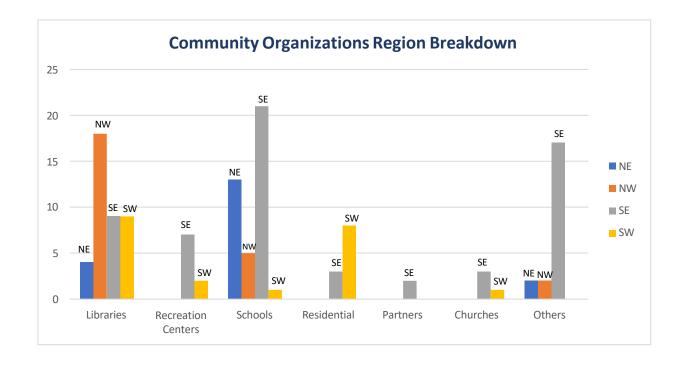
Social media is also leveraged to advertise and market available positions. The project utilizes Facebook, Instagram, and Twitter to disseminate information and reach potential trainees that search for jobs online or on their mobile devices. Below are a few posts from the project's Instagram pages @scb\_dc 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. The community organizations consisted of libraries, recreation centers, schools, residential communities, churches, partners, and other local centers and development organizations within the District of Columbia. Public meetings have been held such as the FDQCC meetings to discuss project updates and job opportunities.



#### **RESULTS**

Outreach efforts and programs have strived to incorporate DC residents into the project, as there has been an increase of at least 50% in DC new hires from wards 6, 7, and 8 between 2021 Q1 to 2022 Q1. 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.

The significant rise in all hires from 843 in 2020 Q4 to 1059 in 2022 Q1 is commendable and indicative of outreach efforts. Along with this measurable increase in all new hires, there is a promising increase of overall DC new hires from 194 to 216. 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 as the project comes to an end and the lack of DC residents to meet these needs, there has been an overall decline in DC residents' 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.

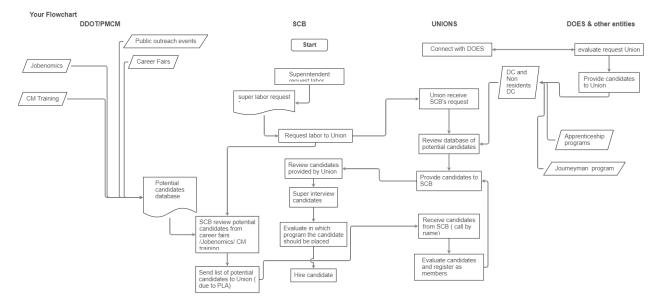
#### Constraints

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 agreed 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 located 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 staying active in apprenticeship programs, isolating DC residents from programs designed to be pathways to become/ng skilled workers.

In addition, as the project progresses and comes to an end, the specialization work required on the project limited the individuals that could be hired. Specific skillsets 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, 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 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 using virtual platforms. During this shift, recruiting efforts became virtual as well. SCB attended 2 virtual hiring events in partnership with the Department of Employment Services. Additional hiring efforts were postponed due to project team members contracting COVID-19, which delayed the CM Training Program for Cohort 3 by 3 months.

#### 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.

#### 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 were 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. As of Q1 2022, There have been three cohorts of the CM program. From the first two cohorts, four graduates were hired on three other DDOT projects. The third cohort for Summer 2021 commenced on Monday, July 19, 2021, and ended Tuesday, October 12, 2021. Sixty-three percent (63%) of the participants graduated and two of the three participants are in DDOT's OJT program. Recruitment is underway for the fourth cohort for 2022. Program announcements are currently being sent out to FDQCC, ANCs, targeted email lists, and workforce development programs.

#### CONCLUSION

The Frederick Douglass Memorial Bridge 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 three of the CM cohort graduates being hired on additional DDOT projects and six graduates of the Jobenomics program interviewing for jobs within SCB and elsewhere.

#### 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 vacant 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.

We suggest providing incentives for DC residents to join OJT, Jobenomics, and construction management programs be explored. There should also be supportive services 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 and family support 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 and 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. SCB has been working with labor unions throughout the project by holding monthly Labor Management Meetings (LMM) to request bench numbers of DC residents. Continuation of fostering a strong relationship with the unions can lead to positive workforce increases for DC residents.