



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 6c

**ACTION ITEM**

**Date of Meeting** November 28, 2017

**DATE:** November 20, 2017

**TO:** Dave Soike, Interim Executive Director

**FROM:** Veronica Valdez, Commission Specialist

**SUBJECT:** Second Reading of Resolution No. 3736, Priority Hire Policy Directive; and amending the Policy Directive related to practices for construction labor for projects located on Port property adopted by Resolution No. 3725.

**Amount of this request:** \$95,780

**Total estimated project cost:** \$95,780

**ACTION REQUESTED**

Request Second Reading and Final Passage of Resolution No. 3736, a resolution of the Port of Seattle Commission establishing a Priority Hire Policy Directive; and amending the Policy Directive related to practices for construction labor for projects located on Port property adopted by Resolution No. 3725.

**EXECUTIVE SUMMARY**

The purpose of this Resolution is to:

1. Establish a Policy Directive on Priority Hire with the purpose of providing good family wage jobs to qualified construction workers from Economically Distressed Areas of King County by increasing access to Port of Seattle Projects. This leads to economic growth and job creation in areas of King County that are experiencing economic distress. In addition, it will provide jobs to those historically underrepresented in the construction industry, including women and people of color.

To develop a Priority Hire program that will be generally implemented through a PLA and other Port efforts, and to foster closer cooperation with the Regional Public Owners Group to ensure uniform application of Priority Hire terms and contractor and union compliance with Priority Hire requirements. This supports the Port of Seattle's continued efforts on workforce development.

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2. Amend Resolution No. 3725 Policy Directive related to practices for construction labor for projects located on Port property by striking any reference to “locality hire” and inserting “For contracts under a PLA with projected construction labor costs at or above \$5 million, the Port shall establish Priority Hire goals.”

## **PROPOSED AMENDMENTS**

### **Housekeeping Amendments**

Amendment 1 – Proposed by Commissioner Tom Albro

On Page 1, Line 21 (redline version: Page 1, Line 21), after “**WHEREAS**, the Port of Seattle” strike “has some of the”, and insert the following: makes among the

- Staff recommends this amendment as it is a point of clarification.

Amendment 2 – Proposed by Glenn Fernandes, Director, Internal Audit

On Page 2, Line 40 (redline version: Page 2, Line 40), insert the following: **WHEREAS**, the Port of Seattle is committed to its values of conducting business with the highest ethical standards. Our business practices shall reflect integrity, accountability, honesty, fairness and respect at all levels; and

- Staff recommends this amendment as it affirms our commitment to our values which carries down to the contractors and subcontractors that perform work on our behalf.

Amendment 3 – Proposed by Commissioner Stephanie Bowman

On Page 2, Line 41 (redline version: Page 2, Line 45), after “construction job training programs, including” strike “Apprentice” and insert the following: Career Connected Learning, apprenticeships

- Staff recommends this amendment as it highlights the importance of Career Connected Learning which is about connecting our education system with industry and the rapidly changing and increasingly diverse job sector. It includes efforts like Skills Centers and other training programs. In addition, it recognizes that Career Connected Learning opportunities are an effective way to expose individuals to the construction career paths and prepare them for entry into a career in construction.

Amendment 4 – Proposed by Stakeholder

On Page 3, Line 91 (redline version: Page 3, Line 96), after “**WHEREAS**, the Port is committed to” strike “creating” and insert the following: fostering

On Page 3, Line 93 (redline version: Page 3, Line 98), after “behaviors and procedures” insert the following: and encourages positive relationships between employers and employees, and among employees

- Staff recommends this amendment as it acknowledges the importance of fostering positive relationships between the employer and the employee and among employees themselves on the jobsite that further supports the employee’s career development.

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Amendment 5 – Proposed by Commissioner Tom Albro

On Page 3, Line 100 (redline version: Page 3, Line 107), after “better understand” insert the following: and narrow

- Staff recommends this amendment as it clarifies the mission of the Regional Public Owners Group.

Amendment 6 – Proposed by the Commission Clerk

On Page 4, Line 127 (redline version: Page 4, Line 134), insert the following: SECTION 3. The Policy Directive contained in Exhibit A and attached to this resolution shall be labeled and catalogued as appropriate, together with other Commission Policy Directives, and shall be made readily available for use by Port staff and members of the public as a governance document of the Port of Seattle.

- Staff recommends this amendment as it is appropriate to include this language in the Resolution rather than in the Priority Hire Policy Directive.

Amendment 7 – Proposed by Commissioner Tom Albro

On Page 7, Line 247 (redline version: Page 7, Line 263), after “Executive Director’s written concurrence” insert the following: and upon notice to the Commission

- Staff recommends this amendment as it provides additional accountability.

Amendment 8 – Proposed by Commissioner Tom Albro

On Page 7, Line 249 (redline version: Page 7, Line 266), after “reasons: when” strike “work is” and after “emergency, when” strike “work is”

- Staff recommends this amendment as it provides more concise language.

Amendment 9 – Proposed by Glenn Fernandes, Director, Internal Audit

On Page 7, Line 256 (redline version: Page 8, Line 273), after “C.” insert the following: The Designee shall be responsible for identifying, monitoring, and mitigating risks within his/her authority; and propose mitigation actions to the Executive Director if additional authority is required.

- Staff recommends this amendment as it reflects on our responsibilities. Generally, when a new program is introduced, risk increases. Risk will come in a series of events and could constitute a wide variety of scenarios. For example: educating Priority Hire workers on policies and procedures at the Port and our culture and values. The “Designee” should be responsible for making sure risks are mitigated adequately as we implement the Priority Hire program.

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Amendment 10 – Proposed by Commissioner Tom Albro

On Page 8, Line 258 (redline version: Page 8, Line 278), after “D.” strike “In lieu” and insert the following: As part

- Staff recommends this amendment as it highlights that the Port will collaborate with partners whether through the Regional Public Owners Group or establish a regional Priority Hire Advisory Committee.

Amendment 11 – Proposed by Commissioner Tom Albro

One Page 8, Line 268 (redline version: Page 8, Line 288), after “in the bid” insert the following: or other solicitation.

- Staff recommends this amendment as it provides greater flexibility.

Amendment 12 – Proposed by Commissioner Tom Albro and Stakeholder

On Page 8, Line 277 (redline version: Page 8, Line 299), after “performed by Priority Workers by” strike “using” and insert the following: considering anticipated workforce availability and

On Page 8, Line 279 (redline version: Page 8, Line 302), after “percentage for the” strike “following” and insert the following: upcoming

On Page 8, Line 279 (redline version: Page 8, Line 302), after “year” strike “based on past performance” and insert the following: This shall be included in the PLA and other Port agreements as appropriate and progress monitored by the Designee.

On Page 8, Line 280 (redline version: Page 8, Line 304), after “required percentages annually” insert the following: , based on performance and reasonably anticipated changes in worker availability

- Staff recommends these amendment as it addresses stakeholder concerns that the supply of available Priority Workers in the workforce should be considered by the Port when deciding on requirements.

Amendment 13 – Proposed by Commission Office

On Page 8, Line 261 (redline version: Page 8, Line 281), after “under a” strike “Memorandum of Understanding” and insert the following: n agreement

On Page 9, Line 325 (redline version: Page 9, Line 355), after “established under a” strike “MOU” and insert the following: n agreement

On Page 9, Line 331 (redline version: Page 9, Line 361), after “will seek a” strike “MOU” and insert the following: n agreement

- Staff recommends this amendment as it provides greater flexibility on the type of agreement that will be determined by regional stakeholders.

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Amendment 14 – Proposed by Commission Office

On Page 10, Line 342 (redline version: Page 10, Line 372), after “and changes in the” strike “percentage of dollars paid to” and insert the following: amount of contracting dollars paid to Small Business and

On Page 10, Line 343 (redline version: Page 10, Line 374), after “(WMBE)” strike “contractors” and insert the following: firms

On Page 10, Line 343 (redline version: Page 10, Line 358), after “Projects” insert the following: and the number of Small Business and WMBE firms under contract

- Staff recommends these amendments as they are consistent with the data we track on utilization rates for small business and WMBE firms.

Amendment 15 – Proposed by Commission Clerk

On Page 10, Line 374 (redline version: Page 11, Line 410), after “Priority Hire program” insert the following: Fiscal implications will be reviewed by the Designee annually, at a minimum, to determine if additional funding and/or resources are required and shall submit a budget request as appropriate.

And on Page 11, Line 376 (redline version: Page 11, Line 414), strike “A Full Time Employee (FTE) for Priority Hire in Capital Development has been included in the proposed 2018 Budget.”

And on Page 11, Line 379 (redline version: Page 11, Line 417), strike “Attachment A: New Budget Request Form must be submitted on an annual basis should additional resources be required.”

- Staff recommends these amendments as it acknowledges that fiscal implications will be assessed on a consistent basis. It removes specific budget request tied to 2018 budget as we recognize that this will change over the course of the life of the program.

Amendment 16 – Proposed by Commission Clerk

On Page 11, Line 391 (redline version: Page 11, Line 428), strike “Attachment B: Research Findings of fact and declarations of intent” and insert in lieu thereof the following:  
The Commission makes the following research findings of fact and declarations of intent:

A. In January 2015, following the positive results of a pilot program on the Elliott Bay Seawall project, the City of Seattle adopted Ordinance No. 124690, an Ordinance relating to establishing a Priority Hire policy to ensure better access to training programs and well-paying construction jobs for local workers, as well as to increase the diversity of the workforce on City projects.

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B. The City implemented the Priority Hire Ordinance through a Community Workforce Agreement (CWA) between the City and the building trade labor unions, and that agreement requires that prime contractors on City public works construction projects of \$5 million or more, must ensure that a certain percent of project labor hours are performed by workers living in Economically Distressed Areas of Seattle and King County.

C. In May 2016, the King County Executive directed county agencies to implement a Priority Hire pilot program that prioritized economically disadvantaged local workers for inclusion on large King County capital construction projects. King County is considering a permanent Priority Hire program implemented through a CWA.

D. Based on studies commissioned by the City of Seattle and King County and their implementation of Priority Hire programs, and numerous public discussions, the Port Commission finds that it is in the Port's and the public's best interest to increase the supply of qualified construction workers, particularly those historically underrepresented in the construction industry, including women, racial minorities, and those who live in Economically Distressed Areas of Seattle and King County.

E. King County completed a study in January 2016 documenting a widening gap between the demand for construction labor and the supply of skilled trade workers in the regional labor market for King County and other public entities. The gap reinforces the urgent need for developing a strategy to address the current and projected workforce shortages. The study also used economic data involving poverty levels, employment and educational attainment to determine Economically Distressed Areas, which are identified by zip code.

F. King County completed The Construction Workforce Analysis in December 2016 and found that the county may reasonably anticipate a reduced surplus of qualified labor and possible labor shortages in certain construction trades by 2020. That is the result of a projected shortfall forecast between demand and supply of four thousand six hundred thirty workers by 2020. The county is concerned that these labor shortages will increase reliance on out-of-state construction workers and that the demand for new construction workers may increase construction costs on the county's public works projects unless the county supports efforts to increase the supply of trained Apprentices and journey level workers for local public works projects.

The analysis also found that 81 percent of the construction workforce in King County in 2016 were white males, while 19 percent were people of color and women. Representation of women and people of color is higher among new entrants to the labor force through Apprenticeships and accredited certificates of completion, such as those received for completing a Pre-Apprenticeship program. However, according to the analysis, women and people of color also have lower rates of Apprenticeship completion than do their white male counterparts.

G. The City of Seattle commissioned the Construction Industry Labor Market Assessment, which found that women, irrespective of race, are underrepresented in the

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construction industry. Between 2009 and 2013, 10 percent fewer women finished their apprentice training program than males. The assessment also found that between 2009 and 2013, 14 percent fewer racial minority Apprentices finished their Apprentice training program than white Apprentices. In addition, it also found that underrepresented workers face barriers to completing Apprentice training. Between 2009 and 2013, 65 percent of the racial minorities exiting Apprenticeships did not complete the programs compared to 51 percent of the white Apprentices who failed to complete the program. During that same time period, 65 percent of all women, irrespective of race, failed to complete their programs compared to 55 percent of all men.

H. The City of Seattle has found that Priority Hire effectively and successfully increases diversity on City construction projects. The share of labor hours between November 2013 and April 2017 saw an increase of 233 percent in rate of hours performed by workers living in Seattle’s economically distressed zones. In addition, it saw an over 300 percent increase in rate of hours performed by Apprentice women and 200 percent increase in rate of hours performed by African Americans.

- Staff recommends this amendment as it changes the research findings location from an attachment to a section in the Policy Directive and creates better flow of the Policy Directive.

Amendment 17 – Proposed by Commissioner Tom Albro and Stakeholder

On Page 16, Line 498 (redline version: Page 13, Line 496), after “I. A PLA” strike “with targeted priority hiring requirements” and after “public works projects” strike “that reduces” and insert the following: when reducing

On Page 16, Line 499 (redline version: Page 13, Line 497), after “risk of project delays” strike “,reduces” and insert the following: and reducing the potential of ; and after “labor shortages” strike “, and improves job site safety”

On Page 16, Line 500 (redline version: Page 13, Line 500), strike “In addition, it is also” and insert the following: J. Priority Hire is

### **Broadening Amendments**

The following amendments have been proposed by Commissioner Tom Albro

#### Amendment 18

One Page 2, Line 77 (redline version: Page 3, Line 82), after “Port construction” insert the following: and Port-related

#### Amendment 19

On Page 5, Line 143 (redline version: Page 5, Line 156), after “Port of Seattle” strike “Covered”

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Amendment 20

On Page 5, Line 148 (redline version: Page 5, Line 160), after “To develop a Priority Hire program” insert the following: that will be generally

Amendment 21

On Page 5, Line 148 (redline version: Page 5, Line 161), after “Project Labor Agreement (PLA)” insert the following: and other Port efforts,

Amendment 22

On Page 5, Line 171 (redline version: Page 5, Line 183), after “perform work on” strike “covered”

Amendment 23

On Page 5, Line 177 (redline version: Page 5, Line 189), strike “Covered”; After “Port of Seattle construction project” insert the following: ,whether ; After “under a PLA” strike “with construction labor costs at or above \$5 million” and insert the following: or not

Amendment 24

On Page 6, Line 202 (redline version: Page 6, Line 214), after “hours performed on” strike “covered”

Amendment 25

On Page 7, Line 237 (redline version: Page 7, Line 250), after “pertains to” strike “Covered”

Amendment 26

On Page 7, Line 239 (redline version: Page 7, Line 253), insert the following: B. In keeping with this Resolution, the Port shall develop and incorporate Priority Hire requirements in all future leases, concession agreements, and procurement contracts.

Amendment 27

On Page 7, Line 248 (redline version: Page 7, Line 265), after “when impractical for a” strike “Covered” and after “Project” insert the following: ,lease, concession, or other procurement

Amendment 28

On Page 7, Line 252 (redline version: Page 7, Line 269), after “sources, when” strike “the project is in” and insert the following: options are greatly limited due to

Amendment 29

On Page 7, Line 253 (redline version: Page 8, Line 270), after “other legal requirements,” insert the following: or ; After “goals become impractical” strike “, or absent an executed PLA”



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Amendment 30

On Page 8, Line 267 (redline version: Page 8, Line 287), after “A. For” strike “Covered” and after “Projects” insert the following: , leases, concessions, and procurements

Amendment 31

On Page 8, Line 271 (redline version: Page 8, Line 292), after “aspirational goal percentages.” insert the following: Participants in Projects not covered by a PLA shall similarly endeavor to achieve Port Priority Hire objectives.

Amendment 32

On Page 8, Line 276 (redline version: Page 8, Line 298), after “B. For each” strike “Covered”

Amendment 33

On Page 8, Line 285 (redline version: Page 9, Line 310), after “Priority Workers on the total of” strike “Covered”

Amendment 34

On Page 8, Line 289 (redline version: Page 9, Line 314), after “the Designee shall require” strike “Contractors and Dispatch under a PLA” and insert the following: contracted parties

Amendment 35

On Page 8, Line 292 (redline version: Page 9 Line 318), after “process by which” strike “Contractors, Dispatch” and insert the following: the parties

Amendment 36

On Page 8, Line 296 (redline version: Page 9, Line 321), insert the following: As part of the PLA and other contractual standard language, the Port shall endeavor to lower barriers to entry that may exist for recruits from Priority Hire zip codes that disqualify them for apprenticeship, Union membership, and/or employment such as issues related to transportation that include driver’s license, access to a vehicle, and geographic proximity to jobsites.

- Staff recommends this amendment as it demonstrates the importance of working with our partners to address barriers that Priority Workers may face. Community stakeholders raised concerns about barriers to entry for Priority Workers.

Amendment 37

On Page 9, Line 297 (redline version: Page 9, Line 326), after “E.” strike “For Covered Projects, t” and insert the following: T ; and after “referral to work on” strike “a Covered” and after “Project” insert the following: s

Amendment 38

On Page 9, Line 302 (redline version: Page 9, Line 331), after “Unions” insert the following: , lessee’s, concessionaires, suppliers,

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Amendment 39

On Page 9, Line 335 (redline version: Page 10, Line 364), strike “The Port shall explore ways Priority Hire can be implemented on Port construction projects outside a Covered Project, where applicable.”

Amendment 40

On Page 10, Line 340 (redline version: Page 10, Line 370), after “project” insert the following: or procurement

Amendment 41

On Page 10, Line 344 (redline version: Page 10, Line 374), after “working on” strike “Covered”

**Oversight and Reporting Amendments**

Proposed by Commissioner Tom Albro

Amendment 42

On Page 10, Line 345 (redline version: Page 10, Line 377), after “B.” insert the following: Port efforts in pursuit of the objectives of this Policy Directive will be incorporated into the Port’s Long Range Plan (LRP) to the fullest extent reasonable, including incorporation into the LRP scorecards, reports, and LRP updates. Further, the

Amendment 43

On Page 10, Line 345 (redline version: Page 10, Line 377), after “Designee shall” strike “report findings to the Commission and Executive Director annually. In order to facilitate the timely delivery of information for reporting to the Commission and to better serve the public, it is in the interest of the Port of Seattle to

Amendment 44

On Page 10, Line 347 (redline version: Page 10, Line 382), after “prepare” insert the following: and publish ; and after “prepare” strike “a single” and insert “an”; and after “each year” strike “by April 30”

Amendment 45

On Page 11, 368 (redline version: Page 11, Line 403), after “annually” insert the following: as part of the LRP update

**JUSTIFICATION**

A Full-Time Employee (FTE) for Priority Hire in Capital Development has been included in the proposed 2018 Budget with salary/wages and benefits equal to \$95,780.

<b>Amount of this request:</b>	\$95,780
<b>Total estimated project cost:</b>	\$95,780

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**BACKGROUND****Increasing growth in the construction industry and shortage of skilled trade workers**

The Port recognizes the construction industry is forecasted to experience consistent growth in the King County region over the next decade. However, numerous studies indicate a widening gap between the demand for construction labor and the supply of skilled trade workers in the regional labor market for King County public agencies. Public agencies in the region estimate there will be over \$67 billion dollars in public construction projects by 2042 with over 70 million labor hours needed to complete these projects. It is projected that between 2018 and 2023 there will be a shortage of over 4100 skilled workers. Regional labor supply is forecasted to underserve demand by an average of 9 to 10 percent during the 2018-2042 period.

The Port of Seattle has some of the largest investments in infrastructure projects in the region. In 2017, the Port of Seattle is projected to spend approximately \$180 million on construction projects and estimates continual growth in future years. The Port's capital investment dollars create the equivalent work hours of 10.89 jobs per one million dollars spent, providing enough total hours to equal approximately 950 full time jobs in Washington State in 2016.

**Women and people of color are underrepresented in the construction workforce in King County**

Data indicates that in 2016, over 80 percent of the construction workforce in King County are white males, while 19 percent are women and people of color. Representation of women and people of color is higher among new entrants to the labor force through Apprenticeships and accredited certificates of completion, such as those received for completing a Pre-Apprenticeship program. However, according to the analysis, women and people of color also have lower rates of Apprenticeship completion than do their white male counterparts.

The Port of Seattle is committed to ensuring equity in the construction projects workforce where disparities exist between underrepresented workers' availability to work and their opportunity to be hired and establish a career in the construction trades. The Port is a leader in workforce development and has found construction job training programs, including Apprentice and Pre-Apprenticeship programs, to be an effective way to prepare individuals for entry into construction jobs, and to ensure women, people of color, and otherwise disadvantaged individuals, can acquire the necessary job skills and preparation to successfully pursue construction careers.

The Port of Seattle was the first to adopt Apprenticeship Utilization Goals over three decades ago and is committed to achieving its Apprenticeship hiring goals set in Port policy and addressing the disproportionately low involvement of people of color and women in the construction labor force. Apprentice Utilization Goals for Port construction projects is 15 percent, of which includes a goal of 10 percent women and 15 percent people of color. In 2016, Apprenticeship Utilization rates were 17 percent, of which 18 percent were women and 28 percent were people of color.

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In addition, on October 25, 2016, the Port of Seattle adopted Resolution No. 3725 that established the Port of Seattle Construction Labor Policy Directive that states that the Port shall establish appropriate apprentice and locality hiring goals and appropriate aspirational women and minority apprentice hiring goals.

#### Providing jobs to those living in Economically Distressed Areas in King County

The Port of Seattle recognizes the City of Seattle and King County findings that King County has geographic areas of economic distress as evidenced by poverty indicators; including poverty levels, concentrated unemployment, and gaps in educational attainment.

“Economically Distressed Area” means a geographic area defined by zip code in King County and found to have high population concentrations: 1) Living at or below 200 percent of the federal poverty level, 2) Unemployed, 3) Those over 25 years of age without a college degree, compared to other zip codes. King County zip codes with a high density (per acre) of at least two out of the three criteria will be identified as Economically Distressed Areas. These zip codes are updated and published by King County’s Finance and Business Operations Division.

The Port of Seattle seeks to act effectively and expeditiously to encourage economic growth and job creation solutions in areas of the County that are economically distressed as evidenced by comparatively high levels of poverty, unemployment rates and education attainment. One way to achieve this is through Priority Hire.

The Port believes that establishing a Priority Hire policy ensures better access to training programs and well-paying construction jobs for local workers, particularly those from Economically Distressed Areas, as well as to increase the diversity of the workforce on Port construction projects. In addition, Priority Hire focuses on workforce participation by Apprentices and Journey-level construction workers and is therefore directly connected to the Port’s existing Apprenticeship program.

Priority Hire enhances community partnerships focused on inclusion and access to opportunities and services; expands opportunities for disadvantaged populations to advance equity and social justice; and ensures that Port construction projects are planned and implemented in a way that improves equity in local communities.

#### Regional problem requires a regional solution

Over the last two years, the Port of Seattle has participated as a member of the Regional Public Owners Group with the City of Seattle, King County, Sound Transit, the City of Tacoma and the Washington State Department of Transportation. The purpose of the Regional Public Owners Group is to better understand the workforce demand-supply gap for regional public infrastructure projects; enhance access opportunities and increase the diversity of Pre-Apprentices, Apprentices and journey-level workers entering into the trades workforce; support retention programs for current trades workers, especially women and people of color; and

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improve performance data and systems of reporting for monitoring regional goals and initiatives.

In January 2015, following the positive results of a pilot program on the Elliott Bay Seawall project, the City of Seattle adopted Ordinance No. 124690 establishing a Priority Hire policy to ensure better access to training programs and well-paying construction jobs for local workers, as well as to increase the diversity of the workforce on City projects. The City of Seattle has found that Priority Hire effectively and successfully increases diversity on City construction projects. The share of labor hours between November 2013 and April 2017 saw an increase of 233 percent in rate of hours performed by workers living in Seattle’s economically distressed zones. In addition, it saw an over 300 percent increase in rate of hours performed by apprentice women and 200 percent increase in rate of hours performed by African Americans.

In May 2016, King County implemented a Priority Hire pilot program that prioritized economically disadvantaged local workers for inclusion on large King County capital construction projects. King County is considering a permanent Priority Hire program implemented through a Community Workforce Agreement in 2018.

#### Stakeholder Outreach

From April 2017 to October 2017, the Port of Seattle conducted a total of six stakeholder meetings. The Port received input from contractors, labor union representatives, community advocates, small contracting and supplier businesses, training providers, and labor equity experts from the City of Seattle and King County about the challenges and opportunities of a Priority Hire program. Three meetings were convened by The Projects and Procurement Committee and two meetings were led by the Port staff. In addition, a Priority Hire Roundtable was convened by The Projects and Procurement Committee with members from the community, labor, contractors, and government agencies to receive inputs on the Port’s proposed Priority Hire Policy Directive.

The Port of Seattle intends to use the information received as a guide for implementing the Priority Hire program and developing a regional agreement for use on public works projects.

#### DETAILS

##### Key elements of the Priority Hire Policy Directive:

1. This Policy Directive pertains to Port of Seattle construction projects under a PLA with construction labor costs at or above \$5 million, referred to as Covered Projects.
2. Establish in the bid documents the required percentage of labor hours to be performed by Priority Workers (workers who reside in Economically Distressed Areas) and the aspirational goal percentage labor hours to be performed by Priority Workers.
3. Contractors and dispatch under a PLA shall seek to first hire and dispatch Priority Workers so as to meet or exceed the required percentages.

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4. In order to achieve the intended impact in Economically Distressed Areas, the Designee shall set project-specific requirements with the aspirational goal of achieving a total percentage of no less than 20 percent for all labor hours performed annually by Priority Workers on Covered projects for the year.
5. Require contractors and dispatch under a PLA to seek to employ a Priority Worker who is a resident in an Economically Distressed Area within King County, and then workers from any other Economically Distressed Areas as needed to meet the percentage labor hours to be performed by Priority Workers.
6. Ensure the availability of Jobs Coordinator(s) with the main role of facilitating referrals and coordination around training and employment of Priority Workers between contractors, unions and training programs.
7. The Designee shall establish benchmarks and metrics to evaluate the Priority Hire program.

**ATTACHMENTS TO THIS REQUEST**

- (1) Redline Version of Resolution No. 3736 Priority Hire Policy Directive with Proposed Amendments
- (2) 1<sup>st</sup> Reading of Resolution No. 3736 Priority Hire Policy Directive

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

July 25, 2017 – The Commission was briefed on the Commission 2018 Budget Priorities

May 9, 2017 – Workforce Development Update

April 12, 2016 – The Commission was briefed on Workforce Development Strategies and Long Range Plan.