

RESOLUTION NO. 3736

1
2
3 **A Resolution** of the Port of Seattle Commission establishing a Priority Hire
4 Policy Directive; and amending the Policy Directive related to
5 practices for construction labor for projects located on Port
6 property adopted by Resolution No. 3725.
7

8
9 **WHEREAS**, the construction industry is forecasted to experience consistent growth in
10 the King County region over the next decade; and
11

12 **WHEREAS**, numerous studies show a widening gap between the demand for
13 construction labor and the supply of skilled trade workers in the regional labor market
14 for King County public agencies. The Regional Public Owners Group estimate there will be
15 over sixty-seven billion dollars in public construction projects by 2042 with over seventy
16 million labor hours needed to fulfill this demand for projects. It is projected that between
17 2018 and 2023 there will be a shortage of over 4100 skilled workers. Regional labor
18 supply is forecasted to underserve demand by an average of 9 to 10 percent during
19 2018-2042; and
20

21 **WHEREAS**, the Port of Seattle ~~has some of the~~ makes among the largest investments in
22 infrastructure projects in the region. In 2017, the Port of Seattle is projected to spend
23 approximately \$180 million on construction projects and estimates continual growth in
24 future years. The Port's capital investment dollars create the equivalent work hours of
25 10.89 jobs per one million dollars spent, providing enough total hours to equal
26 approximately 950 full time jobs in Washington State in 2016; and
27

28 **WHEREAS**, most recent data for 2016 indicates that over 80 percent of the construction
29 workforce in King County are Caucasian males, while 19 percent are women and people
30 of color. Representation of women and people of color is higher among new entrants to
31 the labor force through apprenticeships and accredited certificates of completion, such as
32 those received for completing a pre-apprenticeship program. However, according to the
33 analysis, women and people of color also have lower rates of apprenticeship completion
34 than do their Caucasian male counterparts; and
35

36 **WHEREAS**, the Port of Seattle is committed to ensuring equity in the construction projects
37 workforce where disparities exist between underrepresented workers' availability to work
38 and their opportunity to be hired and establish a career in the construction trades; and
39

40 | WHEREAS, the Port of Seattle is committed to its values of conducting business with the
41 | highest ethical standards. Our business practices shall reflect integrity, accountability,
42 | honesty, fairness and respect at all levels; and
43 |

44 | **WHEREAS,** the Port of Seattle is a leader in workforce development and has found
45 | construction job training programs, including Career Connected Learning,
46 | apprenticeship, Apprentice and pre-apprenticeship programs, to be an effective way to
47 | prepare individuals for entry into construction jobs, and to ensure women, people of
48 | color, and otherwise disadvantaged individuals, can acquire the necessary job skills and
49 | be prepared to successfully pursue construction careers; and
50 |

51 | **WHEREAS,** the Port of Seattle was the first to adopt apprenticeship utilization goals over
52 | three decades ago and is committed to achieving its apprenticeship hiring goals set in
53 | Port policy and addressing the disproportionately low involvement by people of color
54 | and women in the construction labor force. Apprentice utilization goals for Port
55 | construction projects is 15 percent, of which includes a goal of 10 percent women and
56 | 15 percent people of color. In 2016, apprenticeship utilization rates were 17 percent, of
57 | which 18 percent were women and 28 percent were people of color; and
58 |

59 | **WHEREAS,** on October 25, 2016, the Port of Seattle adopted Resolution No. 3725 that
60 | established the Port of Seattle Construction Labor Policy Directive that states that the
61 | Port shall establish appropriate apprentice and locality hiring goals and appropriate
62 | aspirational women and minority apprentice hiring goals; and
63 |

64 | **WHEREAS,** the Port of Seattle supports the City of Seattle and King County findings that
65 | King County has geographic areas of economic distress as evidenced by poverty
66 | indicators; including poverty levels, concentrated unemployment, and gaps in educational
67 | attainment. The Port of Seattle seeks to act effectively and expeditiously to encourage
68 | solutions toward economic growth and job creation in areas of the County that are
69 | economically distressed as evidenced by comparatively high levels of poverty,
70 | unemployment rates and education attainment; and
71 |

72 | **WHEREAS,** Priority Hire enhances community partnerships focused on inclusion and
73 | access to opportunities and services; expands opportunities for disadvantaged
74 | populations to advance equity and social justice; and ensures that Port construction
75 | projects are planned and implemented in a way that improves equity in local
76 | communities; and
77 |
78 |

79 **WHEREAS**, the Port believes that establishing a Priority Hire policy ensures better access
80 to training programs and well-paying construction jobs for local workers, particularly
81 those from Economically Distressed Areas, as well as increases the diversity of the
82 workforce on Port construction and Port-related projects; and

83
84 **WHEREAS**, in 2017, the Port of Seattle convened community stakeholder meetings and
85 received input from contractors, labor union representatives, community advocates,
86 small contracting and supplier businesses, training providers, City of Seattle and King
87 County policy experts about the challenges and opportunities of a Priority Hire program.
88 The Port of Seattle intends to use the information received from these meetings as a
89 guide for implementing the Priority Hire program and developing a regional agreement
90 for use on public works projects; and

91
92 **WHEREAS**, Priority Hire focuses on workforce participation by apprentice and journey-
93 level construction workers and is therefore directly connected to the Port’s existing
94 apprenticeship program; and

95
96 **WHEREAS**, the Port is committed to creating fostering an acceptable worksite on public
97 works projects that is inclusive and focuses on anti-discrimination and anti-harassment
98 behaviors and procedures and encourages positive relationships between employers
99 and employees, and among employees; and

100
101 **WHEREAS**, over the last two years, the Port of Seattle has participated as member of
102 the Regional Public Owners Group with the City of Seattle, King County, Sound Transit,
103 the City of Tacoma and the Washington State Department of Transportation, focused on
104 public agencies working together as regional partners; and

105
106 **WHEREAS**, the purpose of the Regional Public Owners Group is to better understand
107 and narrow the workforce demand-supply gap for regional public infrastructure
108 projects; enhance access opportunities and increase the diversity of pre-apprentices,
109 apprentices and journey-level workers entering into the trades workforce; support
110 retention programs for current trades workers, especially women and people of color;
111 and improve performance data and systems of reporting for monitoring regional goals
112 and initiatives; and

115 **NOW, THEREFORE, BE IT RESOLVED** by the Port Commission of the Port of Seattle as
116 follows:

117
118 SECTION 1. Resolution No. 3725 is hereby amended as follows:

119
120 A. In Section 1.D., strike “and locality” and in Section 1 insert the following: E. For
121 contracts under a PLA with projected construction labor costs at or above \$5 million, the Port
122 shall establish Priority Hire goals.

123
124 B. In Section II.C.2., strike “locality hiring and” and in Section II insert the following: D. For
125 contracts under a PLA with projected construction labor costs at or above \$5 million, the Port
126 shall establish Priority Hire goals.

127
128 C. In Section III.B.2., strike “locality hiring and” and in Section III.B. insert the following: 3.
129 For contracts under a PLA with projected construction labor costs at or above \$5 million, the
130 Port shall establish Priority Hire goals.

131
132 SECTION 2. A Priority Hire Policy Directive is hereby established as shown in Exhibit A, attached.

133
134 SECTION 3. The Policy Directive contained in Exhibit A and attached to this resolution shall be
135 labeled and catalogued as appropriate, together with other Commission Policy Directives, and
136 shall be made readily available for use by Port staff and members of the public as a governance
137 document of the Port of Seattle.

138
139
140 **ADOPTED** by the Port Commission of the Port of Seattle at a duly noticed meeting thereof, held
141 this ____ day of _____, 2017, and duly authenticated in open session by the signatures of
142 the Commissioners voting in favor thereof and the seal of the Commission.

143
144
145 _____ Tom Albro
146 _____ Stephanie Bowman
147 _____ John Creighton
148 _____ Fred Felleman
149 _____ Courtney Gregoire

150 Port Commission

151 **EXHIBIT A**

152 SECTION 1. Purpose.

153
154 The purpose of this Policy Directive is to provide good family wage jobs to qualified construction
155 workers from Economically Distressed Areas of King County by increasing access to Port of Seattle
156 | ~~Covered~~ Projects. This leads to economic growth and job creation in areas of King County that are
157 experiencing economic distress. In addition, it will provide jobs to those historically
158 underrepresented in the construction industry, such as women and people of color.

159
160 | To develop a Priority Hire program that will be generally implemented through a Project Labor
161 | Agreement (PLA) and other Port efforts, and to foster closer cooperation with the Regional Public
162 Owners Group to ensure uniform application of Priority Hire terms and Contractor and Union
163 compliance with Priority Hire requirements. This supports the Port of Seattle’s continued efforts
164 on workforce development.

165
166 SECTION 2. Definitions.

167
168 When used in this Policy Directive, the following words and phrases shall have the meanings
169 given below unless the context in which they are included clearly indicates otherwise:

170
171 “Apprentice” means a person who has signed a written apprenticeship agreement with and
172 enrolled in an active state-registered apprenticeship training program approved by the
173 Washington State Apprenticeship and Training Council.

174
175 “City” means City of Seattle.

176
177 “Construction labor costs” means the labor cost component of the estimated construction budget
178 for the project to be paid to contractors at the time of bid or, if absent a bid, at the time of the
179 contract award.

180
181 “Contractor” means any person, firm, partnership, owner operator, limited liability company,
182 corporation, joint venture, proprietorship, trust, association or other legal entity that employs
183 | individuals to perform work on ~~covered~~ projects, including general contractors, subcontractors of
184 all tiers, and both union and non-union entities.

185
186 “Core Employee” means an employee of an open-shop contractor that meets the core employee
187 criteria established under a PLA.

188
189 | “~~Covered~~ Project” means a Port of Seattle construction project, whether under a PLA or not. ~~with~~
190 ~~construction labor costs at or above \$5 million.~~

191
192 “Dispatch” means the process by which a union refers workers for employment to contractors
193 under the authority of a collective bargaining agreement. The process typically mandates the
194 distribution of work via a “first in, first out” priority but can be legally adjusted via special
195 agreements to allow for out of order dispatching and Priority Worker hiring.

196
197 “Economically Distressed Area” means a geographic area defined by zip code in King County and
198 found to have high population concentrations: 1) Living at or below 200 percent of the federal
199 poverty level, 2) Unemployed, 3) Those over 25 years of age without a college degree, compared
200 to other zip codes. King County zip codes with a high density per acre of at least two out of the
201 three criteria will be identified as Economically Distressed Areas. These zip codes are updated and
202 published by King County’s Finance and Business Operations Division.

203
204 “Jobs Coordinator” means either one of the following: a Port of Seattle employee, an employee
205 that is considered a shared resource between government agencies, or a third party entity that
206 facilitates the hiring of Priority Workers in collaboration with Contractors and Union Dispatch.

207
208 “Journey-level” means an individual who has sufficient skills and knowledge of an occupation,
209 either through a formal apprentice training program or through practical on-the-job work
210 experience, to be recognized by a state or federal registration agency and/or an industry as being
211 qualified to perform the work of the occupation. Practical experience must be equal to or greater
212 than the term of apprenticeship.

213
214 | “Labor hours” means hours performed on ~~covered~~-projects by workers who are subject to
215 prevailing wages.

216
217 “Open-shop contractor” means a contractor that is not a signatory to a collective bargaining
218 agreement with a union representing the trade(s) of the contractor’s workers, also known as non-
219 union contractors.

220
221 “Pre-apprentice” means a student enrolled in a construction pre-apprentice training program
222 recognized by the Washington State Apprenticeship and Training Council.

223
224 “Priority Hire Program” means a program on Port of Seattle major construction contracts that
225 focuses on recruitment, training and employment of workers who reside in Economically
226 Distressed Areas as defined by King County.

227
228 “Priority Worker(s)” means an individual prioritized for recruitment, training, and employment
229 opportunities because the individual is a resident in an Economically Distressed Area.

230

231 “Project Labor Agreement” means an agreement authorized under the National Labor Relations
232 Act (NRLA), 29 U.S.C., which provides a means for aligning interests of public owners such as the
233 Port with those of construction labor unions.

234

235 “Regional Public Owners Group” means the group including the City of Seattle, King County, Port
236 of Seattle, Sound Transit, the City of Tacoma and the Washington State Department of
237 Transportation, focused on public agencies working together as regional partners to better
238 understand the workforce demand-supply gap for regional public infrastructure projects; to
239 enhance access opportunities and to increase the diversity of pre-apprentices, apprentices and
240 journey-level workers entering into the trades workforce; to support retention programs for
241 current trades workers, especially women and people of color; and to improve performance data
242 and systems of reporting for monitoring regional goals and initiatives.

243
244 “Union” means a representative labor organization whose members collectively bargain with
245 employers to set the wages and working conditions in their respective trade or covered scope of
246 work.

247

248 SECTION 3. Scope and Applicability.

249
250 A. This Policy Directive pertains to ~~Covered~~ Project(s) for the remainder of this Policy
251 Directive.

252
253 B. In keeping with this Resolution, the Port shall develop and incorporate Priority Hire
254 requirements in all future leases, concession agreements, and procurement contracts.

255

256 SECTION 4. Responsibilities.

257

258 A. The Executive Director (1) will assign a designee (referred to as “Designee” for the
259 remainder of the Policy Directive) and subsequent designated office to implement and administer
260 this Policy Directive, and (2) may, through the Designee, develop and adopt rules consistent with
261 the requirements of this Policy Directive.

262

263 B. The Designee, with the Executive Director’s written concurrence and upon notice to the
264 Commission, may reduce or waive requirements or goals of this Policy Directive when impractical
265 for a ~~Covered~~ Project, lease, concession, or other procurement for one or more of the following
266 reasons: when ~~work is~~ required due to an emergency, when ~~work is~~ subject to limitations of a
267 sole source, when requirements or goals would be inconsistent with an agreement with a public
268 agency, when requirements or goals are inconsistent with federal funding or other funding
269 sources, when ~~the project is in~~ options are greatly limited due to a remote location, when

270 | superseded by safety or other legal requirements, or when other conditions arise such as the
271 | goals become impractical, ~~or absent an executed PLA.~~

272 |
273 | C. The Designee shall be responsible for identifying, monitoring, and mitigating risks
274 | within his/her authority; and propose mitigation actions to the Executive Director if additional
275 | authority is required. The Designee shall enforce the requirements in this Policy Directive and
276 | may use actions as deemed appropriate.

277 |
278 | D. ~~In lieu~~ As part of establishing a Priority Hire advisory committee to operate in an
279 | advisory role to the Port of Seattle for implementation and effectiveness of this Policy Directive,
280 | the Designee shall participate in the previously established Regional Public Owners Group and
281 | may, under an agreement-Memorandum of Understanding (MOU) with one or more other
282 | government entities with Priority Hire programs, establish and participate in a regional Priority
283 | Hire advisory committee.

284 |
285 | SECTION 5. Policy.
286 |

287 | A. For ~~Covered~~ Projects, leases, concessions, and procurements that are not found
288 | impractical under Section 2.4 B, the Designee shall establish in the bid or other solicitation
289 | documents the: (1) required percentage of labor hours to be performed by Priority Workers, and
290 | (2) aspirational goal percentage of labor hours to be performed by Priority Workers. Contractors
291 | and Dispatch under a PLA shall seek to first hire and dispatch Priority Workers so as to meet or
292 | exceed the required and aspirational goal percentages. Participants in Projects not covered by a
293 | PLA shall similarly endeavor to achieve Port Priority Hire objectives.

294 |
295 | The Designee shall establish the percentages separately for apprentices and for journey-level
296 | workers.

297 |
298 | B. For each ~~Covered~~ Project, the Designee shall establish the greatest practicable required
299 | percentage of labor hours to be performed by Priority Workers by considering anticipated
300 | workforce availability and using past utilization percentages on similar construction projects from
301 | the most recent project previous calendar year, and shall establish the percentage for the
302 | following upcoming year, based on past performance. This shall be included in the PLA and other
303 | Port agreements as appropriate and progress monitored by the Designee. The Designee shall
304 | adjust these required percentages annually, based on performance and reasonably anticipated
305 | changes in worker availability.

306 |
307 | C. In order ~~to achieve~~ to achieve the intended impact in Economically Distressed Areas,
308 | the Designee shall set project-specific requirements and an aspirational goal percentage of no
309 | less than 20 percent for all labor hours performed annually by Priority Workers on the total of

310 | ~~Covered~~ Projects for the year. Annual percentage rates will be measured January 1 – December
311 | 31 of each applicable year.

312 |
313 | D. In order to meet the percentage of labor hours to be performed by Priority Workers,
314 | the Designee shall require ~~Contractors and Dispatch under a PLA~~contracted parties to seek to
315 | employ a Priority Worker who is a resident of an Economically Distressed Area in King County,
316 | and then workers from any other Economically Distressed Areas as needed to meet the
317 | percentage labor hours to be performed by Priority Workers. The specific process by which
318 | ~~Contractors, Dispatch~~the parties and the Port of Seattle Job Coordinator(s) will collaborate in
319 | order to facilitate the hiring of Priority Workers shall be established by the Designee.

320 |
321 | As part of the PLA and other contractual standard language, the Port shall endeavor to lower
322 | barriers to entry that may exist for recruits from Priority Hire zip codes that disqualify them for
323 | apprenticeship, Union membership, and/or employment such as issues related to transportation
324 | that include driver's license, access to a vehicle, and geographic proximity to jobsites.

325 |
326 | E. ~~For Covered Projects, t~~The Designee shall ensure the availability of a Jobs
327 | Coordinator(s) to perform the following functions: maintain a database of pre-qualified Priority
328 | Workers for referral to work on ~~a Covered Projects~~; network with various work source centers,
329 | community, non-profit and faith-based organizations to facilitate the identification of Priority
330 | Workers; and facilitate referral and coordination around training and employment of Priority
331 | Workers between Contractors, Unions, lessee's, concessionaires, suppliers, and training
332 | programs. In addition, the Designee shall explore development of a third party to manage
333 | regional Priority Hire efforts.

334 |
335 | F. Per Resolution 3725, as amended, contracts \$1 million in value or greater requires
336 | apprenticeship utilization goals. The goal is no less than 15 percent of all contract labor hours
337 | are to be performed by apprentices.

338 |
339 | (1) For individual projects, the Designee will determine the apprenticeship utilization
340 | goal and may consider such factors as project size, project duration, labor hours
341 | anticipated for the project, skills required, the likely crafts required for the project,
342 | historic utilization rates and apprentice availability.

343 |
344 | (2) The Designee shall establish aspirational percentage goals for apprentices who are
345 | women and people of color using similar factors. Contractors may be allowed to
346 | offer utilization below the aspirational percentage goals by substituting other efforts
347 | to meet the intent of building a trained construction workforce for a portion of the
348 | utilization percentages for women and people of color.

349 |

350 G. When determining whether the percentage of Priority Hire requirements has been
351 achieved, the Designee shall exclude from the calculation labor hours performed by residents of
352 states other than the state of Washington. The Designee shall track labor hours performed by
353 residents of states other than the state of Washington and shall review this percentage
354 annually with the previously established Regional Public Owners Group and any future regional
355 Priority Hire advisory committee that may be established under an an agreement-MOU with one
356 or more other government entities with Priority Hire programs.

357
358 H. ~~Per Resolution 3725, as amended, the Designee shall support the inclusion of~~
359 ~~Priority Hire provisions in the PLA standard language to be approved by the Commission~~
360 ~~Projects and Procurement Committee. In furthering Resolution 3725, as amended, Port staff~~
361 ~~will seek an an agreement-MOU with regional partners to develop a framework to achieve~~
362 ~~operational efficiencies through uniform Priority Hire requirements and by sharing Priority Hire~~
363 ~~resources and data and advancing workforce development efforts.~~

364 ~~I. The Port shall explore ways Priority Hire can be implemented on Port construction~~
365 ~~projects outside a Covered Project, where applicable.~~

366
367 SECTION 6. Program Evaluation.

368
369 A. The Designee shall establish benchmarks and metrics to evaluate the program, such as
370 project or procurement costs; completion times, workplace safety; utilization rates and
371 graduation rates of Priority Workers, women and people of color from pre-apprentice and
372 apprentice training programs; and changes in the amount of contracting dollars paid to
373 percentage of dollars paid to Small Business and Women and Minority Business Enterprises
374 (WMBE) ~~contractors-firms~~ working on ~~Covered-Projects~~ and the number of Small Business and
375 WMBE firms under contract.

376
377
378 B. ~~Port efforts in pursuit of the objectives of this Policy Directive will be incorporated into~~
379 ~~the Port's Long Range Plan (LRP) to the fullest extent reasonable, including incorporation into the~~
380 ~~LRP scorecards, reports, and LRP updates. Further, ~~the~~ Designee shall ~~report findings to the~~~~
381 ~~Commission and Executive Director annually. In order to facilitate the timely delivery of~~
382 ~~information for reporting to the Commission and to better serve the public, it is in the interest of~~
383 ~~the Port of Seattle to~~ prepare and publish a single annual report each year ~~by April 30~~ titled
384 Apprenticeship and Priority Hire Annual Report.

385
386 The report shall include, but not be limited to the following:

- 387
388 (1) The number and kinds of construction projects and contracts on which apprenticeship
389 and Priority Hire requirements were established;

- 390 (2) The percentage of labor hours actually worked by apprentices and Priority Workers on
391 each such project and the total number of labor hours on each project;
392 (3) The number of apprentices and Priority Workers by contractor broken down by trade
393 and craft category, the wages paid by category of work or trade, the number and
394 percentage of women and people of color utilized as apprentices and Priority Workers
395 and the degree of compliance with the percentage requirements and aspirational
396 goals to be established under this Policy Directive;
397 (4) The number of apprentices and Priority Workers per Port dollar spent on the program;
398 (5) A description of problems encountered in the implementation of the program;
399 (6) A description of barriers encountered by participating apprentices and Priority
400 Workers and steps taken to resolve those problems and to ensure their continued
401 participation in the program;
402

403 C. The Commission, Executive Director, and Designee will review program results annually
404 as part of the LRP update to determine if the program should be expanded or amended by
405 increasing or decreasing requirements and aspirational goals.
406

407
408 SECTION 7. Fiscal Implications.
409

410 This Policy Directive has fiscal implications as funding and staffing requirements will be needed to
411 implement the Priority Hire program. Fiscal implications will be reviewed by the Designee
412 annually, at a minimum, to determine if additional funding and/or resources are required and
413 shall submit a budget request, as appropriate.
414

415 ~~A Full-Time Employee (FTE) for Priority Hire in Capital Development has been included in the~~
416 ~~proposed 2018 Budget.~~
417

418 ~~Attachment A: New Budget Request Form must be submitted on an annual basis should~~
419 ~~additional resources be required.~~
420

420 SECTION 8. Research Findings
421

422 Based on studies commissioned by the City of Seattle and King County and their
423 implementation of Priority Hire programs, and numerous public discussions, the Port
424 Commission finds that it is in the Port's and the public's best interest to increase the supply of
425 qualified construction workers, particularly those historically underrepresented in the
426 construction industry, including those who live in Economically Distressed Areas in King County
427 and also within that group, women and people of color.
428

429 ~~Attachment B: Research findings of fact and declarations of intent~~

430 |
431 A. In January 2015, following the positive results of a pilot program on the Elliott Bay
432 Seawall project, the City of Seattle adopted Ordinance No. 124690, an Ordinance relating to
433 establishing a Priority Hire policy to ensure better access to training programs and well-paying
434 construction jobs for local workers, as well as to increase the diversity of the workforce on City
435 projects.

436
437 B. The City implemented the Priority Hire Ordinance through a Community Workforce
438 Agreement (CWA) between the City and the building trade labor unions, and that agreement
439 requires that prime contractors on City public works construction projects of \$5 million or
440 more, must ensure that a certain percent of project labor hours are performed by workers
441 living in Economically Distressed Areas of Seattle and King County.

442
443 C. In May 2016, the King County Executive directed county agencies to implement a
444 Priority Hire pilot program that prioritized economically disadvantaged local workers for
445 inclusion on large King County capital construction projects. King County is considering a
446 permanent Priority Hire program implemented through a CWA.

447
448 D. Based on studies commissioned by the City of Seattle and King County and their
449 implementation of Priority Hire programs, and numerous public discussions, the Port
450 Commission finds that it is in the Port's and the public's best interest to increase the supply of
451 qualified construction workers, particularly those historically underrepresented in the
452 construction industry, including women, racial minorities, and those who live in Economically
453 Distressed Areas of Seattle and King County.

454
455 E. King County completed a study in January 2016 documenting a widening gap between
456 the demand for construction labor and the supply of skilled trade workers in the regional labor
457 market for King County and other public entities. The gap reinforces the urgent need for
458 developing a strategy to address the current and projected workforce shortages. The study also
459 used economic data involving poverty levels, employment and educational attainment to
460 determine Economically Distressed Areas, which are identified by zip code.

461
462 F. King County completed The Construction Workforce Analysis in December 2016 and
463 found that the county may reasonably anticipate a reduced surplus of qualified labor and possible
464 labor shortages in certain construction trades by 2020. That is the result of a projected shortfall
465 forecast between demand and supply of four thousand six hundred thirty workers by 2020. The
466 county is concerned that these labor shortages will increase reliance on out-of-state construction
467 workers and that the demand for new construction workers may increase construction costs on
468 the county's public works projects unless the county supports efforts to increase the supply of
469 trained apprentices and journey level workers for local public works projects.

470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502

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 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.

I. A PLA ~~with targeted priority hiring requirements~~ is an effective tool to manage public works projects ~~that when reduces-reducing~~ the risk of project delays, ~~reduces- and reducing the potential of~~ labor disruptions and labor shortages, ~~and improves job-site safety~~.

~~J. Priority Hire is. In addition, it is also~~ an effective tool to create local jobs, enhance workforce diversity and improve overall working conditions.