

DATE: February 14, 2022

TO: Mayor Robinson and City Councilmembers

FROM: Jeremy Barksdale
Councilmember

SUBJECT: Apprenticeship Utilization Policy and Program Proposal

At the September 20, 2021, Council meeting, I let Councilmembers know that I intended to consider, with staff support under Council's eight-hour rule, the idea of requiring apprenticeship utilization for public works projects and contracts in the City of Bellevue. In the meeting, I took questions and comments from Councilmembers to help inform this work.

Under "Council Business," I will share an apprenticeship utilization policy proposal. I am asking Council, through a resolution on a future consent agenda, to adopt the proposal and direct staff to return to Council with implementation details for consideration at a future meeting.

Introduction

As the largest city on the Eastside, and one of the fastest growing cities in Washington, there is an increasing need for projects that require skilled labor to build and maintain structures and infrastructure in the City. Apprenticeship utilization creates opportunities for members of our community (especially our lower income earners) to learn the skilled trades and gain the necessary experience via apprenticeships that can help them earn a family wage (making Bellevue more affordable), achieve economic mobility, and thrive. Furthermore, it creates workforce development opportunities in our community – aligning with Council's priority of achieving human potential.

Background

Apprenticeships are required for people entering the skilled trades learning how to do the work required to make infrastructure in our community a reality (e.g., carpentry, plumbing, electrical, masonry, painting, and more). There is a strong demand for skilled labor as well as a growing challenge with finding skilled workers and retaining skilled workers who are aging out of the trades.

Similar to the education system, the government has a role to play in educating and training our community because access to education and training is a key determinant of whether members of our society can live a productive and rewarding life.

Currently, Bellevue does not have an apprenticeship utilization policy, but there are contracts that could have utilized apprentices. In 2020, there were 17 projects bid and awarded. Six of the 17 were larger than \$1M--a threshold commonly used to determine which projects require apprenticeships. Only one of the six projects (viz., the Mountains to Sound project) had apprenticeship workforce hours attached

to it. This results in limited access to opportunities for members of our community to potentially receive training in the community where they live.

State representatives and other local elected officials have recognized the value that apprenticeships have in building up the skills of our region's future workforce (e.g., House Bill 1849, King County, Burien, Shoreline, Kent, and other cities). With the passage of the federal infrastructure bill, Bellevue's growth targets, and our aging infrastructure, the need for a skilled trained workforce is of growing importance to ensure timely completion of future projects.

Organizations, such as the Construction Industry Training Council of Washington (located in Bellevue) and Unions (e.g., LiUNA), are working with local school districts and programs like ANEW to create more opportunities for people interested in the skilled trades and increase the pipeline into the skilled trades via pre-apprenticeship programs.

Proposal

The proposed apprenticeship utilization policy would have the following requirements (see Appendix A for the intent of each provision).

- Development and adoption of procedures to implement, administer, and monitor apprenticeship utilization in Bellevue.
- Contractors to meet utilization goals or pay a fee of \$10 for each hour that is not achieved (that will be deposited into a separate account and utilized to support pre-apprenticeship and training programs).
- Contractors and subcontractors who utilize apprentices to become registered training agents.
- The City to partner with academic institutions (to include the Bellevue School District and Bellevue College) and non-profit human service providers to assist with connecting community members with apprenticeship opportunities.
- Public work projects (as defined in KCC 3.70.030 and RCW 39.04.010) with an estimated construction design cost greater than \$1,000,000 to have no less than 15 percent of the labor hours performed by workers subject to prevailing wages employed by the contractor or its subcontractors be performed by apprentices enrolled in a state-approved apprenticeship program.
- Contractors comply with the City's Equal Opportunity Requirements in BCC 4.28.170.
- The City to collect, and provide a report to the council on a quarterly basis, the following metrics: number of hours worked by trade, craft, gender, race/ethnicity, home city and zip code, veteran status, and age.
- Flexibility by allowing apprenticeship requirements to be waived or adjusted in bid documents under the following circumstances:
 1. The apprenticeship requirement conflicts with state or federal funding conditions, or the conditions of any other grant or funding program;
 2. An insufficient number of apprentices is available to meet the contract requirements;
 3. There exists a disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum level of apprentice participation;

4. The contractor has demonstrated and provided supporting documentation that it has utilized its “best efforts” to meet the established percentage requirement, but remains unable to fulfill the goal; or
5. For reasons deemed appropriate by the city manager and not inconsistent with the purpose and goals of this chapter.

Costs and Benefits

An apprenticeship utilization program, as with most things, has a cost. It:

- Requires additional language in Request for Proposals (RFP) regarding Apprenticeship Utilization Requirement (AUR);
- Requires tracking to ensure contractor compliance¹; and
- Requires developing an accountability structure for contractors who don’t comply.

However, it also has its benefits. It:

- Helps community members earn income earlier in their career and provide opportunities they might not otherwise receive;
- Enables Bellevue residents (especially youth) interested in the skilled trades an opportunity to work close to where they live and stay in Bellevue;
- Helps ensure a dedicated portion of covered projects are training the next generation of skilled workers;
- Helps meet the anticipated need for apprenticeships in response to a growing pipeline from pre-apprenticeships;
- Puts more people to work in the construction trades to maintain a skilled workforce available to construct public works.

¹ The fiscal note for the 2018 SB 5576 3SSB notes that the potential increase in bid costs due to tracking requirements is “assumed to be minor.”