

# Apprenticeship Utilization

## Policy Proposal

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Councilmember

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# Direction Needed from Council

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Direct staff to return to Council with details about fiscal and legal implications of the apprenticeship utilization policy proposal.



# Agenda

1. Background
2. Opportunity
3. Proposal
4. Prior questions
5. Next steps



# Background

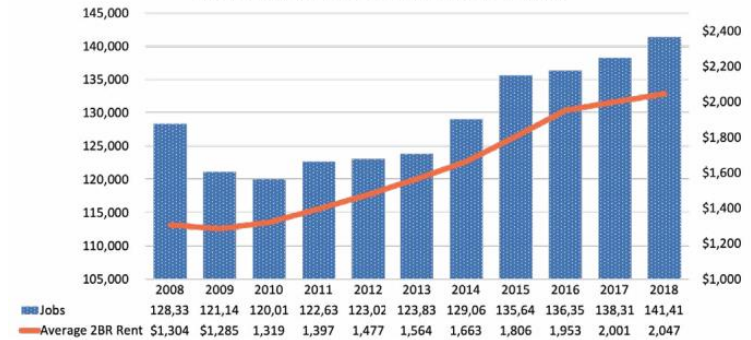
- Workforce development is part of our Council Vision
- Apprenticeships are a workforce development strategy
- Introduced topic during Sept. 20 Council Meeting
- Received questions from Council on the topic



# Opportunity

- Increasing cost of living
- Shortage of skilled labor
- Bellevue growth and aging infrastructure
- Opportunity to improve affordability for lower income earning residents

Figure 1. Growth of Jobs and Rents in Bellevue



Source: [2019-2020 Bellevue Human Services Needs Update](#)

Figure 6: Services to Increase



Source: [2020 Bellevue Budget Survey](#)



# Proposal

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- Public works projects
- Contracts over \$1M
- At least 15% of work performed by apprentices
- \$10/hour fee assessed if hours aren't met. Revenue supports workforce development
- Regular Staff performance report to Council
- Flexibility to waive requirements in certain cases



# Proposal Costs and Benefits

## Costs\*

- Apprenticeship Utilization RFP language
- Tracking to ensure compliance
- Develop accountability structure

\*Kent spends approximately \$1,500 - \$2,500/month (less than \$30K/yr.) to administer their ordinance. Staff includes: 1) Construction Manager; 2) Construction Supervisor; 3) Capital Projects Manager; and 4) Admin.

## Benefits

- Build and maintain aging infrastructure to accommodate new jobs and housing targets
- Apprenticeship opportunities for growing pre-apprenticeship pipeline
- Training next generation of skilled workers
- Potential for community members to earn income
- Opportunity for residents to work closer to where they live



# Proposal Comparison

Provision	Bellevue (Proposed)	Shoreline	Kent	Burien
<b>Administration</b>	Develop and adopt procedures to implement, administer, and monitor AU	None	(Similar to proposal)	Employer Apprenticeship Program (EAP) Utilization plan and EAP Coordinator
<b>Requirements</b>	15% labor hours by apprentice for contracts with project design costs over \$1M	(Similar to proposal)	(Similar to proposal)	(Similar to proposal)
<b>Reporting</b>	Quarterly report to City Council on home city and zip code, trade, craft (+ DEI metrics)	None	None	% of labor hours, % graduated to journeyworker (+ DEI metrics)
<b>DEI</b>	Report race/ethnicity, gender, veteran status, age	None	None	Report hours worked by minorities and women, hours worked by disabled and economically disadvantaged youth
<b>Enforcement</b>	\$10 fee for each apprenticeship hour not achieved (deposited into workforce development fund)	Considered not a responsible bidder for 2 years	\$10 fee/hour and appeal process with CAO (or designee)	Tiered penalty (\$2/hr. to \$10/hr.) by % of goal met. Put in workforce development fund
<b>Outreach</b>	Partner with academic institutions and non-profit human service providers to make connections to opportunities	None	None	Summary of outreach and recruitment procedures required
<b>Waivers</b>	Conflict w/ other agreements, availability, type of cost, best effort, City Manager discretion	Conflict w/ other agreements, availability, type of cost, best effort, displacement	(Similar to proposal)	(Similar to proposal) + infeasibility due to contract requirements





# Prior questions

## How will apprenticeship utilization impact small women and minority-owned contractors that are non-union?

- The only affiliation requirement is that they are a state registered training agent
- This does not impact contractors for projects under \$1M
- Provides more skilled laborers to hire over time who are being trained

## Are there enough apprentices to fill the need?

- There's an effort to increase number of pre-apprentices in partnership with BSD.
- If a contractor can't find apprentices, the requirement can be waived after best efforts.

## How will apprenticeship utilization impact construction costs?

- Any minimal impacts of having an apprentice are outweighed by the benefits of having an improved pipeline to meet our (and the regions) future needs for skilled labor.

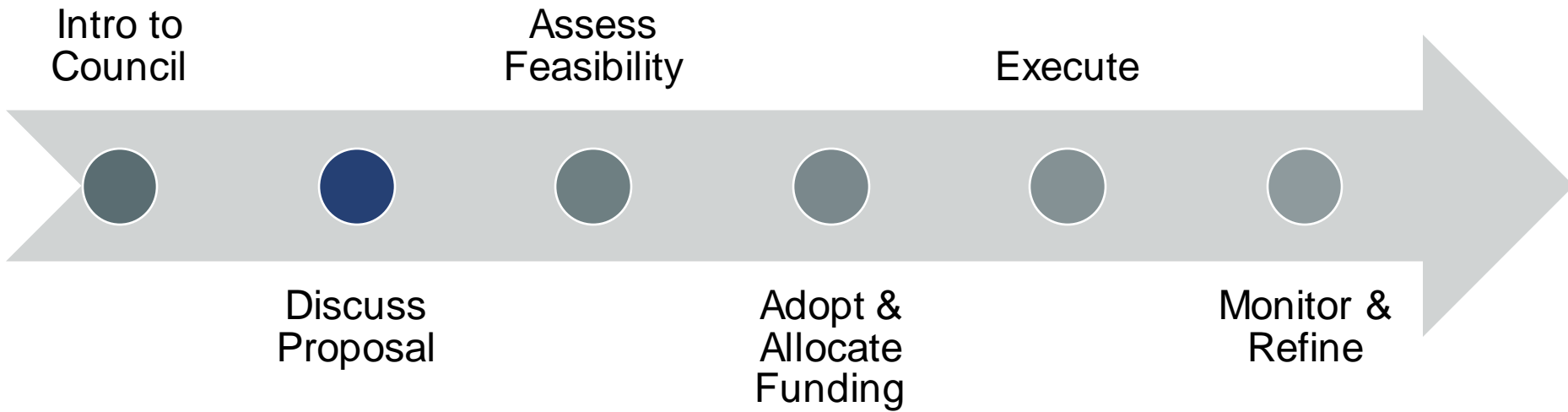
## Can't we just do this via contract language versus legislation?

- We would need to adopt an ordinance to authorize changing the contract language.



# Next Steps

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