

# Exposition Light Rail Transit Project



## Local Jobs Program Review

# Expo Local Jobs Program

In 2006, the Authority Board adopted goals for the Local Jobs Program. These Goals include:

- Corridor residents work 30% of all hours performed on construction of the Expo Project
- Encourage employment of at-risk residents
- Coordinate with local area Community Based Organizations to recruit Corridor residents for construction trade opportunities
- Direct job ready candidates to other public works projects

The Authority is responsible for the oversight of the Program. The Contractor is responsible for the implementation of the Program.



# Authority's Oversight Actions

The Authority has monitored local hires through the life of the project and has reported attainments to the Board of Directors on a monthly basis.

**July 2006-September 2008** – FFP's reporting indicated they were on track to meet the contract goals.

**October 2008** – FFP reported a decline in local jobs program participation (under 20%).

**November 2008** – Authority staff requested that FFP provide an updated hiring report and explanation for the decline in local jobs program hiring. The staff review found that FFP was requesting the transfer of previously utilized craft workers who resided outside of the Expo Corridor and outside of the County of Los Angeles.

### December 2008 - February 2009

Authority consulted with Padilla & Associates, Inc. to conduct a review of FFPs compliance with the Local Jobs Program and the decline of local jobs participants.

#### **Consultant performed three (3) tasks:**

1. Sample audit of Certified Payroll Records to determine workforce residency.
2. Meetings with local unions to discuss dispatch procedures and transferring of workers from outside of Los Angeles County.
3. Review FFPs compliance with Local Jobs Program - Policy and Procedures Manual.

**Task 1 – Sample Audit of Certified Payroll Records for month of September 2008 to determine workforce residency.**

**AUDIT FINDINGS:**

For the month of September 2008, 13% of FFPs craft employees were residents of the EXPO corridor.

Many employees resided outside of the County of Los Angeles.

## **Task 2 – Meetings with local unions to discuss dispatch procedures and transferring of workers from outside of LA County**

### **ACTIONS / RESULTS:**

In January and February, Authority staff, staff from Padilla & Associates, Inc. and FFPs Local Jobs Program Officer met with Laborers Local 300 and Operating Engineers Local 12.

- The Union confirmed their ability to dispatch residents who reside within the EXPO corridor under the condition that FFP and its subcontractor's specifically request workers who reside in the EXPO corridor.
- FFP had not been specifically requesting workers from within the corridor and had not provided the Union with the Local Jobs Program Manual, which was needed for the Union to dispatch residents from the Expo Corridor. Dispatch requests were not made by the Local Jobs Program Officer, but rather by FFPs office staff working with field superintendents and foremen, who were not following these dispatch procedures for local hires.
- To facilitate the dispatch process, Padilla & Associates, Inc. provided FFP with a Local Jobs Program Notification and Transmittal Letter to be issued to each local Union, in addition to the building trade Union membership roster.

**Task 3 – Review FFPs compliance with Local Jobs Program Policy and Procedures Manual.**

**ACTIONS / FINDINGS:**

On February 4, 2009, the Authority, with legal counsel concurrence, issued FFP a ***Notice of Non-Compliance*** relative to the Local Jobs Program which highlighted the following deficiencies:

- ✓ FFPs failure to report all work hours performed by its active work force population in contrast to the total hours worked by EXPO corridor residents.
- ✓ FFPs failure to report local jobs program attainments on a regular and consistent basis and failure to adequately track placement of applicants.
- ✓ FFPs failure to timely submit local jobs program required reports.

**Task 3 – Review FFPs compliance with Local Jobs Program Policy and Procedures Manual (cont.)**

***NOTICE OF NON-COMPLIANCE***

**Actions Requested**

Staff requested that FFP submit a corrective action plan and updated manpower analysis.

**We are still awaiting the submittal of a current manpower analysis, as required by the Local Jobs Program Manual.**

## Expo Line Transit Project- Authority's Oversight Actions cont.

- In January and February, Authority staff met several times with the contractor to discuss non-compliance with the Local Jobs Program.
- In February, Authority staff presented an update to the Board on the Local Jobs Program. The Board asked the contractor to attend the March Board meeting to discuss deficiencies in local hiring.
- Authority staff continued to meet with the contractor to discuss the Local Jobs Program in anticipation of the March Board meeting.
- The contractor has made monthly presentations on the Local Jobs Program since the March Board meeting.
- In the month of March, the contractor doubled the number of Local Jobs Program hires and made efforts to bring subcontractors into compliance with the Local Jobs Program. The contractor reached the 30% goal for March by transferring dispatch responsibility back to the Local Jobs Program Officer.

# FFPs Response to Notice of Non-Compliance

- In April, FFP corrected the local hire reporting process to include all work hours performed.
- FFP has refined its new New Hire Procedures for FFP and subcontractors.
- FFP has established new tracking and reporting procedures for referrals of craft job seekers to existing Pre-Apprenticeship and other Training Programs.

# Review of Monthly EXPO Corridor Craft Worker Utilization

<u>FFP :</u>	March 1-31, 2009	April 1-30, 2009
Total Hours Worked	22,881.50	38,219
Total Local Hours Worked	<b>6,133</b>	<b>8,731</b>
Percent Attainment for Reporting Period (FFP)	<b>27%</b>	<b>23%</b>
<u>SUBCONTRACTORS:</u>		
Total Hours Worked	6,413	11,660
Total Local Hours Worked	<b>437.7</b>	<b>1,443.60</b>
Percent Attainment for Reporting Period (sub)	<b>7%</b>	<b>12%</b>
<b>TOTAL PERCENT ATTAINMENT FOR THE REPORTING PERIOD (FFP &amp; Subcontractors)</b>	<b>23.21%</b>	<b>20%</b>

# Authority Ongoing Oversight Efforts

- Staff will continue to monitor FFPs Good Faith Efforts and achievement of 30% local hire and other goals.
- Staff has asked for a recovery plan to achieve the 30% goal at project completion.
- FFP to finalize manpower analysis and provide regular updates to assist in the following:
  - Forecasting of manpower needs
  - Assist in future dispatch process
  - Union coordination
  - Consideration of training program graduates
- Staff will continue to meet regularly with FFP to discuss achievement of Local Jobs Program goals.
- The Contractor will provide regular Local Jobs Program updates to the Board.