



Proposed Apprenticeship Utilization Program

FAQ

Why is the City of Bellevue contemplating the creation of an Apprenticeship Utilization Program?

The city council of Bellevue has publicly discussed the value of providing for increased opportunities for individuals who are entering a skilled trade to gain training and experience while earning living wages. This value recognizes that a highly skilled construction workforce is essential for the construction of public works projects and for enhancing economic growth. Current workforce trends, without a concerted effort to offset them, may lead to an inadequate supply of skilled workers to meet demand in the construction industry. In the most recent budget adoption, the Council authorized extra resources to support a potential apprenticeship utilization program.

How would the proposed Apprenticeship Utilization Program work?

On city public works contracts in which the total cost exceeds \$1 million, the city would require that its contractors hire and use apprentices to perform an assigned percentage of the overall labor hours involved in the construction of public works. "Public works" relates to construction performed at the cost of the city, such as road improvements, construction or replacement of utilities, new city-owned buildings or renovations, and new parks. The city would include the participation requirement in bid advertisements and contracting documents as well as monitor the contractor's payroll submittals to ensure compliance and provide support as needed to help the contractor serve the intended outcome.

Why is the City of Bellevue recommending starting with a \$1 million contract value as the threshold?

Many public agencies across Washington state have settled on a \$1 million threshold for public works projects that require apprentice utilization, in part because projects of this size tend to provide sufficient labor hours for apprentices while qualifying an adequate number of public works contracts to make a positive impact. With a higher threshold, fewer contracts would apply, thereby reducing the effectiveness of the program. With a lower threshold, fewer labor hours are generally required to construct the project, which would create extra administrative work tracking contracts that cannot feasibly bring on apprentices. Over the last 5 years, the city has awarded an annual average of about 13 public works projects over \$1 million.

Why require 15% of the labor be provided by apprentices on larger public works projects?

How will this be calculated and monitored?

Similar to the contract value threshold, the 15% apprenticeship utilization ratio is a starting point that is intended to reflect a balance between creating more demand and opportunities for new apprentices and having enough journey level workers with the skills and knowledge necessary to effectively and efficiently construct public projects.

On qualifying public works projects, 15% of labor hours that are subject to prevailing wage would be required to be performed by apprentices who are registered in a state-approved apprenticeship program. The prime contractor would be expected to balance these hours across a combination of its own labor and labor performed by subcontractors. Hours would be tracked based on certified payroll and affidavit submittals to the Washington State Department of Labor and Industries.



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Will the city provide waivers to public works contractors who might not be able to meet this new requirement?

The City intends to have the ability to reduce or waive the required hours likely based on the following proposed factors:

1. The requirement conflicts with state or federal funding conditions, or the conditions of any other grant or funding program;
2. An insufficient number of apprentices are available to meet the requirement;
3. There exists a disproportionately high ratio of equipment and material costs to anticipated labor hours, which does not make feasible the required level of apprenticeship utilization;
4. The contractor has demonstrated that it has used its best efforts to comply with the requirement, but remains unable to fulfill it;
5. In order to meet the requirement, the Contractor will be forced to displace members of its workforce;
6. An emergency or threatened emergency exists, as determined pursuant to Bellevue City Code 4.28.130.A.7; and/or
7. Other reasons deemed appropriate by the Director of Finance & Asset Management and not inconsistent with the purpose and goals of the apprenticeship program.

How would the program be monitored and enforced if a Contractor failed to meet the apprenticeship requirement?

City staff would regularly monitor the number of overall labor hours and the number of hours of work performed by apprentices through the Washington State Department of Labor and Industries' Awarding Agency Portal. In this draft program, the contractor would be required to submit their certified payroll hours into the portal. If the contractor is not on track to achieve the required percentage of labor hours, city staff would work with the contractor and provide assistance in understanding what the contractor can do to come into compliance. If the contractor documents that they have performed their best efforts to meet the requirement but remain unable to do so, the contract could qualify for a reduction or exemption from the requirement. If a contractor fails to show that they have performed their best efforts to meet the requirement, the City would make the contractor ineligible to bid on future City projects for a period of two years.

When would this program take effect?

The program would apply to contracts that are advertised for bid after September 1, 2023.

How can I be involved?

The City of Bellevue is seeking public input on the draft framework that would be implemented in an apprenticeship utilization program. Feedback on this draft program can be submitted to the city between now and March 31st, 2023. Your feedback will be reviewed and will inform the final parameters of the program language of the ordinance. More information and a link to provide input via



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Survey Monkey is available at: <https://bellevuewa.gov/doing-business/doing-business-with-bellevue/apprenticeship-program-outreach>