

# Special Stakeholders Diversity Report



**December 14, 2015**

**Response to Community Benefits  
Agreement (CBA) Signatories  
Presentation on November 4, 2015**



# Community Benefits Agreement Overview

“The workforce goal of the CBA is to facilitate the return of unemployed and underemployed journeymen and apprentice minority and women workers in sewer related occupational titles (or occupations) to work on its projects. Any gap that remains in achieving established workforce goals is the target of CBA training programs.”

*Reference: CBA (December 4, 2013), Page 4, II, Paragraph B*

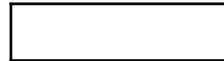


# RESULTS OF DISPARITY STUDY

	BUILDING		NON BUILDING		ENGINEERING	
	PRIME	SUB	PRIME	SUB	PRIME	SUB
AFRICAN AMERICAN		Under Utilization	Under Utilization	Under Utilization		Utilization Greater
ASIAN AMERICAN			Under Utilization		Under Utilization	Utilization Greater
HISPANIC AMERICAN		Under Utilization			Utilization Greater	Utilization Greater
NATIVE AMERICAN						
CAUCASIAN WOMEN	Utilization Greater	Utilization Greater	Utilization Greater	Utilization Greater	Under Utilization	Utilization Greater



---- UTILIZATION GREATER



---- NO DISPARITY



---- UNDER UTILIZATION



# Diversity Program Timeline

- April 22, 2013 Board acceptance of Disparity Study
- April-July, 2013 MSD obtained feedback from stakeholders on implementation of Disparity Study
- August 1, 2013 MSD implements Disparity Study Program Recommendations
- December 4, 2013 MSD signs Community Benefits Agreement
- December, 2014 MSD staff notifies Board of Trustees and CBA signatories of proposed changes in Diversity Program
- Jan-June, 2015 MSD staff communicates proposed changes in Diversity Program and obtain feedback from community and stakeholders
- August 5, 2015 MSD implements changes to Diversity Program



# Manager of Diversity Overview

- **Develop a District Wide Compliance Monitoring Program**
  1. Assess to identify resources for compliance and monitoring
  2. Establish processes and procedures internally and externally
  3. Communicate and implement program internally and externally
- **Implementation of MWBE Compliance Software**
  1. Develop scope -Software / RFP Process
  2. Configuration and Implementation - EXTENSIVE CUSTOMIZATION
- **Community Benefits Agreement**
  1. Execute Agreement, implement programs, track and report progress
  2. Assess, develop, implement First Source Hiring Program
  3. Third Party Monitor Consultant
  4. Assess, develop, implement MSD Training Program
- **Implementation and execution of Disparity Study**
  1. Assess areas of the District affected by the changes and develop action plans
  2. Conduct community outreach and obtain feedback
  3. Communicate changes and progress both internally and externally
  4. Implement the changes within 120 days (August 1, 2013)
  5. Manage and evaluate program and make adjustments as necessary



# 55 Disparity Study Recommendations

## Race and Gender-Conscious Remedies

- Prime Contract Remedies (1/1)
- Subcontract Remedies (3/3)

## Race and Gender-Neutral Recommendations

- Pre-Award Recommendations (13/13)
- Post-Award Recommendations (7/9)
- Procurement Process Enhancements (5/5)
- MWBE Program Enhancements (5/5)
- Website Enhancements (12/12)
- Data Management Enhancements (7/7)

**Implemented**  
**96%**

## Race and Gender-Neutral Recommendations

- Post-Award Recommendations (2)
  - Expedited subcontractor pymt
  - Publish contractor pymt

**Pending Implementation**  
**within 30 Days**  
**4%**

## Race and Gender-Neutral Recommendations

- Establish direct purchase program

**Considered**



# Community Benefits Agreement Programs

## SIUE ERTC PROGRAM



15 MSD BUD GRADUATES



3 High School Summer Interns



Training

Internships

Scholarships

# BUD Job Training Program (Section IV)

## St Louis Agency on Training and Employment (SLATE)

BUD Facts updated as of December 9, 2015:

- MSD Ordinance No. 13974 established MSD BUD Program
- CBA requires MSD BUD Program continues through FY2017
- MSD established annual BUD Program budget: Not to exceed \$150,000
- Effective August 5, 2015 MSD BUD Training Program became one of three required resources for MSD contractors seeking qualified diverse job candidates to meet workforce goals
- Union Trades for BUD Training Program Includes:
  1. Sheet Metal
  2. Laborers
  3. Carpenters
  4. Heavy Eqmt. Operators
  5. Plumbers/Pipefitters
  6. Electricians
  7. Insulators
- 1<sup>st</sup> MSD Class Participants began **April 13, 2015**
  - **MSD sponsored 6**
    - 5 Employed (1 working in construction and awaiting entrance into Heavy Eqmt Operators Apprenticeship program)
    - 1 Dropped prior to graduating
- 2<sup>nd</sup> MSD Class Participants began **Sept. 14, 2015**
  - **MSD sponsored 10**
    - 8 Employed (1 working in construction, and awaiting acceptance into Insulators Apprenticeship Program)
    - 1 Declined offer working in construction due to lack of transportation
    - 1 Not currently working and awaiting acceptance into the Electrician Apprenticeship Program



# MSD First Source Hiring (FSH) Program

## Overall Apprenticeship Employment Goal

- **MSD Diversity Program states Minority and Women Apprentice 40% (if used)**
- **First Source Hiring Program Timeline of Events**

First Source Contract Executed	December, 2013
First Source Hiring Program Planning and Implementations	Jan 14 to Sept 2014
Quarterly Report July 2014 -September 2014	August 27, 2014 (FY2015 Qtr 1)
MSD Diversity Program Updates First Source Hiring added as a Resource for Contractors	October, 2014
MSD CBA Steering Report	Nov 24, 2014
FSH Contractor Workshops	Dec. 9, 2014 January 7, 2015
Quarterly Report Oct 2014 - December, 2014	January, 2015 (FY2015 Qtr 2)

Quarterly Report Jan 2015 - March 2015	April, 2015 (FY2015 Qtr 3)
FSH is required to meet Good Faith Effort on MSD CIRP Contracts	August 5, 2015
Quarterly Report April 2015-June 2015	September, 2015 (FY2015 Qtr 4)

ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT

**SLATE**  
MISSOURI CAREER CENTER



# MSD First Source Hiring (FSH) Program

## FSH Facts as of December 9, 2015

- New requirements to meet “Good Faith Effort”
  - MSD Prime Contractors must contact , Union, First Source Hiring, and BUD and provide proof of contact with these programs if they fail to meet workforce goal requirements
- Eligibility List as of December 9, 2015
  - **30 currently on FSH Eligibility List**
- Calendar Year 2015 Contractor Referrals include 9 Journeymen referrals
  - **No reports of referrals hired**
- 4 Pre-Qualified Contractors have requested referrals in calendar year 2015
  - ABNA (3 Journeyman)
  - Fred Luth & Sons (6 Journeyman)
  - \*SAK (2 Pre-Apprentice that are not a part of First Source Hiring)
  - \*Visu-Sewer (17 Pre-Apprentice that are not a part First Source Hiring)

\*



# Workforce Participation FY2015

WORKFORCE HOURS BY PROGRAM TYPE						
FY 2015						
		Total Hours (FTE)	Minority Hours (FTE)	% Minority Hours	Woman Hours (FTE)	% Woman Hours
Federally Funded (28 Projects)	Contract Performance	217,521.90 (104.6)	63,828.30 (30.7)	29.3%	9,773.75 (4.7)	4.5%
	Contract Goals(FTE) 14.7% M/6.9% W	(104.6)	(15.4)	14.7%	(7.2)	6.9%
	Subtotal (FTE) Over / (Under)		15.3		(2.5)	
Non-Building Construction (41 Projects)	Contract Performance	195,434.20 (94.0)	50,257.50 (24.2)	25.7%	6,010.35 (2.9)	3.1%
	Contract Goals (FTE) 30.0% M/7.0% W	(94.0)	(28.2)	30.0%	(6.5)	7.0%
	Subtotal (FTE) Over / (Under)		(4.0)		(3.6)	
Building Construction (3 Projects)	Contract Performance	52,393.30 (25.2)	6,444.50 (3.1)	12.3%	1,334.50 (0.6)	2.5%
	Contract Goals (FTE) 30.0% M/7.0% W	(25.2)	(7.6)	30.0%	(1.8)	7.0%
	Subtotal (FTE) Over / (Under)		(4.5)		(1.2)	
All Active Contracts (72 Projects)	Weighted Performance (FTE) Over / (Under)		6.8		(7.3)	
	Program Performance	(223.7)	(58.0)	25.9%	(8.2)	3.7%
	Program Goals		(67.1)	30.0%	(15.7)	7.0%
	Total Performance Over / (Under)		(9.1)		(7.5)	



# Workforce Participation FY2016

WORKFORCE HOURS BY TRADE FY 2015					
Trade	Total Hours Worked	Total Minority Hours Worked	% Minority Hours Worked	Total Woman Hours Worked	% Woman Hours Worked
Laborers	322,161.80	78,247.50	24.3%	9,322.60	2.9%
Operators	60,122.80	13,872.50	23.1%	3,810.50	6.3%
Other	52,130.00	12,008.00	23.0%	1,388.50	2.7%
<b>Program Total</b>	<b>434,414.60</b>	<b>104,128.00</b>	<b>24.0%</b>	<b>14,521.60</b>	<b>3.3%</b>

WORKFORCE HOURS - APPRENTICE FY 2015					
	Total Hours Worked	Total Minority Hours Worked	% Minority Hours Worked	Total Woman Hours Worked	% Woman Hours Worked
Apprentice	28,890.60	11,939.50	41.3%	2,813.50	9.7%



# Prism Final Implementation Update



- ❑ **Set up Pilot Group of Contractors in Test Environment - August, 2015**
  - ❑ 5 Construction Contractors
  - ❑ 4 Design Contractors
  - ❑ Pilot ran from Aug-Nov, 2015
- ❑ **Labor and Workforce Compliance**
  - ❑ Lots of custom configurations required
- ❑ **Complete Contractor Roll Out - December 1-10, 2015**
  - ❑ Held 6 contractor training sessions since November
  - ❑ Old reporting system shut down as of December 1, 2015
  - ❑ Design and Professional Service Contractors are able to report Workforce
- ❑ **Final Phase is Construction Workforce Reporting - 3<sup>rd</sup> Quarter**



# Workforce Participation Specific Projects

## Gershenson Construction -

-Project 11825 -Creve Coeur Creek Force Main Improvements

100% Complete: 2.9% Minority / 0.0% Women reported to date

-Project 10523 - Ayres Sanitary Relief and I/I Reduction

95% Complete: 8.3% Women / 0.0% Women reported to date

-Project 10656 - Infrastructure Repair #087P Caulks Creek A Phase VI

100% Complete: 4.8% Minority / 0.0% Women reported to date

## Insituform Technologies -

-Project 11925 - Bissell-Coldwater-Missouri-Meramec Public I/I Reduction

(2015) 40% Complete: **35.6% Minority / 8.0% Women reported to date**



# Workforce Participation Professional Services

**Professional Service Workforce Goals:**

**18% Minority**

**32% Women**

**March 2015 Report - 5 Prime Firms**

- **2 Below Minority Goal, 3 Above Minority Goal**
- **1 Below Women Goal, 4 Above Women Goal**
- **Program Total Professional Services Workforce:**

**20% Minority**

**31% Women**

**Change Order Process:**

MSD currently has a written Change Order Process included in all contracts which requires prompt completion of the change order.



# Third Party Monitor

## PURPOSE

Under the terms of the Community Benefits Agreement (“CBA”), MSD will contract with and utilize the services of an Independent Third Party Monitoring Consultant through the end of fiscal year 2016 (June, 2016) to assist with the monitoring efforts as established by the CBA. MSD will utilize its selection based process to contract with and utilize the services of an Independent Third Party Monitoring Consultant through the end of fiscal year 2016 to assist with CBA monitoring activities.



# Implicit Bias

“Has MSD’s Director been privy to racial slurs or conversations from its inspectors relative to the MBE program abatement and dismissal, termination, and are desired failure of MBE’s?”





Closing Remarks  
Brian Hoelscher, P.E.  
MSD President and CEO