Community Workforce Agreement on Standards and Community Benefits in the Clean Energy Works Portland Pilot Project

9-24-09

INTRODUCTION

Clean Energy Works Portland (CEWP) is an innovative effort to deliver affordable home energy upgrades by testing new ways of delivering energy efficiency to homeowners in Portland. The project is intended to save energy, reduce carbon emissions, improve home comfort and home values, and create new jobs and long-term employment opportunities and career paths for Portland area residents.

CEWP is about to embark on a pilot project phase during which it is anticipated that approximately 470 Portland area homes will be audited and retrofitted between this fall and summer of 2010.

After the 470-home pilot phase, the City of Portland and the Energy Trust of Oregon will significantly scale up CEWP in an effort to retrofit the estimated 100,000 qualifying homes in Multnomah County over the next several years.

The City has assembled a group of diverse stakeholders to work through a process to create the below community workforce agreement (CWA) on the community and workforce standards and benefits to be included in the pilot phase. The community workforce agreement will help ensure equity for women, people of color, and other historically disadvantaged or underrepresented groups in the implementation of CEWP.

In addition, the assembled stakeholders are recommending standards and community benefits to be included in the scale up of CEWP after the pilot phase concludes based on their collective experience and on lessons learned during the pilot phase. The small scale of the pilot program does not allow for all desirable standards and community benefits to be realized until the expansion of the program takes place. (See the diagram in Appendix A for more information on the relationship between this CWA and a CWA for the scale-up.)

The Agreement

Whereas, CEWP is a leading national model for saving energy, creating jobs, improving homes, reducing carbon emissions and promoting equity by creating economic opportunities and career pathways for historically disadvantaged or underrepresented people, including people of color and women, and

Whereas, the Portland metro area is committed to growing green businesses and a green economy that puts people back to work and provides new employment opportunities to disadvantaged communities, as reflected in the 5-year Economic Development Strategy and other documents, and

Whereas, the City's American Recovery and Reinvestment Act (ARRA) Resolution calls for equity while the Regional Equity Atlas demonstrates the need for ongoing advancement of equity for poor people, people of color, and women as a key component of the region's development, and

Whereas, the City's ARRA Resolution also recognizes that well-trained workers earning decent wages and benefits produce quality work as they contribute to the good of the community, and

Whereas, the City's CEWP Resolution calls for creating contracting, subcontracting, training and employment policies that will strive to:

- Provide pathways to prosperity for *all* workers;
- Offer competitive wages that lead to a lasting career-track;
- Involve stakeholders and community members in developing and enacting policies and processes;
- Drive accountability and continuously evaluate performance towards goals, and

Whereas, the City's Climate Action Plan calls for a 40% reduction in the region's greenhouse gas footprint by 2030 through strategies for residential energy efficiency deep retrofitting, among other things, and green jobs as a key component of the regional economy, with products and services related to clean energy providing living-wage jobs throughout the community.

Whereas, the development of CEWP has been marked by an impressive degree of collaboration among and contributions from public, private, nonprofit, community, and labor institutions, and

Whereas, numerous stakeholders have worked hard in a short period of time to identify the ways in which the CEWP can be successful while setting high standards for inclusive economic development and broad community benefits,

Now, therefore, it is the recommendation of the undersigned parties that the following standards and community benefits be incorporated into the implementation of the 470-home pilot phase of Clean Energy Works Portland.

I. GOALS AND TARGETS

Because of the unique contractual and legal framework of CEWP, and because of the relatively small size of the pilot program, there are some desired standards and community benefits that cannot be achieved simply by applying universal criteria to all contractors participating in the project. Ensuring equity and broad opportunity in the project will require assembling the right mix of contractors in the overall pool, organizing community expertise in support of the goals, and establishing minimum qualifications for and requirements on all contractors. Therefore, the City, Energy Trust and a new stakeholder Evaluation and Implementation Committee shall work closely together to achieve the following goals and targets in the CEWP pilot project.

- ***Local Hire***: At least 80 percent of employees used in the CEWP pilot program hired from the local work force.

- ***Family-Supporting Jobs*:** Workers participating in CEWP pilot project retrofits will earn not less than 180% of state minimum wage.

- ***Health Insurance*:** Strive to ensure that employees on CEWP pilot project jobs have access to adequate and affordable health insurance, and work to mitigate the burdens on small contractors associated with providing health insurance.

- ***Diverse Workforce***

  Historically disadvantaged or underrepresented people, including people of color, women, and low-income residents of the city perform not less than 30% of total trades & technical project hours in the pilot. As practical, contractors should have a first source hiring agreement with qualified training programs to meet this goal.

  Formerly incarcerated individuals seeking new opportunities for responsible citizenship and economic self-sufficiency are presented with employment opportunities leading to a career in weatherization and/or construction.

- ***Diverse Business Participation****:* Businesses owned by historically disadvantaged or underrepresented people, including people of color- and women–owned businesses make up not less than 20% of all dollars in the CEWP pilot project.

- ***Highly-skilled Workforce*:** Resources for continuing education and certification are available for those coming into the industry as well as those wanting to increase their opportunities for upward mobility within the industry through registered apprenticeship and other career pathways trainings in the region.

II. INDIVIDUAL CONTRACTOR QUALIFICATIONS AND REQUIREMENTS

To ensure that the CEWP pilot meets the goals and targets for creating good jobs, social equity and quality work described above, individual contractors must meet the following minimum criteria to be considered for a CEWP pool of participating contractors:

A. Contractors and their sub contractors will pay wages that are at least 180% of Oregon state minimum wage, unless federal prevailing wages for residential weatherization and energy efficiency retrofit work is higher, in which case the higher wage requirement will apply.

B. Contractors will have sufficient skills to conduct energy efficiency retrofits and weatherization projects with a high degree of quality and customer satisfaction, such skills to be demonstrated by approval as an Energy Trust Home Energy Solutions Trade Ally and Oregon Home Performance with ENERGY STAR Building Performance Institute (BPI) Certified.

C. Contractors and sub contractors will hire 100% of new worker/installer weatherization employees from a designated training program, as described in section IV, until 50% of contractor's total non-supervisory worker/installer weatherization employee monthly work hours on covered projects are performed by graduates of a designated training program. This provision is waived if no training program has yet qualified under section IV; if all graduates of designated training programs are currently employed in weatherization work or have waived their priority employment status; if the contractor can demonstrate that no suitable graduates of designated training programs are available; or if no training program has the capacity and ability to train experienced new hires to USDOE standards within a reasonable time and at reasonable cost, as determined by the Evaluation and Implementation Committee.

D. Contractors listed by the Commissioner of the Bureau of Labor and Industries under ORS 279C.860 as ineligible to receive a contract or subcontract for public works will not be eligible.

E. Contractors will demonstrate a history of compliance with federal and state wage and hour laws.

F. Contractors will utilize a safety-trained workforce in which all on-site workers have completed an OSHA 10-hour safety course and an Environmental Hazard Awareness Course through an qualified training program.

G. Contractors will sign a labor peace agreement that would include provisions that an employer will not take any action nor make any statement that directly or indirectly states or implies any opposition by the employer to the selection by its employees of a collective bargaining representative; that a labor organization can obtain recognition as the exclusive collective bargaining representative by demonstrating to an agreed upon neutral third-party provider that a majority of the employees in a bargaining unit have shown their preference to have the labor organization be their representative by signing authorization cards indicating that preference; that prohibits the labor organization from engaging in any picketing, work stoppages, boycotts or any other economic interference with the construction conditions or negotiation thereof to final and binding arbitration; and that any dispute over what constitutes an appropriate bargaining unit will be determined by a third party.

H. Contractors will report quarterly, or some other recurring period defined by the Evaluation and Implementation Committee, on workforce diversity, subcontracting, health care and other issues relevant to this agreement. Regarding health care, contractors will report what kind of health care, if any, they offer to employees who conduct work on covered projects and whether employees are using it. These reports will be made available to members of the public upon request and homeowners as they are selecting contractors.

I. Contractors will have already completed or commit to complete a CEWP-approved cultural competency and inclusive and harassment-free workplace training within three months of submitting RFQ. If issues arise, best resolution practices (e.g., worker coaching) will be offered.

J. Contractors and subcontractors will commit to list their job openings related to CEWP through WorkSource Oregon when there is a need for an external hire. Contractors are not obligated to hire

through WorkSource, and a commitment to list new jobs through Work Source would not apply to any pre-negotiated hiring agreements employers have established with the Trades.

III. ESTABLISHING A CONTRACTOR POOL TO ACHIEVE TARGETS AND GOALS

Below are two methods for selecting a pool of qualified contractors that can produce the above standards and community benefits.

A. Best Value Contracting

Best Value Contracting – The City and Energy Trust, with assistance from a stakeholder Evaluation and Implementation Committee, shall employ a "best value contracting" approach to selecting contractors for the pool during the solicitations for participating contractors. In this approach, applications from contractors applying to be part of the pool will be scored on a range of desired attributes. Final selections will be made based on the highest scores and the need to create a pool with the right mix of attributes to achieve the above stated goals and targets for the pilot project. Additional desired attributes and/or adjustment to the relative weighting of such attributes may be identified for subsequent rounds of solicitations during the course of the CEWP pilot project.

Through this best value contracting approach – and in reference to the goals above – preference will be given to contractors that meet, but not limited to, the following criteria:

1. Have demonstrated success in the use of Home Check and exemplary quality control compliance in Home Performance installation work.
2. Have an exemplary record of customer service.
3. Have a successful track record in hiring and retaining historically disadvantaged or underrepresented people, including people of color and women. (Newer contractors can receive preference by providing a detailed plan for how they will hire, maintain, and welcome diversity in their workforce in the immediate future.)
4. Have a well described plan on establishing "Mentor-sub" relationships with businesses owned by historically disadvantaged or underrepresented people, including people of color- and women-owned businesses who have been in business for a minimum of 6 months and shall receive a significant amount of work on jobs while they are seeking necessary training and experience toward BPI certification to be considered in subsequent contractor pools as "Primes".
5. Have a well described plan for establishing sub-contracting relationships with businesses owned by historically disadvantaged or underrepresented people, including people of color- and women-owned businesses who have been in business for a minimum of 6 months.
6. Hire graduates of pre-apprenticeship training programs
7. Recognize the value of quality training for employees by participating in registered apprenticeship and other credential-granting programs
8. Hire at least 80% of their employees from the Portland metro region
9. Provide health insurance to employees
10. Are Oregon-based contractors

11. Demonstrate efforts to strive to provide employment opportunities to formerly incarcerated individuals who are seeking self-sufficient career pathways in weatherization and construction.

B. Neighborhood-Based Contractors

The City and Energy Trust plan to issue a special RFQ solicitation to assemble contractors for implementation of 20% of the pilot project work to Oregon Home Performance with ENERGY STAR BPI-certified contractors that demonstrate particular focus on creating pathways out of poverty and into green jobs for local residents. This RFQ will seek contractors that employ social enterprise models and/or partner with nonprofit community-based organizations that can provide support and training services for low-income individuals embarking on a career pathway to economic self-sufficiency in the building and construction trades. This RFQ will also seek innovative, collaborative approaches to reaching out to residents, including those of low-moderate income, in targeted neighborhoods.

IV. QUALIFIED TRAINING PROGRAMS

The City, Energy Trust and the stakeholder Evaluation and Implementation Committee shall identify a pool of qualified training programs to create a pipeline of opportunities from recruitment to placement through retention.

To be designated as a qualified training program, a training program will:

1. Provide weatherization training based on curriculum developed by an accredited organization to meet United States Department of Energy standards and any additional specifications and standards designated by the Oregon Department of Energy and Energy Trust.
2. Provide training that includes health & safety, as well as hazardous material recognition.
3. Have at least three defined partnerships with state recognized pre-apprenticeship programs or signatory community organizations that serve historically disadvantaged or underrepresented populations, including women, and people of color.
4. In conjunction with those partner organizations, ensure that a majority of its trainees are women, people of color, residents of low-income communities, or other disadvantaged or underrepresented people.
5. Offer mentoring, follow-up monitoring and/or other support to assure retention of participants in the program and in weatherization careers.
6. Demonstrate a track record of graduating and placing trainees from underrepresented communities in construction careers.

V. ASSISTANCE TO CONTRACTORS AND TRAINING PROGRAMS

The City, Energy Trust and the stakeholder Evaluation and Implementation Committee shall work together to identify a revenue source for the purposes of providing support to training programs and businesses. [1% of the fund can be considered as a placeholder for further research.]

The City shall also encourage the Portland Development Commission to engage partners to provide support to contractors that are participating in the CEWP pilot program, recognizing that while all contractors will benefit from support, businesses owned by historically disadvantaged or underrepresented people, including people of color- and women-owned businesses, should have targeted support to increase their participation in the project.

The types of support that businesses should receive include but are not limited to:

1. Cultural competency and inclusive and harassment-free workplace training
2. Assistance for contractors to find subcontractors that are historically disadvantaged or underrepresented, including people of color- and women-owned businesses
3. Assessment to ensure support is directed as needed to succeed. For example, the Evaluation and Implementation Committee can assist Primes in assessing Mentor-subs so that Mentor-subs can be prepared to bid as a Prime in following rounds of contracting.
4. Increased capacity to provide on the job training
5. Technical assistance developing mentoring programs for underrepresented employees
6. Technical assistance providing health insurance to employees
7. Scholarships for BPI certification for businesses owned by historically disadvantaged or underrepresented people, including people of color- and women-owned businesses
8. Technical assistance with bonding and allaying homeowner fears while hiring formerly incarcerated individuals

The types of support that training programs should receive include but are not limited to:

1. Funding for qualified training programs who focus on training for weatherization,
2. Funding for Pre-Apprenticeship programs and other programs that focus on connecting disadvantaged populations to jobs and careers in weatherization and construction
3. Scholarships to provide opportunities for individual weatherization workers to participate in an advanced occupational training as part of an articulated Green Job Pathway.

VI. ACCOUNTABILITY

The City, Energy Trust and the stakeholder Evaluation and Implementation Committee shall be accountable for progress toward, and enforcement of, the CWA standards.

A stakeholder Evaluation and Implementation committee shall be established to:

- Help set standards and community benefits
- Help set accountability strategies for non-compliance and recognition of excellence in complying with or going beyond standards.
- Evaluate progress toward standards and community benefits
- Help develop a list of qualified training providers
- Request and evaluate data related to all job classifications in CEWP
- Identify ongoing resources needed for data collection and dissemination, assistance to contractors and training providers, and other activities necessary to the work of the Evaluation and Implementation Committee

- Identify, collect and analyze data on disparity and other measures that could inform recommendations for the scale-up
- Take actions to improve progress toward standards and community benefits, including but not limited to:
    - **a.** Identifying additional contractors to be brought into the pool
    - **b.** Adjusting weighting on Best Value Contracting measures
    - **c.** Recommending additional training and business support

The stakeholder Evaluation and Implementation Committee shall be nominated by the larger group of stakeholders involved in the CWA process and be appointed by the Mayor. The Committee shall represent a mix of the stakeholders involved in the CWA process and be comprised of not less than 50% historically disadvantaged or underrepresented people, including people of color and women.

The City and Energy Trust will work collaboratively with the Evaluation and Implementation committee to identify and provide the information the committee needs to perform its function.

The Evaluation and Implementation Committee's term is limited to the CEWP pilot. The committee will make recommendations on how the CWA standards and accountability process should evolve into the scale-up period of CEWP.

The City, Energy Trust and Evaluation and Implementation Committee shall be provided with resources to perform its function. One consideration is that a portion of revenue to the fund be directed toward supporting accountability functions.

VII. ROLES AND EXPECTATIONS OF SIGNERS

Signing organizations are expected to perform the following functions.

The City shall pass a Resolution endorsing this Community Workforce Agreement. The Resolution shall establish the stakeholder Evaluation and Implementation Committee and direct the Bureau of Purchases to provide outreach to targeted contractors and help to provide needed data and information to the stakeholder Evaluation and Implementation committee needed to perform its function.

The Energy Trust shall (1) ensure that the CEWP contractor selection processes reflect and implement the minimum requirements and best value contracting selection processes identified in this Community Workforce Agreement and (2) help to provide needed data and information to the stakeholder Evaluation and Implementation committee needed to perform its function.

The stakeholders shall contribute to the successful outcome of this agreement and continue their constructive engagement into the scale-up period of Clean Energy Works Portland.

VIII. AUTHORITY AND EFFECTIVE DATE

Each of the individuals signing below represents that he or she is properly authorized by the party for whom the individual is signing to execute this Community Workforce Agreement which is effective as of September 30, 2009.

EXECUTED BY:

Mayor Sam Adams
THE CITY OF PORTLAND, OREGON

Colin Bishopp
CHANGE TO WIN

John Gardner
CONSTRUCTION APPRENTICE AND WORKFORCE SOLUTIONS

DeBorah Williams
EVENING TRADES APPRENTICESHIP PREPARATION

Berenice Lopez-Dorsey
HOME ENERGY LIFE PERFORMANCE GROUP, INC.

Rev. Terry Moe
METROPOLITAN ALLIANCE FOR COMMON GOOD

Maurice Rahming
NATIONAL ASSOCIATION OF MINORITY CONTRACTORS OF OREGON

Margie Harris
ENERGY TRUST OF OREGON

Dianne Riley
COALITION FOR A LIVABLE FUTURE

Marshall Runkel
ECO TECH, LLC

Julian Mocine-McQueen
GREEN FOR ALL

Jennice Jackson
IRVINGTON COVENANT COMMUNITY DEVELOPMENT CORPORATION

Tony Jones
METROPOLITAN CONTRACTOR IMPROVEMENT PARTNERSHIP

Rey Espana
NAYA FAMILY CENTER

Brian McVay
NEIL KELLY CORPORATION

Ron Williams
OREGON ACTION

Greg Held
OREGON AND SOUTHERN IDAHO
DISTRICT COUNCIL OF LABORERS

Ron Ruggiero
OREGON APOLLO ALLIANCE

John Steffens
PACIFIC NORTHWEST CARPENTERS
INSTITUTE

John Jackley
PORTLAND DEVELOPMENT COMMISSION

Adam Zimmerman
SHOREBANK ENTERPRISE CASCADIA

Marcus Mundy
URBAN LEAGUE OF PORTLAND

Andrew McGough
WORKSYSTEMS, INC.

Maurice Rahming
O'NEILL ELECTRIC, INC.

Barbara Byrd
OREGON AFL-CIO

Al DeVita
OREGON AND SOUTHERN IDAHO
LABORERS-EMPLOYERS TRAINING TRUST

Roberta Hunte
OREGON TRADESWOMEN

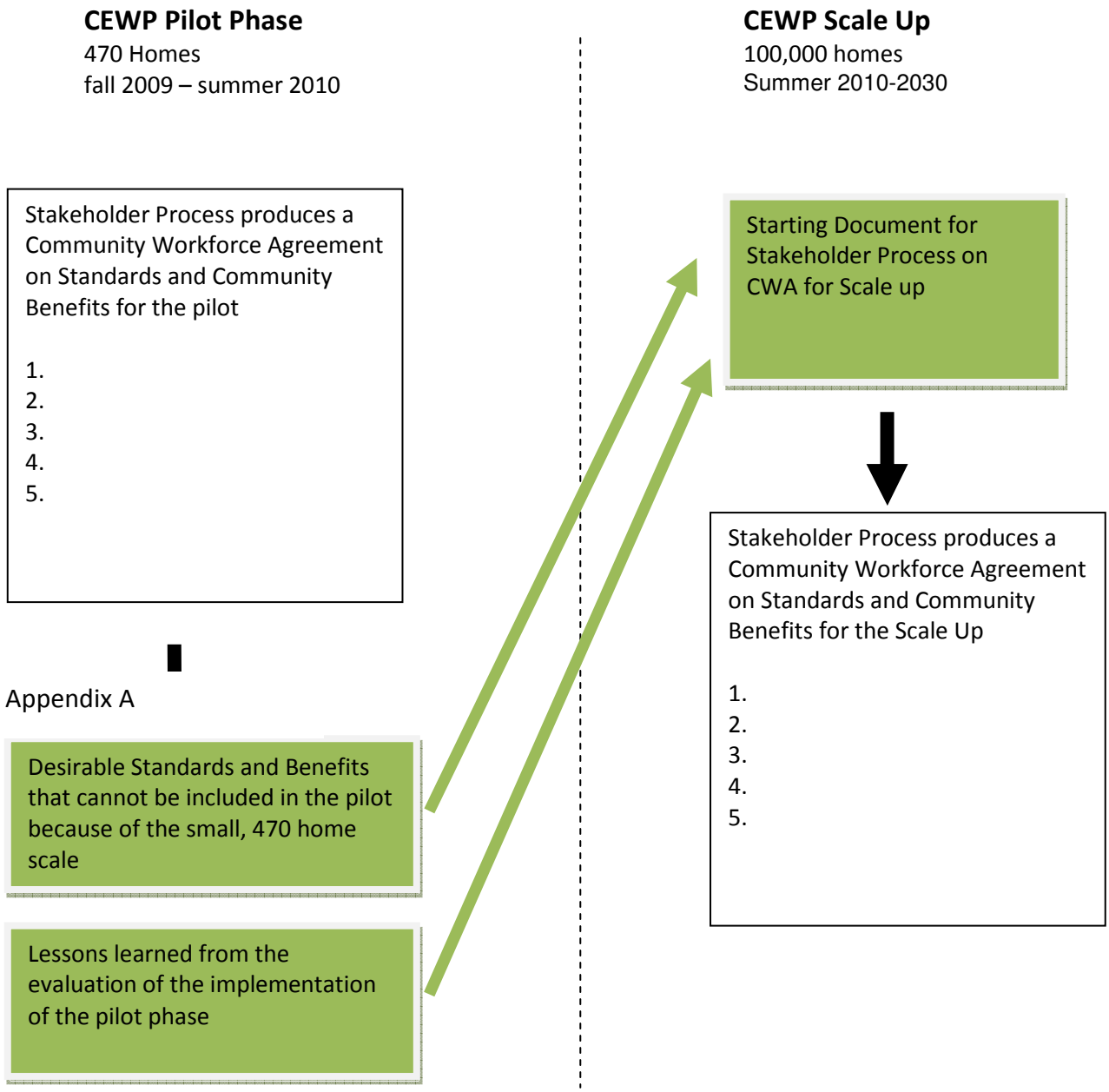
Pete Savage
PACIFIC NORTHWEST REGIONAL COUNCIL
OF CARPENTERS

Jill Walters
PORTLAND YOUTHBUILDERS

Adam Zielinski
SUSTAINABLE SOLUTIONS UNLIMITED

Alan Hipolito
VERDE

APPENDIX A


CEWP Pilot Phase
470 Homes
fall 2009 – summer 2010
CEWP Scale Up
100,000 homes
Summer 2010-2030
Stakeholder Process produces a Community Workforce Agreement on Standards and Community Benefits for the pilot
1.
2.
3.
4.
5.
Appendix A
Desirable Standards and Benefits that cannot be included in the pilot because of the small, 470 home scale
Lessons learned from the evaluation of the implementation of the pilot phase
Starting Document for Stakeholder Process on CWA for Scale up
Stakeholder Process produces a Community Workforce Agreement on Standards and Community Benefits for the Scale Up
1.
2.
3.
4.
5.