



**TO:** Tacoma Community Workforce Advisory Committee  
**FROM:** Tadd Wille, Assistant City Manager; City Manager’s Office  
**SUBJECT:** Staff Responses to December 21<sup>st</sup> Meeting  
**DATE:** January 9, 2019

At the December 21<sup>st</sup> meeting of the Tacoma Community Workforce Advisory Committee (TCWAC) committee members asked a number of questions that required staff follow-up, this memo consolidates those questions and responses from staff.

**Question Subject**

1. Committee Members asked staff to cite the federal poverty line.
2. Committee Members asked staff to look at data on “Economically Distressed Zip Codes” from the American Community Survey to see if economic data is trending one way or the other.
3. Committee Members asked what Women and Minority Business Enterprise utilization rates would need to be for there not to be an identified disparity?
4. Committee Members asked for a summary of House Bill 1328.
5. Committee Members asked staff to cite National Labor Relations Act sections 7 and 8.
6. Committee Members asked staff if Community Workforce Agreements might conflict with federal law.
7. Committee Members asked staff to provide relevant City Vision or Goals that are relevant to the discussion on Community Work Force Agreements.
8. Committee Members asked for information on the residency of Local Employment and Apprenticeship Training Program (LEAP) participants.

**Staff Response:**

1. The 2018 federal poverty lines are as follows for the 48 contiguous states:

Persons in Family/Household	Federal Poverty Line	200% of Federal Poverty Line
1	\$ 12,140	\$24,280
2	\$ 16,460	\$32,920
3	\$ 20,780	\$41,560
4	\$ 25,100	\$50,200
5	\$ 29,420	\$58,840
6	\$ 33,740	\$67,480
7	\$ 38,060	\$76,120
8	\$ 42,380	\$84,760



2. Staff has begun analysis on “Economically Distressed Zip Codes” from the American Community Survey. Thus far in the analysis economic numbers have remained steady or had a significant negative jump.
3. The utilization rates needed for there not to be an identified disparity vary depending on the availability of firms in each procurement category for each race, gender, ethnicity group. The City’s consultant on the Disparity Study, Griffin and Strong, used statistical analysis to determine if a disparity existed in the utilization of MWBE’s on City projects. The consultants developed a Disparity Index by dividing the utilization percentage for the MWBE group (in dollars) by the availability percentage for the MWBE group. If the resulting Disparity Index was less than .80 it was considered a statistically significant underutilization and ratio’s over 1.1 were considered statistically significant overutilization. Disparity analysis are presented separately for each procurement category and for each race/gender/ ethnicity group and also disaggregated by year for each year in the study period. Data tables can be found on pages 70-74 of the Disparity Study.
4. Approved in 2007, House Bill 1328 allows a State agency or local government to use a limited public works process to solicit and award small works roster contracts to small businesses. To qualify, small businesses must be registered contractors with gross revenues under \$1 million annually, as reported on their federal tax return. A State agency or authorized local government may adopt additional procedures to encourage small businesses that are registered contractors with gross revenues under \$250,000 annually, as reported on their federal tax returns to submit quotations or bids on small works roster contracts.

Tacoma does utilize this small works process, but the Tacoma Disparity study indicates that it has not produced proportionate utilization of small women and minority owned contractors.

5. Section 7 of the National Labor Relations Act (NLRA) provides employees with “the right to self-organization, to form, join or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purposes of collective bargaining or other mutual aid or protection. Section 7 also provides employees with “the right to refrain from any or all such activities.

Related to Section 7 of the NLRA, Section 8(a)(1) makes it unlawful for an employer to “interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in Section 7. An employer violates Section 8(a)(1) if it maintains workplace rules that would reasonably tend to “chill employees in the exercise of their Section 7 rights.” Similarly, Section 8(a)(3) prohibits employer “discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization.



The essence of the Associated General Contractors of Washington (AGCW's) Unfair Labor Practice complaint to Region 19 of the National Labor Relations Board (NLRB) is that The Washington State Department of Transportation (WSDOT) Community Workforce Agreement (CWA) for the SR 520 project was negotiated between unions and government without the participation of any employers (contractors). Typically, Project Labor Agreements (PLAs) include the contractor/employers in the negotiation, while the limited number of CWAs that currently exist do not. AGCW is claiming that any employee working under the CWA is forced to give up their right to refrain from collective bargaining under NLRB Section 7, and the CWA effectively forces the employer/contractors to violate Section 8. This is the first time the NLRB will consider this argument, and an outcome is not predictable.

- 6. In the view of the Deputy City Attorney, a priority hire ordinance (PHO) or Local Hire Ordinance (LHO), could potentially be challenged under the "privileges and immunities" clause of the United States Constitution as discriminating against out of State, or out jurisdiction workers. Following the reasoning of recent federal court decisions like the Croson case, this risk might be mitigated by a workforce study that finds disparity in the workforce.
- 7. The City’s strategic plan, Tacoma 2025, contains focus areas with associated community priorities that are relevant to the Committee’s discussion on community workforce development and utilization.

Tacoma 2025 Focus Area	Community Priority
Human and Social Needs	Reduce poverty.
Economic Vibrancy and Employment	Increase the number and quality of job throughout Tacoma. Diversify Tacoma’s living wage business base.
Education and Learning	Close the education and achievement gaps. Prepare people to succeed in Tacoma’s Workforce.

- 8. Staff are still gathering information to fulfil this request.