CONGRESO EDUCATION AND TRAINING CENTER EQUAL OPPORTUNITY PROGRAM A Case Study

The Congreso Education Training Center

INTECH Construction's involvement in the Congreso Education and Training Center project began in the spring of 2009. From the outset, diversity and community were central to our approach to the project. We understood the mission and history of Congreso de Latinos Unidos in improving the lives it served in the Latino community. On all of our projects, it is INTECH's goal to leave the communities in which we build better than when we arrived – this goal mirrors the Congreso mission in the community. The strength of this common bond was one of the reasons that INTECH was selected to build Congreso's new Education and Training Center. As part of Congreso's agreement with the Redevelopment Authority, and a condition of its RACP grant, an Economic Opportunity Plan (EOP) was developed and implemented for the project. At the basis of the EOP were INTECH's recommendations for subcontracting and workforce goals, based on our past experience on projects in the City.

GOALS & ACHIEVEMENTS

The goals established for the project were as follows:

| SUBCONTRACTING | | | | | |
|----------------|--|--|--|--|--|
| MBE/WBE | | | | | |
| 25% | | | | | |

| WORKFORCE | | | | | |
|-----------------|----|--|--|--|--|
| Minority Female | | | | | |
| 18% | 5% | | | | |

For the purposes of the project, local residents were identified as those persons residing in the neighborhoods serviced by Congreso de Latinos Unidos, including the following zip codes: 19120, 19121, 19122, 19123, 19124, 19125, 19132, 19133, 19134, and 19140.

INTECH's Achievements on the project:

| SUBCONTRACTING | | | | | |
|----------------|--|--|--|--|--|
| MBE/WBE | | | | | |
| 26.5% | | | | | |

| WORKFORCE | | | | | | |
|-----------|--------|-------|------------------------|--|--|--|
| Minority | Female | Local | Philadelphia Residents | | | |
| 17% | 1% | 9.4% | 32% | | | |

EARLY ENGAGEMENT OF MBE/WBE SUBCONTRACTORS

Engagement of MBE and WBE firms is standard practice for INTECH on all our projects, regardless of owner requirements. Our approach to engaging MBE and WBE firms for the Congreso Education and Training Center project started with early site enabling work, where an existing playground was dismantled and relocated to make way for the new building. This work was performed by Cruz Development, Inc., a local minority-owned business.

Subcontracting

With a subcontracting goal of 25% MBE/WBE, the focus on inclusion was a priority during the pre-construction process. Awarding the site development package to a non-minority firm required vigilance throughout the construction process to ensure that MBE and WBE commitments were achieved. INTECH's role of Construction Manager is a delicate balance between intent and implementation. The expectation is that we are inclusive, but that we are good stewards of the construction budget. As number makers, not number takers, it is never our intent to push a subcontractor into a number that will hurt them. We are particularly mindful of this when working with MBE and WBE firms — we never want to put them in a position to fail.

Over the course of the project, seven (7) MBE firms – Bell Concrete Supply, Cruz Development, Decision Distribution, FMC, Liberty Flooring, Tierra Construction, and Rodriguez Construction – and eleven (11) WBE firms – American Floors, Bayshore, Buttonwood, Gessler, Majek Fire Protection, Molly Construction, Northstar Supply, Ram-T, Re-Steel, Tracorp, and Quality Roofing Supply – all worked on the project.

In June of 2011, commitments were solidly at 25% overall and included direct engagement of several MBE and WBE firms, including Molly Construction, a local women-owned business. Over the course of construction, participation fluctuated (due to change orders and supplements that may not have trickled down to MBE and WBE subcontractors), but never dipped below 24%. The attached final report, which includes all supplements and reconciliation of general conditions purchasing, reflects MBE/WBE participation at 26.5%, exceeding the 25% MBE/WBE subcontracting goal established for the project.

WORKFORCE

Traditionally, workforce inclusion efforts have been treated as subsets of MBE/WBE subcontracting programs – the thought being that MBE firms typically employ minorities and women. In this instance, because of Congreso's mission to improve the lives of its constituency and foster an understanding that a well-paying job is a bridge to economic parity, it was important that INTECH take a pro-active stance with regard to workforce inclusion. The issue of community workforce inclusion was addressed from the beginning, during the descope process with subcontractors and conversations with the building trades. At pre-install meetings, subcontractors were reminded of their workforce commitments and were required to provide a plan to fulfill their commitments. Congreso provided a list of community residents who were union members and were currently unemployed. That information was provided to the subcontractors. In September 2011, INTECH hosted a job fair with community residents and subcontractors. Twenty-two (22) residents attended, and were given an opportunity for on-the-spot interviews with the subcontractors in attendance. As a result of the job fair and

subsequent follow-up, six (6) community residents who attended the job fair were hired to work on either the Education and Training Center project or other projects in the City.

In addition to the descope meetings, pre-install meetings and the job fair, INTECH maintained a sign-in book at the construction trailer for community residents seeking employment, and free access was provided to the community. Residents were also permitted to directly seek employment from the subcontractors working on site, provided they signed in at the trailer and were not disruptive to the construction activity on site. The access to the trailer and job site was made possible by INTECH's Superintendent – by keeping a vigilant eye to the activities on the site and the relationship he formed with many of those seeking employment. When working in the community, the on-site project staff becomes the ambassadors of the project, and when the project team works together to advance the goals of the project, overall success is achieved.

Unlike subcontracting, workforce is not directly controlled by INTECH and multiple factors can affect workforce inclusion, including: project type and associated trades, availability within the trades of minority/ female workers, subcontractor numbers based on known workforce productivity, existing subcontractor manpower, and overall availability of workers. The expectation that every person from the community who sought employment would ultimately work on the project was unrealistic, but every effort was made to get community residents working. Construction work is migratory in nature and while engagement of local subcontractors such as Cruz Development and Molly Construction was important, they did not significantly increase the employment of community residents on the project.

By the end of the project, thirty (30) residents living in those areas serviced by Congreso were employed on the project, representing 9.4% of total hours. Achieving close to 10% in community workforce participation is noteworthy, and speaks to the collaboration between INTECH and Congreso to ensure that community residents were actively engaged on the project.

Over the course of the project, workforce hours were tracked for twenty-six (26) of the twenty-seven (27) subcontractors working on-site. Eleven (11) key subcontractors, representing more than 50% of all hours worked, achieved minority workforce participation of 18% or above for the duration of the project. As detailed in the chart below their minority workforce hours were 27% of their total hours and their female workforce hours were 2% of their total hours. Also evidenced is that close to 12% of the total hours for these subs were worked by persons residing in the communities serviced by Congreso and 41% of the hours were worked by Philadelphia residents. It is important to note that the hours worked by Philadelphia D&M on the project represent more than 25% of the total project hours and their workforce numbers were 27% minority, 3% female, 10% local residents and 45% Philadelphia residents of their total hours worked, far exceeding the goals for the project.

KEY SUBS – WORKFORCE OVERVIEW

| Contractor | Total Hours Worked | Total Minority Hrs | % of Minority | Total Female Hrs | % of Female | Total Local Hrs | % of Local | Total Phila Hrs | % of Phil a |
|-------------------|--------------------------|--------------------------|------------------|------------------------|----------------|-----------------------|---------------|-----------------------|-------------------|
| John J | | | | | | | | | |
| Dougherty & | | | | | | | | | |
| Son | 2637 | 574.5 | 22% | 0 | 0% | 197 | 7% | 945 | 36% |
| Tuleya Pile & | | | | | | | | | |
| Foundation | 551.5 | 160 | 29% | 0 | 0% | 184 | 33% | 296 | 54% |
| Madison | | | | | | | | | |
| Concrete | 4872.2 | 1122.25 | 23% | 0 | 0% | 861.5 | 18% | 2149.2 | 44% |
| Majek Fire | | | | | | | | | |
| Protection | 570 | 104 | 18% | 128 | 22% | 0 | 0% | 0 | 0% |
| Molly | | | | | | | | | |
| Construction | 1891.5 | 661.5 | 35% | 0 | 0% | 163 | 9% | 567.5 | 30% |
| Philly D&M | 11375 | 3062 | 27% | 308 | 3% | 1138 | 10% | 5138 | 45% |
| | | | | | | | | | 100 |
| Joe Pileggi, Inc. | 92.77 | 24 | 26% | 0 | 0% | 67.52 | 73% | 92.77 | % |
| Pioneer | | | | | | | | | |
| Contracting | 120 | 32 | 27% | 0 | 0% | 16 | 13% | 16 | 13% |
| Tierra | | | | | | | | | 100 |
| Construction | 120 | 80 | 67% | 0 | 0% | 0 | 0% | 120 | % |
| ThyssenKrupp | | | | | | | | | |
| Elevator | 166 | 75.5 | 45% | 0 | 0% | 0 | 0% | 0 | 0% |
| FMC | 255 | 218 | 85% | 10 | .04% | 24 | 1% | 24 | 1% |
| TOTAL | 22650.97 | 6113.75 | 27% | 446 | 2% | 2650.52 | 11.7 % | 9347.97 | 41% |

The overall project workforce included below provides a complete overview of individual subcontractor performance relative to minority, female, local and Philadelphia resident employment on the project. It is important to not only note engagement of these groups, but also the number of hours worked on site by all subcontractors. While overall numbers are important, individual achievements by subcontractors tell the real story of where availability exist and where more collective work is needed to increase the numbers of minorities and females in the related trades.

OVERALL PROJECT WORKFORCE OVERVIEW

| | Total | Total | | Total | | Total | | Total | |
|----------------------|-----------------|-----------------|------------------|---------------|----------------|--------------|---------------|--------------|---------------|
| Contractor | Hours Worked | Minority Hrs | % of Minority | Female Hrs | % of Female | Local Hrs | % of Local | Phila Hrs | % of Phila |
| John J | | | | | | | | | |
| Dougherty & | | | | | | | | | |
| Son, Inc | 2637 | 574.5 | 22% | 0 | 0% | 197 | 7% | 945 | 36% |
| Tuleya Pile & | 4 | 460 | 200/ | | 00/ | 404 | 222/ | 206 | 5 40/ |
| Foundation | 551.5 | 160 | 29% | 0 | 0% | 184 | 33% | 296 | 54% |
| Madison | 4872.2 | 1122.25 | 23% | 0 | 0% | 861.5 | 18% | 2149.2 | 44% |
| Concrete Copeland | 4672.2 | 1122.25 | 2370 | U | 0% | 801.5 | 16% | 2149.2 | 4470 |
| Surveying | 65 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Jaiveying | - 05 | 0 | 070 | | 070 | 0 | 070 | 0 | 070 |
| Bayshore | 662.5 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| INTECH | | | | | | | | | |
| Construction | 64 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| AT Chadwick | 4544 | 448 | 10% | 0 | 0% | 1040 | 23% | 2306 | 51% |
| Madden | | | | | | | | | |
| Electric | 5517 | 304 | 6% | 0 | 0% | 80 | 1% | 400 | 7% |
| Majek Fire | | | | | | _ | | _ | |
| Protection | 570 | 104 | 18% | 128 | 22% | 0 | 0% | 0 | 0% |
| EDA | 4022 | 240 | F0/ | | 00/ | 225 | 60/ | 750 | 400/ |
| Contractors | 4033 | 219 | 5% | 0 | 0% | 235 | 6% | 758 | 19% |
| Southern NJ Steel | 327 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| M&T Erectors | 327 | U | 0% | U | 0% | U | 0% | U | 0% |
| (sub to SNJS) | 2023.5 | 188.5 | 9% | 0 | 0% | 0 | 0% | 1006.5 | 50% |
| Air Concepts | 2023.3 | 100.5 | 370 | | 070 | - 0 | 070 | 1000.5 | 3070 |
| (sub to | | | | | | | | | |
| Chadwick) | 1874 | 0 | 0% | 0 | 0% | 0 | 0% | 212 | 11% |
| Molly | | - | | | | _ | | | |
| Construction | 1891.5 | 661.5 | 35% | 0 | 0% | 163 | 9% | 567.5 | 30% |
| Philly D&M | 11375 | 3062 | 27% | 308 | 3% | 1138 | 10% | 5138 | 45% |
| Freedom Glass | | | | | | | | | |
| & Metal | 1201 | 142 | 12% | 0 | 0% | 174 | 14% | 174 | 14% |
| Belfi Brothers | | | | | | | | | |
| & Company | 460 | 32 | 7% | 0 | 0% | 32 | 7% | 32 | 7% |
| American | | | | | | | | | |
| Floors | 640 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Joe Pileggi, Inc. | 92.77 | 24 | 26% | 0 | 0% | 67.52 | 73% | 92.77 | 100% |
| Pioneer | | | | | | | | | |
| Contracting | 120 | 32 | 27% | 0 | 0% | 16 | 13% | 16 | 13% |
| Buttonwood | | | | | | | | | |
| Company | 599 | 0 | 0% | 0 | 0% | 0 | 0% | 19 | 3% |

| Tierra | | | | | | | | | |
|------------------|----------|---------|-----|-----|----|---------|------|----------|------|
| Construction | 120 | 80 | 67% | 0 | 0% | 0 | 0% | 120 | 100% |
| Neil S. Sullivan | | | | | | | | | |
| Associates, Ltd. | 18 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Richard R. | | | | | | | | | |
| Pucci & | | | | | | | | | |
| Associates | 216 | 8 | 4% | 0 | 0% | 0 | 0% | 0 | 0% |
| ThyssenKrupp | | | | | | | | | |
| Elevator | 166 | 75.5 | 45% | 0 | 0% | 0 | 0% | 0 | 0% |
| FMC | 255 | 218 | 85% | 10 | | 24 | | 24 | |
| TOTAL | 44894.97 | 7455.25 | 17% | 446 | 1% | 4211.52 | 9.4% | 14255.47 | 32% |