Boston Employment Commission Hearing Minutes

A monthly hearing of the Boston Employment Commission (BEC) was held virtually on Zoom, September 20, 2023.

Commissioners Present: Commissioner Travis Watson, Commissioner Priscilla Flint, Commissioner Kenell Broomstein and Commissioner/Chair JocCole "JC" Burton

Commissioner Watson opened up the hearing (Commissioner/Chair Burton was running late)

Hearing Begins: 1:01 PM

- I. June 21, 2023 and July 19, 2023 Minutes approved (moved by Commissioner Watson, 2nd by Commissioner Broomstein) and August 16, 2023 minutes were approved (moved by Commissioner Flint, 2nd by Commissioner Broomstein). Commissioners Watson and Burton abstained (they were not at the August 16, 2023 BEC Hearing).
- II. Economic Impact Analysis Presentation BPDA Research Team

Matthew Resseger (BPDA): We were asked to calculate the economic impact on the city's economy and its residents of meeting the Boston Resident Jobs Policy requirement that 51 percent of work hours in each trade be worked by Boston residents. We sought to measure the direct impact – the extra hours and wages that would be earned if the requirements were met and the indirect impact – the additional impact that having those wages accrue to residents would have on economic activity within the city's borders. Our study focuses specifically on the 51 percent Boston resident requirement and the direct and indirect impacts that meeting that requirement would have on the city's economy. Developers and contractors continue to fall short of the required BRJP thresholds. Only 23 percent tracked hours were worked by Boston residents in calendar year 2022. No trade with more than 1,000 hours worked met the 51 percent Boston residents requirement. If the BRJP Policy had been fully complied with: Boston residents would work an additional 2.6 million construction hours. Boston residents would have earned \$138.5 million in wages from those hours at prevailing wage rates. Having calculated the direct impacts from BRJP compliance data we moved to analyze the indirect impacts. For this we used the REMI (Regional Economic Modeling Incorporated) PI+ regional model, which allows us to estimate the relationships between economic variables in Suffolk County, the rest of Greater Boston, and the rest of Massachusetts. This type of model is ideally designed to answer questions about how reallocating wages from one place to another will impact a broader set of economic variables. Because building trades in Boston are highly paid and a large gap exist between the observed hours data and the BRJP targets, the economic impacts of fully meeting targets is large. The direct impact on those gaining the opportunity to work in construction is the largest impact, but the indirect impact creating additional spending within the city's borders has the potential to add over 600 jobs and an additional 60 million dollars in wages accruing to Boston residents. **Commissioner Watson:** Thank you for this important and telling information. I prompted the request for this. The BRJP is 40 years old and according to this data there has been no real change. These numbers are troubling. Half of the city's spending goes to construction and since its inception (BRJP), this should be called the white suburban male jobs policy. 3,847,603 workhours has gone to white union workers (\$187M), 71,408 workhours to black union workers (\$37M). \$143M more. The data shows that 40 years ago the same percentage of Boston residents were working on union construction projects even though it was less costly to live in the city and there's been the excuse that trades people are moving out of the city because it's expensive. This is not as valid a point as it once was and I'm not accepting it any longer. Commissioner Burton: Thank you for this thorough information. We will digest and will also make it available to the public. I'd like to take this opportunity to acknowledge that this is Hispanic Heritage month (Now through October 15, 2023). I commend the celebration of Latin and Latin X contribution to construction and other arenas where they add value. We do have a lot to cover (apologies for running late). Have we approved minutes? Commissioner Watson moved to accept June and July minutes, Commissioner Broomstein 2nd it, I's approved. Commissioner Flint moved to accept August minutes, Commissioner Broomstein 2nd, Commissioners Watson and Burton abstained as they were not at the August meeting. Commissioner Burton acknowledged community

member and advocate Janet Jones. Janet expressed the importance of the BPDA Economic Impact Analysis report and referenced a large project in her neighborhood, DOT Block and the possibility that there's inequity in meeting the BRJP goals on that project. Commissioner Burton thanked Janet for her steadfast advocacy for diversity, equity and inclusion.

Duration: 16 mins.

Duration: 13 mins.

III. SPECIAL PRESENTATIONS

A. Enterprise Research Campus Lab Project

Present: Corey Hoelker (Owner's Rep. Breakthrough Properties), Genci Leno (Turner Construction Company), Elizabeth "Liz" Harvey (Turner Construction), Taidgh McClory (THM Advisors) other team members from all parties and Pamela Ruffo (BRJP Construction Monitor)

Genci Leno (Turner Construction Company): This is a joint venture with Turner Construction, Janey Construction and J&J Construction (Owners, Tishman Speyer and Breakthrough Properties). There is lots of the team on this call. The Enterprise Research Campus Lab Project is located on Western Avenue in Allston, Massachusetts. The project is a 440,000 SF complex that consists of two lab/office towers connected by a central 'Convener' that serves as an entrance and shared gathering space. When complete, the building will include 14 total floors of tenant lab/office spread across the two towers, with a shared parking level, and ground floor consisting of retail/common space/BOH. Liz Harvey (Turner Construction): Project Schedule: Approximately 28 months of construction - 25% Complete: 01/2024 - 50% Complete: 07/2024 - 75% Complete: 12/2024 - 100% Complete: 01/2026. Taidgh McClory (THM Advisors): Tishman Speyer's ERC team is dedicated to building a neighborhood that works for the community - a new model for inclusive, equitable, and community focused development. A key focus has been to integrate Diversity, Equity, and Inclusion (DEI) into each phase of the development. Components of the ERC - DEI strategic plan include: Job Creation, Workforce Development, Inclusive Equity Ownership, Local Retail & Cultural Uses and Supplier Diversity. We have a genuine commitment to DEI. Commissioner Watson: This Inclusive Equity Ownership approach is innovative and something I haven't seen, could you elaborate on what sparked this? Taidgh McClory (THM Advisors): It is built off DEI frameworks of the past (referenced MassPort model past 4 yrs) and Tishman Speyer/Breakthrough Properties and Harvard LandTrust commitment and unique infrastructure to addresses the racial wealth gap. Liz Harvey (Turner Construction): Trade Partners (Joint Venture 15% MWBE goal): Beauce Atlas, Boss Steel (WBE installer), Beacon Waterproofing & Restoration, (includes WBE Testing Co. & Material Suppliers), Component Assembly Systems, E.M. Duggan, H. Carr, Harry Grodsky & Co, JC Cannistraro, Massey Plate Glass & Aluminum (WBE), Mitsubishi, Draper Elevator (WBE), Ryan Iron, State Electric, Titan Roofing (MBE), Tractel, W.L. French (some deals still being finalized through DEI consultants). Boston Residents Jobs Policy (BRJP) Compliance is treated as a team effort and includes the following: Workforce goals are included in all trade partner contracts. After award an onboarding/kick off meeting is held. Union Business Agents are invited to an onsite meeting to discuss the project. DEI and BRJP topics are included in the weekly Owner-Architect-Contractor meetings. BRJP Preconstruction meeting status is discussed in the weekly staff meeting. Resident verification is included in the site safety orientation (Liz works full-time on the job site and attends all meetings). Community & Citizenship Engagement: In May 2023 the ERC project hosted a student intern from Boston Green Academy and hope to have a student intern join us in April 2024. The ERC project team is working on assisting The Compliance Mentor Group with their group learning, job shadowing and mentoring activities. ERC team members have committed to assisting the AGC Committee for Diversity and Inclusion with a volunteer day in the Boston Public Schools in October 2023. We Partner With: ACE Mentor Program, Building Pathways, Build a Life That Works, Mass Girls in Trades, Policy Group on Tradeswomen's Issues, Wentworth RAMP Company Initiatives: YouthForce Program to increase students' awareness of career opportunities that exist within the construction industry and we are working towards planning future volunteer activities with West End House and planning future jobsite tours with our partners. Commissioner Watson: Chair Burton is having technical difficulties. I will chair until she resolves the issue. Thank you for this thorough and comprehensive presentation. We look forward to your quarterly review.

B. Enterprise Research Campus Residential & Hotel

Present: Max Cassidy (Tishman Speyer), Nicholas Fils-Aime (Tishman Speyer), David Cullinane (Consigli), other team members from all parties and Pamela Ruffo (BRJP Construction Monitor)

David Cullinane (Consigli): This is a 50/50 joint venture between Consigli and Smoot(MBE) (Consigli has done several joint venture projects with Smoot). The mission of the Consigli-Smoot Alliance is to bring together national & local construction industry partners in the Boston metro area with the goal of providing minority & womenowned business enterprises (MBE/WBE/DBE) scalable, equitable growth opportunity throughout Massachusetts while aligning partners to grow, learn & strengthen our industry & communities. Max Cassidy (Tishman Speyer): Project Schedule and Construction Details: Start Date – 06/2023 and Planned Completion – 2025. 263,500 sq. ft. Residential (1) 8 Stories & (1) 17 Stories. 343 units (~25% to be affordable units), 135,000 sq. ft. Hotel / 16 Stories 246 keys, 85,000 sq. ft. Garage / Basement ~300 of spaces. As with the previous project presented (ERC Lab), Tishman Speyer/Breakthrough Properties is committed to a new model for inclusive, equitable, and community focused development, as explained by Taidgh McClory (THM Advisors). Nicholas Fils-Aime (Tishman Speyer): Tishman Speyer/Breakthrough Properties is presenting a new standard of DEI and showing how real estate can effectuate meaningful change, not just in Boston, but beyond. David Cullinane: We have a very robust team, people from Smoot have relocated to Boston and have hired people from Boston. We will be under the leadership of Crystal Stowe (VP of Smoot). Crystal handles marketing and DEI. Rochelle Gayle (Consigli): During the permitting process Tishman Speyer committed to 15% M/WBE participation. The Consigli/Smoot team prioritized M/WBE outreach and participation throughout the bidding and procurement process, requiring all bidders to provide MBE and WBE participation options. The BRJP language is in all subcontract agreements. Currently, the project is 80% bought out and we are on target to exceed the 15% goal. We have 15 Executed prime subcontract agreements which include the award of 19 M/WBE firms at both the prime and sub-tier level. Marr Scaffolding, S&F Concrete, Beacon Waterproofing & Restoration, Sunrise Erectors / AZA, Lymo/JK Glass / Aliva, TJ McCartney, K&H Electrical, H. Carr, MEUS, PJ Dionne, Fred Williams, Derenzo, EM Duggan, Your Electrical Solutions, Aztec Steel WBE, Boss Steel WBE, Anvil Steel MBE, Northeast Contractors WBE, Thompson & Lichtner WBE, Architectural Products WBE, Angelini Plastering WBE, Synergy MBE, H&B MBE, Fire Code Design M/WBE, Carl-Louis + Co MBE, Inner City Fire Protection MBE, VAV Engineering MBE, Aura Insulators WBE, Osprey Construction Supply, LLC WBE, Albanes WBE, Moore Metals MBE, Turtle & Hayes WBE, McCartney Interiors WBE, Boss Steel / Trimax WB. Commissioner Burton: Thank you to both teams for your comprehensive approach to DEI. I would recommend that you breakout the numbers per project. Otherwise a great presentation (Commissioner Burton referenced a previous presentation by Consigli that was tense).

IV. PROJECT REVIEWS

A. 6993A Josiah Quincy Upper School

Present: Glenda Nestor (Turner Construction Company), Jamie Meiser (Turner Construction Company) and Manuel Barbosa "Manny" (BRJP Construction Monitor)

Overall Numerical Compliance: 229,979 Workhours, 906 Workers, 27 Contractors, 27% Boston Residents, 34% People of Color, 6% Females.

Duration: 16 mins.

Manuel Barbosa "Manny" (BRJP Construction Monitor): Josiah Quincy Upper School 55% complete. 112 Boston residents have been reported. 106 (94%) have been successfully verified. The overall weekly payroll submission average is 4 days for the project. The Laborers trades' employment standard has gone up from the last BEC project review. BR 25% to 35%, POC 45% to 50% and Female 1% to 14%. Turner Construction is driving the bus with impressive employment standard numbers 43% BR, 56% POC, and 10% Females. They continue to show the subcontractors that these employment standard numbers can be met with the proper plan of action prior to mobilizing on site. We have a corrective action meeting planned with Fred Salvucci for Monday, September 18th to discuss issues in regard to not meeting the employment standards with the 5th most hours worked on the project (A Corrective Action letter from Fred Salvucci Corporation was submitted 9/20/2023). Commissioner Burton: Is the completion date September 2024 and are there kickoff meetings subcontractors are involved in (reference to late payrolls)? Glenda: It's June 2024 (The report had September 2024). All subcontractors have participated in the kickoff/preconstruction meetings with me and Manny. Some may be confused on what needs to be submitted starting off. Jaime Meiser (Turner): There's a learning curve with new subcontractors and others may need to be refreshed. Commissioner Burton: I commend Turner's Leadership demonstrating all 3 goals can be achieved on a single project (not quite meeting Boston resident or female numbers but good effort). Commissioner Watson: My comment/question is posed to the City of Boston, why are we accepting Best Faith Efforts from programs created by the very people perpetuating the inequity (40 years historically)? In light of the presentation from the BPDA

Economical Impact Analysis, best faith efforts should be revisited. **Commissioner Burton:** We appreciate the report from the monitor, Manny, and the presentation from the Turner team. We look forward to seeing how all the implementation of efforts described today by all 3 presentations brings successful outcomes.

Duration: 22 mins.

BEC Commissioners' Follow-up Requests/Concerns

V. SANCTIONS UPDATE AND DIRECTOR'S REPORT

Jodi Sugerman-Brozan (Deputy Chief, Worker Empowerment): BRJP Manager, Christopher Brown is going to present a monthly payroll scan. Christopher Brown (BRJP Manager): In order to ensure that we are identifying all instances of late payroll submissions, the BRJP staff are now conducting monthly payroll scans starting with August 2023. These scans will give the Boston Employment Commission a clearer picture of all payroll-related noncompliance, beyond those that come before the BEC for a special presentation or project review. 2,948 payrolls were submitted to BRJP for the month of August 2023. 16% (483), of the submitted payrolls were late (submitted after 7 business days). 57% (277) were less than 5 days late, 22% (104) were 5-10 days late, 21% (102) were >10 days late (27 days was the latest) The payroll scan does not include contractors that worked on-site and never reported or submitted payroll (if any). Site-visits are the best way to catch contractors on-site that have not submitted weekly payrolls for monitoring (This is an excerpt of a more detailed powerpoint presentation). Commissioner Flint: On another note, are we ever going to have in-person BEC hearings? Chris: We will continue with remote meetings for a couple of years. We will get the exact date. (This is in reference to the State's Open Meeting Law provision extended beyond COVID). On March 29, 2023, Governor Healey signed into law a supplemental budget bill which, among other things, extends the temporary provisions pertaining to the Open Meeting Law to March 31, 2025. Specifically, this further extension allows public bodies to continue holding meetings remotely without a quorum of the public body physically present at a meeting location, and to provide "adequate, alternative" access to remote meetings. The language does not make any substantive changes to the Open Meeting Law other than extending the expiration date of the temporary provisions regarding remote meetings from March 31, 2023 to March 31, 2025. Commissioner Watson: Chris, regarding the monthly payroll scan, transparency is key, thank you for this undertaking. Chris: We want to get this right in being fair and consistent. Commissioner Flint: How many monitors does the city have and how many projects are monitored? Chris: BRJP has 6 monitors and BPDA has 2 (8 total). My guestimate of projects that come before the BEC in a year is 25/30. However overall projects monitored are about 200. Commissioner Flint: I've been an unofficial member of the BEC since 2012 and believe noncompliance happens because there's not enough monitoring. There should be a monitoring committee like the late Chuck Turner, Tito Jackson and Kim Janey had in Roxbury. There are 9 districts. People are overwhelmed with how much construction is happening in the city. There could be 9 community monitors. I've made this recommendation before and sharing it again. Commissioner Burton: The BRJP /COB staff can take this back to review for community engagement. Jodi: Thanks everyone in attendance. Thank you to Chris and the staff for working on developing strong protocols for sanction recommendations. We look to bring further information to review in October/November. We are working on the recommendation on the 10 World Trade Center project (late payrolls) requested by the BEC in July/August. There are a lot of pieces to process and we look to bring this in October. We have been checking in on the status of the 2 vacant board seats. There is no information to provide at this time. We would like to welcome our new BRJP Operation Manager, Richard Sabourin (as of this coming Monday)! Commissioner Flint: It's disappointing and frustrating that it's taking so long to bring on 2 new commissioners! Jodi: I'm sorry I don't have more detailed answers and will express those concerns to the Boards and Commissions staff and hope to have updates in October. Commissioner Burton: This is a concern we have expressed for several months. We understand this is a volunteer committee and we look to have a proper reflection of the community on the board. Thank you Commissioner Flint for chairing last month when many of us were not able to be here. Also, in regard to the in-person meetings, the data has shown, with this committee, that there's more attendance with remote access and is perhaps a factor in a policy change to remain remote. Commissioner Flint: Thank you. Commissioner Burton: We are finishing up early today. Have a great rest of the week everyone and again Happy Hispanic Heritage Month!

2:38pm Meeting adjourned (Commissioner Burton adjourned the hearing)

KO/BEC Coordinator