

**Merrimack Valley Planning Commission (MVPC) and  
Merrimack Valley Workforce Investment Board (MVWIB)**

**Local Hiring**

**Memorandum of Understanding**

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**I. Purpose of this Memorandum**

This Memorandum of Understanding (MOU) creates a Local Hiring agreement between the partners listed above and below. The partners recognize that all Merrimack Valley residents should have the opportunity to participate in the benefits of regional economic development. This agreement therefore promotes Merrimack Valley resident participation in the implementation of MVPC regional plans and in correlated MVWIB-sponsored job training. It especially promotes local hiring in the high unemployment municipalities of Lawrence, Methuen and Haverhill. In sum, this agreement articulates how area residents will be promoted for employment and prioritized for training in support of area economic development and construction-related projects.

**II. Partners**

**Merrimack Valley Workforce Investment Board (MVWIB):** Provides local labor market information and is the chief planner, policy maker, training funder and advocate for regional workforce development in accordance to the Workforce Investment Act of 1998 (WIA).

**Merrimack Valley Planning Commission (MVPC):** Fosters cooperative efforts amongst area communities in order to resolve common regional problems. It provides area communities with a venue to plan jointly and seeks resources to promote, coordinate, and execute orderly regional development.

**III. Communities**

This MOU will be in effect on projects in the following Merrimack Valley cities and towns:

Amesbury	Haverhill	Newburyport
Andover	Lawrence	North Andover
Boxford	Merrimac	Rowley
Georgetown	Methuen	Salisbury
Groveland	Newbury	West Newbury

#### IV. Definitions

The following words shall have the meanings prescribed herein for purposes of this MOU:

**Contractor** shall mean a prime contractor or a subcontractor performing construction work related to a Covered Project. Lower-tier subcontractors are included in this definition.

**Covered Project** shall have the meaning set forth in Section V. of this MOU.

**Developer** shall mean a person, firm, partnership, Limited Liability Company, corporation, joint venture, proprietorship, trust, association, or other entity entering into a disposition and development agreement, an owner participation agreement, a loan agreement, or a similar agreement with the MVPC or projects to implement MVPC regional strategies.

**Local Resident** shall mean any person who normally eats and sleeps and maintains his or her normal personal and household residence within the municipal limits of one of the fifteen cities and towns listed in Section III.

**First Source Referral System** shall mean the primary means by which prospective area job hires are located, screened and forwarded to prospective employers for their review. The First Source Referral System includes job counseling and may include training. They shall both be funded and overseen by MVWIB.

**Trainer** A person involved in preparing an individual or group of individuals for a particular employment task or responsibility.

#### V. Projects Covered

This MOU will cover residential, institutional, industrial, commercial development and/or construction projects in any of the fifteen communities listed in Section III which:

- a. Receive \$50,000 or more in public loans or grants bid administered by the MVPC. This includes, but is not limited to, the MVPC EPA-funded Brownfields Revolving Loan Fund and EPA Brownfields grants or;
- b. Arise from the MVPC Merrimack Valley Priority Growth Strategy and the implementation plans developed to realize the orderly development of the region (including, but not limited to, the MV Clean Energy Action Plan, Planning Ahead for Growth, and the 2013 Comprehensive Economic Development Strategy or;
- c. Receive any incumbent or prospective worker MVWIB training support funded by WIA or other private or public sources.

## VI. Local Hiring Policy

Developers, contractors, and subcontractors of the projects listed in Section V above will be strongly encouraged to comply with the following recommendations:

- a. Commencing with the start of a MVPC supported project, each and every contractor/subcontractor should have the goal of contracting or employing Merrimack Valley residents to complete at least 30 percent of the craft or trade work hours needed for project completion as per Section V above. This recommendation will be included in specification and bid documents whenever possible.
- b. If a MVPC supported project is located in Lawrence, Haverhill or Methuen, each and every contractor/subcontractor should have the goal of contracting or employing those specific cities' residents to complete at least 20 percent of the craft or trade work hours needed for project completion. All hours will commence with the start of the project in accordance with the plan specifications and bid documents.
- c. The MVWIB supported First Source Referral System will be used to hire local residents for covered projects. Developers, Contractors and Subcontractors will list all job opportunities with the system free of cost within 2 days of the information being available. They will consider system referred local candidates for hire to fulfill the Local Hiring Policy. If none are suitable, additional local candidates should be sought and considered for MVWIB supported training in order for them to become suitable, Developers will not incur any First Source Referral System training costs unless there is an OJT match.

## VII. Implementation

The MVPC will facilitate compliance on covered projects by:

- a. Including the Local Hiring Policy in all communications materials prepared to advertise or inform the general public and potential developers, contractors and subcontractors about upcoming projects.
- b. Describing the Local Hiring Policy in all RFBs and requiring a response from bidders as to how they will fulfill the policy if selected. Responses will be one of the criteria considered in selecting the winning bidder.
- c. Including the Local Hiring Policy in final contracts for all developers, contractors and subcontractors. Contracted entity will ensure that its subcontractors comply with the recommendations.
- d. Keeping the MVWIB informed of upcoming projects' hiring plans, RFBs and contracts (including copies of non-confidential project documents, and information on project bidders/developers, and contract winner) so the MVWIB can use its First Source Referral System to appraise Merrimack Valley residents of upcoming employment opportunities.

- e. Connecting Developers, Contractors and Subcontractors with the MVWIB to implement the First Source Referral System. MVWIB will then inform trainers of prospective training opportunities.

Developers, contractors and sub-contractors will demonstrate compliance by:

- a. Designating a contact person for all matters related to implementation of this recommended Policy. Each Developer/Contractor will forward the name, address, and phone number of the designated individual to the MVPC. If the contact person changes, the Developer/ Contractor will immediately notify the MVPC. Subcontractors will forward names to the Developer or Contractor.

- b. Using the First Source Referral System and its affiliated trainers.

- (i) The Developer/Contractor will notify the MVPC and the MVWIB of job opportunities at least 4 weeks prior to commencing operations in a Covered Project. They will also provide a clear and complete description of job responsibilities and qualifications, including expectations, salary, minimum qualifications, work schedule, duration of employment, required standard of appearance, and any special requirements (*e.g.* language skills, drivers' license, etc.). Subcontractors will be instructed by contractors to follow the same procedures.

- (ii) The Developer/Contractor will use normal hiring practices, including interviews, to consider all applicants referred by the First Source Referral System during a **six-week period** after initial notification, or until all open positions are filled, whichever is sooner. The First Source Referral System will, as quickly as possible, refer qualified applicants for available jobs. The Developer/Contractor will make good faith efforts to fill all available positions with applicants referred by the First Source Referral System. If at the conclusion of the six-week period the Developer/Contractor has been unable to fill all available positions with applicants referred by the First Source Referral System, the Developer/Contractor may use other recruitment methods, but will continue to make good faith efforts to hire applicants later referred by the First Source Referral System.

- (iii) Ongoing Hiring Process. After Developer/Contractor has commenced operations in a Covered Project, it will continue to use the First Source Referral System to fill positions that become available.

- c. Developers/Contractors will provide area residents with equal opportunity for employment, retention, promotion, assigned job duties, shift assignments and on-the-job training.

The MVWIB will facilitate compliance on covered projects by:

- a. Maintaining and sharing lists of Merrimack Valley residents qualified for and interested in working on the projects listed in Section V.
- b. Customizing Job Training to meet contractor needs whenever funding is available. The First Source Referral System shall develop and coordinate job training with one or more appropriate job training organizations or develop OJT training plans with contractors when possible.
- c. Being responsive to developer/contractor job training requests for the area applicants they intend to hire or for low-income incumbent workers who reside in Lawrence, Haverhill and Methuen that they wish to further train.
- d. Referring qualified workers to job openings listed by Developers/Contractors and Sub-contractors.

### VIII. Enforcing Compliance

The MVPC and MWIB will require quarterly reports from each Developer/Contractor that detail employment of local residents. These should be completed 30 days after the completion of each quarter. It will include, at a minimum the following information:

- (a) the percentage of available employment and promotions that have gone to residents;
- (b) a short description of each job that has been filled, and whether a resident was hired;
- (c) for each resident that was hired, whether that resident is still employed by the Developer/Contractor;
- (d) descriptions and numbers of jobs that will become available, if known, in the future, and an estimated timetable for availability of such jobs; and
- (e) any difficulties the Developer/Contractor is having with obtaining qualified referrals through the First Source Referral System.
- (f) a list of all local residents who applied for vacancies.

The MVPC and MVWIB will establish a review committee that will meet semi-annually to review progress on complying with the recommended Local Hiring Policy and to make suggestions for improvements. This will be open to the public.

Good faith efforts will be made by the MVPC and MVWIB to address compliance issues with Developers/ Contractors. Non-compliance could impact their success on future bids.

IX. Term

This MOU shall be in effect from the date signed into perpetuity. Either party may terminate this MOU through a written statement to the other party asserting the reason(s) for termination. Reconciliation should be attempted prior to termination.

X. Partner Signatories:



Rafael Abislaiman  
Date 1-30-14  
Executive Director  
MVWIB



Dennis DiZoglio  
Date 1-30-14  
Executive Director  
MVPC