

PORT OF MIAMI TUNNEL OPERATION 305



ESG INITIATIVE: LOCAL RECRUITMENT, LOCAL BUSINESSES PARTICIPATION

% OF THE INVESTMENT SPENT LOCALLY: 36% (OUT OF \$900M)

% OF LOCAL WORKFORCE: 85% (OUT OF 7000 FOR THE ENTIRE SUPPLY CHAIN)

% OF LOCAL BUSINESSES: 50% (OUT OF 800+)

KEEPING IT LOCAL CREATING JOBS AND BOOSTING COMMUNITY WEALTH

The Port of Miami has a new tunnel and road-link developed through a \$900m public private partnership project. A 7,000 strong workforce built this vital piece of infrastructure, drawn together from the Miami Dade County area through an initiative launched to ensure local people benefit most from the investment.

The 2.7 million residents of Miami-Dade County in the US State of Florida have the number 305 as their telephone dialling zip-code. So Operation 305 was the name given to an important recruitment and local procurement drive established with the aim of providing employment to as many locals as possible as the Miami Access Tunnel (MAT) project got under way.

This is a \$900m infrastructure development, featuring a new twin-bore road tunnel between Miami's MacArthur Causeway Bridge and the city's port infrastructure on Dodge Island. But MAT now represents more than just a large-scale and complex engineering project. From the outset, it grew to become a **major boost to the local economy and communities** of Miami-Dade County.

"We wanted to make this a project all about local people, partly by ensuring a lot of the investment was spent on them as the supply chain and workforce," says Chris Hodgkins, Chief Executive Officer for the project company MAT Concessionaire LLP.

"We came to view MAT as akin to a three-legged stool; whereby two of the legs were the technical challenges of the design and construction of the new infrastructure. The third equally important leg, was the outreach and communications effort."

MAT Concessionaire is a special purpose vehicle formed by partners Meridiam and Bouygues Civil Works Florida (BCWF sold their interest at the end of the construction). Towards the end of 2009, project sponsors the State of Florida, Miami-Dade County and the City of Miami, awarded a 35-year concession to MAT Concessionaire, handing it responsibility for the **design, construction, financing, operation and maintenance** of the MAT tunnel and its connecting roads.

This came at a difficult time for the city and surrounding area, as Chris explains: "The construction project started proper in 2010. The global financial crisis that followed 2008 was biting hard. Unemployment was running high and public feeling

towards the County authorities was at a low point after public money had been used to build a new stadium for the Miami Marlins baseball team. The MAT project was facing a 68% public unfavourable rating," says Chris.

With all this in mind, Operation 305 was launched as a **project-wide initiative**, by Chris and his team from the offices of MAT Concessionaire, but in partnership with other cities and county organisations, with the local office of LiUNA (Laborers' International Union of North America) for example.

"We wanted to **hire locally**, to provide jobs for as many people in the County as possible," Chris says. Another crucial goal was set, to create a diverse workforce with a demographic by racial background that mirrors that of the County – approximately 51% hispanic, 22% african-american and 11% white caucasian.

This would be done through recruitment efforts targeting individual job seekers: "We held around 20 separate job fairs with municipal, city, county and state authorities and communicated job opportunities through organisations including Veterans for America," Chris says.

"We needed all the different specialist skills of a major





construction project. Applicants that came to us were pre-screened by their zip-code and then sent on to our contractors for them to consider. They could say yes or no to each applicant, for bona fide reasons, but on the whole, **we were getting enquiries from good people**, some of them with experience and skills already highly suitable. We were able to work with LIUNA and other local unions as well, to recruit and place these specialist and skilled workers in the right places.”

The principal contractor Bouygues was fully signed up and committed to the initiative, Chris says. A total of around **900 construction workers** would be employed directly, many as new hires. “We told all of our contractors, we want you to do as we do. We set out a mission statement to employ and spend locally and we measured everyone’s actions,” he adds.

Contractors were incentivised with their performance gauged

partly against how they took up the ethos of Operation 305, which was also developed as an **initiative targeting local vendors and suppliers**. A project procurement framework set out the terms for local businesses to get involved and a partnership with the Miami-Dade County Small Business Development Office was forged to help local SMEs and small companies from disadvantaged communities to get on-board.

Many of the opportunities on offer were advertised at a Vendor and Supplier Expo held in Miami in December 2010, including subcontracts for a variety of electrical, mechanical, safety equipment and other specialist construction work. In total, 831 different companies would work on the project. More than half, **465, were Miami-Dade businesses**. Around \$325m of the MAT construction investment was spent through them, providing a significant uplift to the local economy as well as a lot of new jobs.

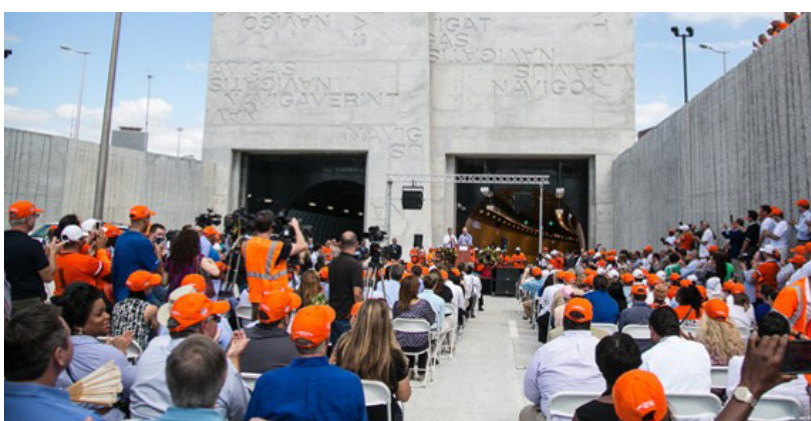


SUSTAINABLE SKILLS

For Operation 305 to be judged a success, the new jobs created needed to be sustainable,” says MAT Concessionaire Operations Manager Wendy Conforme. Most of the specialist skills employed already had a good level of sustainability, but for others, particularly the new starts, on-the-job training became an important part of Operation 305.

“The overall initiative was very much about the **sustainability of the investment in the community** and local skills, bringing the next generation through and helping their employability as well,” Wendy says.

“As the initiative became embedded, as it spread outwards and trickled down the supply chain, we developed outreach efforts with local schools. Our contractors, who are more than aware of the importance of developing skills, were very proactive here, helping us with arranging site tours for local schools. This continued with sponsored activities during National Engineers Week in February each year, for developing the engineers of the future with local high schools.” ■





The results of the Operation 305 initiative have been “phenomenal”, Chris says. It’s estimated that close to 7,000 people worked on the construction project throughout the supply chain. About **85% were residents of Miami-Dade County**. In addition to working with hundreds of different local government organisations and community groups, MAT Concessionaire can boast a high degree of client satisfaction.

The tunnel and connecting roads opened to traffic on schedule (and under budget) in August 2014. Since then, **the project has picked up numerous awards**, including a 2015 Infrastructure Project Award from the US National Council for Public Private Partnerships and in the same year a Grand Prize for Florida State at the America’s Transportation Awards. But perhaps the best endorsement for Operation 305 comes from the fact that it continues to this day.

“The tunnel and road network are in operation, employing about 34 people directly, but our operation and maintenance contractor Broadspectrum is still hiring locally. And that large and skilled supply chain we built is still out there, working on other projects in the local area. **Operation 305 has been adopted as a requirement** of Miami-Dade County. All other projects are now expected to adopt the same approach,” Chris says.

Furthermore, from Meridiam’s point of view, Operation 305 is being upheld as an example of the ESG (Environmental, Social and Governance) initiative for other projects to follow. Operation 305 achieved its aim of a **diverse workforce** matching the Miami-Dade demographic – exceeding the target with 26% employment from the black community. It also surpassed its goal of spending 8% of the project’s construction investment on disadvantaged business enterprises.

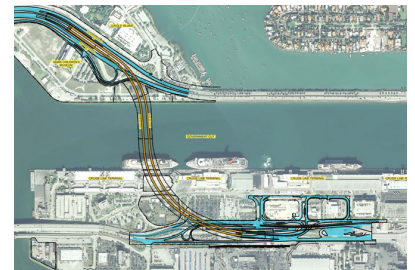
“We regard Operation 305 as an **inspirational initiative** on a number of levels,” says Meridiam Senior Investment Director Scott Derby. “On one level we see it as a great example for community outreach. From the outset they got word out saying what the project was all about and ‘what’s in it for you’. And they made it clear that they didn’t want to bring people in from afar. Job creation is a very big issue for major infrastructure projects.

“In doing so, by keeping the majority of the construction spend in the local area, MAT Concessionaire has highlighted the benefits of major infrastructure investment generally, for local communities and economic wealth over the long term. Spending close to \$1bn over the five-year construction period and during the remainder of the PPP project will bring a lot of direct and indirect benefits. Plus the tunnel itself is about better quality of life for people in Miami and economic benefit for the port’s and the whole region’s development.” ■

A VITAL LINK FOR DEVELOPMENT

Miami’s Access Tunnel project came about as an infrastructure scheme vital for the city and the Port of Miami’s development. The port boasts the world’s largest cruise liner terminal, handling over four million passengers every year and it’s also a major harbour for freight shipping worth an **estimated \$18bn in economic output for Miami and the state of Florida**.

Such success had brought a big problem of traffic congestion in the city. The port is situated just across from the mainland on Dodge Island. Reaching it from the main interstate highway network meant travelling through downtown Miami to cross Port Boulevard Bridge – previously the only crossing of Biscayne Bay to Dodge Island.



The construction project widened the MacArthur Causeway Bridge and drove a twin-bore road tunnel beneath Biscayne Bay. Contractors also reconstructed the Port of Miami road network on Dodge Island and at each end of the 1.5km tunnel. All of this was done while maintaining road access to the port and continuous traffic flow on the causeway and bridges – a remarkable feat in itself.

Since its opening in 2014 the tunnel removes **80% of the truck traffic from downtown Miami** (ca. 1.5 million vehicles a year). The results are a great boost to the ease and efficiency of access to the port for freight and passengers, as well as significant benefits of freedom of movement and quality of life for city residents. ■

For more information:
<https://vimeo.com/160356835>

