



Department of Administration  
Budget and Policy Division

Tom Barrett  
Mayor

Sharon Robinson  
Administration Director

Mark Nicolini  
Budget and Management Director

June 20, 2006

File Ref: BF 07

## MEMORANDUM

To: Common Council Members

From: Mark Nicolini *MN*  
Budget and Management Director

Re: **Item 6 on Today's Finance & Personnel Committee Report**

Common Council File 060093 is a resolution appropriating \$143,000 from the 2006 Common Council Contingent Fund for the implementation of a skilled trades training certification and apprenticeship/employment placement program.

The Common Council amended the 2006 proposed budget to provide \$143,000 of debt financed expenditure authority in three capital accounts for a training and certification program for specific skilled trades for Milwaukee residents. The capital accounts include Expansion of Capacity Sewer Program, Street Improvements Street Lighting, and Environmental Remediation Program. The amendment assigned responsibility for program administration to the Department of Administration (DOA).

DOA has determined that a debt financing approach limits flexibility in providing cost effective training and job placement, and it is more expensive than a cash financing approach. If the program is implemented as the budget amendment provides, it is likely that job placements would be limited to the sewer program.

This resolution will provide cash financing and hence more flexibility and program effectiveness. If the resolution is approved, the program will be based on a cooperation agreement with the Milwaukee Metropolitan Sewerage District (MMSD) for the implementation of training, certification, and placement in apprenticeship and employment of Milwaukee residents. MMSD will contract with Operation Big Step as its primary training agent. The program will include placement in city capital projects and employment with other private and public sector organizations. For example, two trainees from MMSD's existing program have been placed on the City Hall Restoration project - one as a bricklayer apprentice and one as a laborer apprentice.

It is expected that more than 75% of the amount provided by this resolution will be for performance based payments, thus ensuring that the majority of expenditures will be linked directly to desired outcomes. As evidence of expected program effectiveness, last year the MMSD program had the following outcomes:

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- 72 individuals received certificates for completing a training program;
- 44 individuals passed apprenticeship tests;
- 36 individuals became new apprentices.

The program manager also reported 52 construction job placements in which individuals worked more than 30 days.

The Mayor shares Council members' position that reduction in crime depends on multiple approaches, including economic development that results in jobs. This proposal will achieve that result. The Department of Administration asks for your support.

MN:dmr

Cc: Sharon Robinson, Director of Administration

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