

WORKFORCE ORGANIZATIONAL REFORM COMMITTEE

Summary of Recommendations and Topics Discussed

April 18, 2016 Meeting

Highlighted = WORC official recommendation

Bolded = areas of consensus

Administrative Functions and Ordinance

- Consolidate all ordinance chapters into one megachapter.
- Consolidate and standardized all administrative functions into one megachapter.
- Consolidate and standardize all administrative functions into one department, OSBD or OWD.
- **OSBD name to remain.**
- **No OWD name.**
- **Each department should maintain its administrative responsibilities within existing ordinances.**
- **Do not consolidate administrative functions under OWD or OSBD.**
- Alternatively produce one new ordinance chapter for the RPP program that addresses each department's responsibility under the RPP program.
- **Do not repeal existing chapters and create one new megachapter ordinance.**
- **Keep existing ordinance chapters and update those ordinances based on improvements and recommendations that the committee makes.**

Revise and reduce "**direct financial assistance**" threshold definition from \$1 million relative to the threshold for private development contracts through DCD.

- Perhaps to \$500,000
- Perhaps to \$750,000
- **Keep \$1 million threshold**
- Perhaps on a sliding scale

Apply RPP city wide and applying "direct financial assistance" threshold based on a sliding scale (hold the matter for further investigation)

- A sliding scale may not work for city let contracts and more for private development contracts.
- RPP applies to all city contracts for public works and demolition regardless of dollar value and circumstance, with few exceptions
- There is great opportunity to install RPP in all city departments, but RPP should be carefully structured across the board, especially for city purchasing let contracts and other unique departmental contracts.
- Hire a consultant to evaluate all departments, workforce development programs, and advise on administering the programs either uniquely or uniformly to all departments

Focus on responsibilities to improve referenced in the WORC resolution (CCFN 151186)

- **Prepare and communicate an annual resident participation performance report (can be done by all departments with one comprehensive report at one time to one Common Council committee)**
- **Require use of LCPTTracker to capture all RPP data for all contracts with RPP participation (being done)**
- **Need to address improvements to strengthen controls**
- **Need to address identifying standardized policies and procedures**
- **Go beyond WORC resolution to make feasible improvements on the programs to increase employment presently and make long term improvements for a part 2 in a future ordinance**

Removal of the 5 year RPP certification period

Redefine RPP definition and criteria of “underemployed” and “unemployed”

- **Less than 1200 hours in a year to remain**
- **Change the income guidelines from the free lunch guideline**
- **Keep the free lunch income guidelines**
- **Redefine “unemployed” from 30 days of unemployment to 15 consecutive days of unemployed inclusive of Saturday and Sunday weekend days**

Increase lowest bid difference from 5% to 10% for SBE firms in the LBE program

- **For LBE, LBE firms to remain with a 5% lowest bid difference incentive**

- For LBE, SBE firms to have a 10% lowest bid difference incentive, which is an advantage for them
- Include controls in the ordinance to prevent firms from taking advantage of the program by using local business addresses instead of actual addresses of operation

Redefine the definition of a LBE firm

- Apply SBE definition language to LBE definition language
- **Redefine LBE firm as one that operates a business in the City of Milwaukee**

Apply LBE caps per bid difference across the board accordingly. Retain the \$25,000 cap per bid difference for non-SBE firms and apply accordingly a cap per bid difference for SBE firms under the LBE program.

Use the term “renewal community” in lieu of the term “enterprise zone” relative to the definition “at a disadvantage with respect to business location”.

Verify addresses of RPP certified persons after 5 years of RPP certification without recertification.

Create the concept of RPP incentive zones where employers can get higher credit for hiring within impoverished areas of the City of Milwaukee for both private development and city contracts.

- **The zones, zone metrics or criteria, and credit multiplier are to be held for further discussion, investigation, and determination.**
 - Also based zones on areas of highest RPP participation
 - Investigate potential fraud
- Credit can be a multiplier for hours worked by a RPP certified worker
 - Multiplier is to be 1.5
 - Multiplier is to be 1.25
- Responsibility to track, monitor, calculate, and report credit hours
 - Developers, general contractors, or compliance monitors are responsible
 - The City and LCPTracker are responsible
- Lower participation requirements from 40% for those projects with incentive zone workforce

Make improvements and/or incentivize ways to increase entry level skills or high skills for RPP entrants

- Use of apprentices
- Require all bidders to be official trade trainers certified by the State
- Use of a multiplier
- **RPP credit given for RPP candidates receiving training or doing work offsite for RPP projects within the City (already done on a case by case basis)**
 - Perhaps codify further and elaborate?
 - A concern with more residents working offsite than onsite with this incentive
- Establish a **Bonus Fund** to invest in training on RPP projects. Source of funds are from fines or money withheld from projects due to waivers.
 - **Hold the concept of a bonus fund for further investigation due to questions on** legality, management of the fund, making financial incentives happen and making the fund works for certain contractors in competitive bid scenarios
 - Have uniform management and monitoring of the fund

Repeal First Source Employment Program