



# City of Milwaukee

200 E. Wells Street  
Milwaukee, Wisconsin  
53202

## Meeting Minutes

### WORKFORCE ORGANIZATIONAL REFORM COMMITTEE

**ALD. RUSSELL STAMPER, II, CHAIR**

*Ron Roberts, Vice Chair*

*Lori Lutzka, Nikki Purvis, and Dan Thomas*

*Staff Assistant, Chris Lee, 286-2232, Fax: 286-3456,*

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*Legislative Liaison, Andrew VanNetta, 286-2253,*

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Monday, December 14, 2015

10:30 AM

Room 303, Third Floor, City Hall

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Meeting convened at 10:40 a.m.

**Present** 5 - Thomas, Roberts, Purvis, Stamper and Lutzka

#### 1. Introduction of Members and Participants.

*Members Stamper, Thomas, Roberts, Lutzka, and Purvis made introductions.*

*Participants present made introductions as follows:*

*Mark Kessenich (WRTP/Big Step), Commissioner Rocky Marcoux (DCD), Andrew VanNatta (LRB), Sarah Zarate (10th Ald. Dist.), Aaron Szopinski (Mayor's Office), Commissioner Ghassan Korban (DPW), Nikki Purvis (OSBD), Sharon Robinson (DOA), Rhonda Kelsey (DOA), Earl Buford (MAWIB), Scott Stange (DCD), Kathy Block (CAO), Pamela Fendt (Laborer's Union), Phyllis Wofford, Fred Royal (NAACP), Michelle Kaczmarowski (OSBD)*

#### 2. Selection of a Chair and Vice Chair.

*Ald. Stamper was elected chair. There were no objections.*

*Mr. Roberts was elected vice-chair. There were no objections.*

#### 3. Discussion of Mission and Objectives and Setting of Goals and Principles.

*-Opening comments were made.*

*Ald. Stamper said that the overall purpose of the reform committee is to make the City's workforce and development and economic participation initiatives, including the Small Business Enterprise, Local Business Enterprise, and Residents Preference Programs, work more efficiently and effectively with the main goal of creating the most jobs and opportunities for the community.*

*Ald. Stamper inquired about other City departments that do workforce or RPP development that should participate in the meetings, and the Milwaukee Public Library (MPL) and Office of Environmental Sustainability (OES) were identified. Mr. Szopinski was directed to contact those offices.*

*Mr. Szopinski said that MPL is voluntarily using the initiatives but does not have great experience. MPL and OES can take advantage of the initiatives.*

*-Some concerns, issues, and recommendations to improve the Residents Preference Program (RPP) were discussed.*

*Mr. Buford said that the concern may be that RPP workers don't reflect the inclusion of people of color. If so, that inclusion should occur within legal parameters.*

*Commissioner Korban said that the RPP program may not change but rather should be clearly defined to clarify expectations. RPP is a certification for disadvantaged City residents who are underemployed or unemployed. A foreman at a job site should know the workers meeting RPP criteria.*

*Ms. Robinson said that the RPP program is race and gender neutral, but steps need to be taken to make the program more inclusive for people of color.*

*Ald. Stamper said that part of goal is to define RPP certification, make it more inclusive, clarify expectations, and increase opportunities.*

*Ms. Robinson said that the whole RPP program is outdated and should be revised to reflect the City presently.*

*Mr. Szopinski said that the City does not have an umbrella system to get residents involved in the whole scope of City business. Instead, the City has a set of programs that work for a specific set of projects or applications. The City has two parallel programs created at separate times. DPW's RPP program was created in the early 1990s while the RPP program for economic programs was enacted in 2009. An umbrella system may accomplish the goal of increasing opportunities overall.*

*-Outreach, recruitment, and levels of qualifications for projects were discussed.*

*Mr. Kessenich said that WRTP served about 5000 people looking for jobs last year. Some were RPP certified and some were not. There is a need for more capacity, public awareness of opportunities for residents, and outreach. Also, there is a need to understand how to better serve partners, align training programs, create a better process flow through City initiatives and funding, and get people qualified to work.*

*Mr. Buford said that more targeted outreach to qualified candidates is needed. There are four different levels of qualification: journeyperson, apprentice, qualification as an apprentice applicant or qualification from the State of Wisconsin Joint Apprentice Committee, and qualification from other sources such as non-apprentice employment under a contractor. He added that there are no connections between RPP certification and training to meet qualifications.*

*Commissioner Korban said that contractors are either qualifying workers and then certifying them or finding certified workers and then making them fit, which would entail training costs. Training can be acquired now without RPP certification. Perhaps certification should include a training program to increase candidates.*

*Mr. Royal said that a pipeline of opportunities should be developed for RPP workers to address minority hiring.*

*Commissioner Marcoux said that there needs to be the ability to scan the workforce, understand the capacities and needs of the workforce, have training tailored to those needs, and put the workforce in place to find jobs. In addition, there needs to be*

*training and jobs developed in other nontraditional sectors, such as clerical jobs, other than the construction industry, which dominates the RPP program.*

*Mr. Buford said that training can develop around the gap analysis on each project, which provides upfront analysis on how the workforce will perform based on the number of hours and new workers.*

*Ald. Stamper said that the reform committee should discuss further to provide more opportunities to advance in qualifications and candidacy, perhaps at a future meeting.*

*-Intentions for reform were discussed.*

*Ms. Zarate said that the Common Council wanted to review the administering office, Office of Small Business Development (OSBD), in general; all the programs, SBE, LBE, and RPP, comprehensively; determine if the populations of the programs are the same; and rationalize the code accordingly.*

*Ms. Purvis said that the focus should be RPP and workforce development and not SBE and LBE. She added that the RPP program is citywide and does not only pertain to her office.*

*Ald. Stamper said the goal is comprehensive - to make the RPP program uniform for all; integrate the RPP, SBE, and LBE programs, and help fix OSBD.*

*-The approach (closed or holistic) and inclusion of other agencies were discussed.*

*Mr. Royal said that the Housing Authority of the City of Milwaukee (HACM) should participate despite federally operating under Section 3 and The U.S. Department of Housing and Urban Development (HUD) with federal dollars to develop low income housing in the City. He added that perhaps the reform committee should develop a citywide strategy to best utilize dollars for workforce development.*

*Mr. Thomas and Commissioner Korban said that HACM does not adhere to the city ordinance.*

*Commissioner Marcoux said that HACM should be involved due to having the same population (the underemployed and unemployed) whom the City is targeting regardless of program. HACM is a city affiliated agency and has done some interesting things.*

*Mr. Roberts said that outside agencies, who do workforce or RPP development, should be involved if the committee wants to have a holistic approach. Examples include Milwaukee Public Schools (MPS), HACM, and Milwaukee Metropolitan Sewerage District (MMSD). Their inclusion may show that the City is serious about RPP reform.*

*Commissioner Korban said that he prefers a closed approach initially with the current participants to clean up and create a comfortable model before going to the larger community as a bigger goal. Engaging in a holistic approach right away may be premature and chaotic; however, it is important to hear from those trusted folks who are delivering the numbers.*

*Ms. Purvis, Mr. Szopinski, and Ms. Robinson concurred with the initial closed approach followed by the holistic approach, which would be advantageous.*

*Mr. Szopinski said that the reform committee should have a sequence of meetings*

*with other agencies or jurisdictions, such as nonprofits, contractors, developers, and builders, for their experiences and input prior to a final plan being assembled.*

*- SBE, LBE, RPP were explained and discussed.*

*Commissioner Korban said that each of the programs are important but have different rules with slight overlap and may serve different populations. LBE is limited in scope and reach. SBE goes beyond the City. RPP is strictly for the City. All programs may intertwine somewhat but are independent and should be revised separately. Although not required, SBE and LBE projects may have RPP workers as part of the workforce.*

*Ms. Kelsey said that the LBE program is a bid incentive program for local businesses that is really voluntarily. LBE is a different type of program, is smaller in scale, and does not deal with residential preference. Local businesses are able to be awarded contracts if their bids come within 5% of the lowest bid. Their workforce could consist of RPP workers. Due to state legislation changes, RPP doesn't apply to construction contracts. There is some opportunity to connect the LBE and RPP programs or integrate RPP into other types of contracts.*

*Ms. Fendt said that the distinction between the three programs is that workforce development pertains to RPP while SBE and LBE pertain to rules related to contract arrangements and businesses. RPP impacts individuals and can work for the other programs.*

*-Goals were discussed.*

*Ald. Stamper said that the focus of the reform efforts should be on RPP and integrating RPP into SBE and LBE to improve those programs.*

*Mr. VanNatta explained four specific goals, referenced in the resolution creating the reform committee, which the Common Council wanted to be realized as follows:*

- 1. Rationalization of the code or a clean-up of the code. Specifics include the removal of outdated provisions, clarification of inconsistent or contradictory language, standardization and clarification of administrative responsibilities, proper alignment of responsibilities, and streamlining wherever possible.*
- 2. Development of a plan for insuring and implementing the recommendations of the two audits of the RPP program.*
- 3. Evaluation and improvement of procedures and practices of the City's workforce development and economic participation initiatives (SBE, LBE, RPP) with reference to the timeline within the resolution.*
- 4. The regularization and alignment of the City's workforce development and economic participation initiative programs. Administration of the programs should be properly aligned.*

*-Rationalization of the code was discussed.*

*Mr. VanNatta said that he can work on cleaning up the code to eliminate items of inconsistency or inappropriateness but he will need further direction and information from everyone for revising processes and procedures. The outcome would result in legislation revising the code.*

*Ms. Robinson said that the timeline within the resolution creating the reform committee can serve as a guide to make code revisions.*

*-RPP within the different City departments (DPW, DCD, and DNS), RPP tracking, and RPP reporting were discussed.*

*Commissioner Korban said that the program in DPW was initiated by ordinance in the early 1990s. It requires 40% of hours to be performed by City resident workers for work that are formal contracts of \$50,000 or more that DPW bids out. DPW enforces and monitors RPP certification of these contracts in-house. The office has a regimented manual method of tracking, monitoring, and bringing contracts to compliance. Data is quantified once contracts end, and reporting to the Common Council is done towards the end of the year on those closed contracts individually and collectively. The office also reports on its SBE data, although not required to do so. DPW does not have an automated method of collecting, recording, and maintaining RPP certification as recommended by the audit. The office is in the process of following that recommendation; however, there should be some caution for contractors who do great work but are not sophisticated enough to conform to automation. There has been some resistance from contractors in this respect.*

*Commissioner Marcoux said that DPW does city administration of city contracts by directly letting out contracts while DCD, through developer agreements between the City and developers, has developers who let out contracts.*

*Ms. Lutzka said that DCD has independent contracts. The threshold to require 40% RPP certification of work hours on projects is contracts that have \$1 million or more of financial assistance or land provided. Most developers hire independent consultants to track and monitor certification. Those consultants or developers would report to OSBD on that data. In addition, the RPP programs in DPW and DCD are governed by two separate ordinances, Ch. 355 and 386 respectively.*

*Ms. Lutzka said that there is a redundancy of reporting of outcomes to the Common Council. DCD and OSBD are required by code to separately report to different Council committees on the same data. DCD reports to the Zoning, Neighborhoods & Development Committee (ZND), and OSBD reports to the Community and Economic Development (CED) Committee.*

*Commissioner Korban said that the requirements of both programs are the same but the differences lie within monitoring, tracking, and separate reporting.*

*Mr. Roberts said that DNS mostly mirrors DPW relative to its RPP program. Demolition is an exempt activity and does not require RPP certification. DNS has a new deconstruction program engaged in workforce development, and there is a need for regulation.*

*Ms. Purvis added comments. The development agreements may require developers or consultants to provide quarterly reports to the ZND committee. She added that all annual reports should be contained in one cohesive document; however, OSBD does not have the capacity to report on data forwarded by DPW, who should remain to report on its data.*

*Ald. Stamper said that the monitoring, tracking, enforcement, and reporting of RPP certification and outcomes should be uniform and under one ordinance. The reporting aspect should be simple to fix. The bigger issue relate to making the method of collecting, recording, and delegating one entity to be responsible for enforcement and monitoring. Reports should be comprehensive, uniform, and done*

*at the same time.*

*Members agreed that there should be one entity to report on RPP outcomes as a standardized policy. Reports are usually done annually in October. DPW's reports currently contain information on the previous year's closed contracts, which may encompass multiple years. DCD reports contain information on the current year although the year is not complete.*

*-LCPTracker was discussed.*

*Ms. Purvis said that the LCPTracker software has been secured in the 2016 budget to fully implement and administer the RPP program in all departments and serve as a centralized system to capture all data. The system would be available for City administered contracts as well as private development contracts, and data can be deciphered to measure city and private contracts separately. All data can be put into the software system to generate a collective annual report for all.*

*Ms. Fendt said that she does not believe there is any opposition to the use of LCPTracker.*

*Ms. Robinson said that the mayor's intent is to use the LCPTracker software, which can give access to real live data. That is something that the Common Council wants rather than the system of manual reporting and collection of data. There will be some resistance, but entering data would not be time consuming. MMSD has training on the software already.*

*Ms. Lutzka said that once records are in the system for people, the process will become easier as the information of those persons would not have to be inputted again due to its existence in the system already.*

*Mr. Roberts said that contractors can adapt to the extent that the software is efficient. There should not be too much heaped onto small contractors. A system that can address SBE, LBE, and RPP with the ability to peel back layers based on situations would be ideal for contractors.*

*Ms. Purvis made further comments. The software should not hinder small businesses but rather help them build capacity and familiarize them to work with other major agencies who are utilizing the software. OSBD has resources and training available to all City departments, outside agencies, and businesses. Training sessions should be done per project and can be conducted by webinars. One of the first steps is to create user names, passwords, get everyone set up, and schedule trainings.*

*Commissioner Korban said that regardless of the tracking program, the need is for better tracking of the career of individuals, their employment history and income. The software will be a long term goal and will take a few years to produce the desired information.*

*Ald. Stamper said that the software will be the structure to put in place to see and determine if residents are being put to work. All departments should take advantage of the training sessions.*

*Mr. Buford said that his organization wants to share information on providing training to developers.*

*-The comptroller audit recommendations were discussed.*

*Members discussed and agreed that they will follow and implement the detailed response answers of DPW, based on efficiency and effectiveness, to the audit recommendations.*

*-RPP exemptions, waivers, penalties, and building skillsets were discussed.*

*Mr. Thomas said a challenge to address is increasing the number of eligible people to possess the special skills required in contracts that DPW has provided exemptions or waivers to for RPP participation. DPW have options to assist those who do not perform. Contractors who do not perform are required to provide detailed compliance plans on meeting targets prior to the closed of current contracts or the acquisition of future contracts. DPW will focus on preventing waivers and building skillsets.*

*Commissioner Korban said that punitive measures are not simple, and each situation should be considered carefully based on the history of the contractor, quality of work, and gap to reach the requirement. Perhaps DPW, Big Step, and MAWIB can share more information on instances of waivers.*

*Ms. Purvis said that there have been three projects with no waiver yet, but there will be a waiver request from the Northwestern Mutual project, which will require approval from the Commissioner of DCD. The ordinance provides opportunities for developers who fall short on a specific project to fulfill the requirement on a future or current project.*

*Commissioner Marcoux said that he has not approved a waiver yet. In order to grant a waiver, there must be a specific skillset that cannot be satisfied under the RPP requirement. To eliminate waivers, a training program should be developed to provide a skillset to meet those specific gaps.*

*Ald. Stamper said that waivers and the curtailing of waivers are not desirable. Skillsets, qualifications, and RPP percentages should be increased.*

*-RPP certification was discussed.*

*Members were concerned about the absence of standards for RPP certification, the varyingly number of agencies engaged in certification officially and unofficially, and the lack of an official list of certifying agencies.*

*Mr. Thomas said that DPW can certify as well as authorize other entities to certify without providing any funding to those entities. He added that the code giving this authority to DPW should be improved.*

*Commissioner Korban added that DPW has not commissioned anyone else to certify other than Big Step.*

*Ms. Purvis said that OSBD informs the development community of three certifying agencies: DPW, WRTP, and Riverworks. Other agencies may be calling DPW to verify.*

*Ald. Stamper said that certifying agencies need approval from DPW and that a current official list of authorized certifying agencies needs to be developed.*

*-Standardization of policies and procedures were discussed.*

*Proposed by Ms. Robinson and Lofton via a template that they've created, members*

*discussed and agreed that departments will forward to DOA information regarding their respective workforce development programs, policies and procedures for the purpose of collective information gathering, review, deconstruction, comparison, understanding, analysis, and streamlining. After the template is complete the reform committee will have a better understanding of issues and recommendations for standardization or revisions concerning many topics that were discussed, such as code revisions, punitive or incentive measures, and RPP certification process.*

**4. Discussion and Setting of Meeting Topics and Work Plan.**

*Ms. Robinson said that an immediate task is to gather information and compile the template quickly. Future meetings can be structured on core topics identified from the template and may include RPP certification, enforcement, and standardized procedures. Mr. VanNatta and Ms. Lofton should meet together and review the information gathering template once it is complete, especially to assist Mr. VanNatta. Ald. Stamper should meet with herself, Mr. VanNatta, and Ms. Lofton to develop the next topics of discussion.*

*Ald. Stamper concurred and said that subsequent to the next meeting, the reform committee should meet at MAWIB's office as a larger meeting to present to and gather feedback from the outside community on the committee's RPP and workforce development reform topics. Training organizations, unions, and contractors should be invited with the assistance from Mr. Buford and Mr. Szopinski.*

**5. Set Next Meeting Date(s) and Time(s).**

*The next meeting was set for Thursday, January 14, 2016 at 10:30 a.m.*

**Meeting adjourned at 12:29 p.m.  
Chris Lee, Staff Assistant**