

Northwestern Mutual

# THE NORTHWESTERN MUTUAL TOWER AND COMMONS

QUARTERLY REPORT – SBE AND RPP  
PARTICIPATION – FIRST QUARTER, 2014

Prepared by Prism Technical Management & Marketing Services, LLC



# Introduction

This is the initial project participation performance report for the landmark Northwestern Mutual Tower and Commons project (the “Project”) in downtown Milwaukee, Wisconsin.

The Northwestern Mutual Life Insurance Company (“Northwestern Mutual” or “NM”), Owner’s Representative Hines and Participation Coordinator Prism Technical Management & Marketing Services, LLC (“Prism Technical” or “Prism”) look forward to working with: the City of Milwaukee (the “City”); small, disadvantaged and local firms; regional and local workers, community organizations and others to ensure that the project includes significant participation from diverse segments of our community.

## A COMMITMENT TO MILWAUKEE

In December 2012, after significant thought and discussion, Northwestern Mutual announced that it would expand to accommodate future growth by building a new facility at the center of its downtown campus. The decision to expand its presence in Milwaukee was driven by several factors, including the company’s rich history with Milwaukee and its desire to reinvest in the City’s future. This reinvestment would include retaining 1,100 jobs downtown, with the capacity to add an additional 1,900 jobs by 2030. The reinvestment would also include the creation of construction opportunities for local businesses, over 1,000 construction-related jobs, and the development

of new long-term relationships with small businesses that NM could leverage for its ongoing campus needs.

Consistent with its desire to reinvest in Milwaukee, one of the company’s goals in designing its new Tower and Commons is to further enhance our connection to the Milwaukee community. As a result, the new development will invite the Milwaukee community and City visitors to come onto our property and into our building. An almost 3-acre green space, the Northwestern Mutual Gardens, will feature walking paths, large spaces for gatherings, and places where the public will be welcome to sit and enjoy the views of Milwaukee’s spectacular lakefront. Visitors will be welcomed inside to enjoy a relaxing atmosphere, a casual café with outdoor dining, an identity center and meeting rooms.

Growing our community connection is starting even before the building is complete. Through this project, Northwestern Mutual is also taking the opportunity to connect with the Milwaukee educational community. The Company is using the project as a basis for a six-part Master Class series that engages local architecture, interior design, engineering and real estate students in various elements of the company’s downtown Milwaukee expansion. Students and faculty advisors from local post-secondary educational institutions will learn firsthand from architects, engineers and other professionals who are working on the company’s downtown expansion project.

The Northwestern Mutual Tower and Commons will also serve as a catalyst for further development in the downtown area. In fact, up to \$18 million of the future property tax income the building will generate has already been allocated to the Lakefront Gateway project currently underway.

The new Tower and Commons will include a 32-story office tower that extends westward and incorporates a two-block-long, three-story common area. The \$450 million, 1.1 million-square-foot development will change the shape of the Milwaukee skyline and serve as a beacon to the company's employees, Milwaukee residents, and visitors to the City. The decision to expand in the City is a testament to the company's strong belief in Milwaukee as an inviting place to live, work, learn and play.

## THE AGREEMENT

The City of Milwaukee and Northwestern Mutual entered into a partnership to help turn this vision into a reality. A \$54 million commitment from the City, in the form of tax incremental financing (TIF), will help the company defray some of the significant costs of remaining downtown and making improvements in the neighborhood. The City and Northwestern Mutual entered into a Human Resources Agreement ("HR Agreement") in which Northwestern Mutual agreed

- That it will utilize **certified Small Business Enterprises and/or businesses certified under equivalent programs (collectively, "SBEs")** for 25% of the construction costs.
- That it will ensure **payment of prevailing wages where applicable.**
- That it will utilize **underemployed City of Milwaukee residents (Residents Preference Program or "RPP" Workers)** for 40% of the worker hours expended on construction.

## THE NORTHWESTERN MUTUAL TEAM

Northwestern Mutual hired the global real estate firm Hines Interests Limited Partnership ("Hines") to shepherd the project. Hines, which has offices and/or projects on six continents, is internationally recognized for its development, management, analytical, and sustainability efforts and expertise.

Following the selection of Hines and the incorporation of lead project architects, NM sought the services of a

Participation Coordinator with knowledge of the local market and the expertise and credibility to assist in the maximization of community participation and reporting such efforts to the City. Prism Technical was chosen to serve in this role.

In April of this year, Northwestern Mutual contracted with Gilbane and CG Schmidt to serve as the General Contractor ("GC"). Both firms have a strong history of working in the Milwaukee building community. Both firms also have a long history of working with Northwestern Mutual and understand the company's values, including its commitment to Milwaukee. It was important to NM to find a GC with the skills and experience to shepherd a project of this magnitude, meeting time and budget constraints, and committing to significant community participation.

Gilbane | CG Schmidt hit the ground running with a comprehensive plan on how to achieve SBE and RPP commitment.

NM is working closely with this talented team to ensure that it meets its commitments to the City and the community.

## EFFORTS UNDERWAY TO MEET THE PROMISES TO THE CITY

The Northwestern Mutual team has made a number of additional strides toward meeting the requirements of the TIF agreement already; to date they have:

- Developed a robust RFP process that requires consultants and contractors to include detailed SBEs and RPP plans.
- Hired more than three dozen certified SBEs to work on various phases of the project: design, decoupling, utility relocation, and deconstruction of the east building.
- Developed a comprehensive outreach program to local chambers of commerce, SBEs, community-based organizations to help residents understand the details of the project, learn how they can be a part of the development and the SBE and RPP requirements. The current schedule of outreach programs is attached as exhibit A.

- Entered into a Project Labor Agreement (PLA) with the trades that makes NM's SBE, RPP and prevailing wage obligations a priority.
- Entered into contracts with SBEs for significant portions of the general conditions work to be done on the new tower.
- Implemented ongoing external and internal communication plans that emphasize their joint commitment with the general contractor team to hire SBEs and local residents.

## ABOUT NORTHWESTERN MUTUAL

Northwestern Mutual has called Milwaukee home since 1859 and employs approximately 5,000 people: 2,800 downtown and 2,100 in Franklin. The company's financial representatives help their clients achieve financial security through a distinctive planning approach that integrates risk management with wealth accumulation, preservation and distribution. More than 4.2 million people rely on Northwestern Mutual for insurance and investment solutions including life, disability and long-term care insurance; annuities; trust services; mutual funds; and investment advisory products and services.

In light of its strong presence in Milwaukee, Northwestern Mutual supports the community in numerous ways. The company recently awarded \$750,000 in grants to Milwaukee organizations in support of programs that bring visitors to the area, attract and retain current residents and workers, and provide significant learning and enrichment experiences to children and families.

Other local charitable efforts include:

- Supporting three Milwaukee neighborhoods – Metcalfe Park, Amani and Muskego Way.
- A donation of \$2 million to Children's Hospital of Wisconsin to fund a new day hospital for kids fighting cancer and blood disorders.

Nationally, Northwestern Mutual champions childhood cancer research, partnering with two national nonprofit organizations – Alex's Lemonade Stand Foundation and Starlight Children's Foundation – to raise awareness and funds to help support families fighting childhood cancer.

This strong spirit of giving is echoed by employees through personal volunteerism. In 2013 alone, more than 1,800 employees donated nearly 30,000 hours to volunteer efforts in and around the City.

Internally, the company is strongly committed to diversity in all of its purchasing, hiring and internal management practices. Northwestern Mutual is a member of both the National Minority Supplier Development Council – an organization which tracks spending with minority firms and provides opportunities for such firms to connect with major organizations such as Northwestern Mutual, and Diversity Best Practices – a strategic knowledge network developed to ensure excellence in diversity among member organizations.

An internal supplier diversity program encourages certified minority- and woman-owned businesses to register with the company so they may be considered for potential business opportunities.

In support of a commitment to attracting, hiring and engaging diverse employees, Northwestern Mutual is fostering a more inclusive environment where all employees can realize their potential. Additionally, four recently formed Employee Resource Groups, among other efforts, help attract talent, engage employees, bring diverse perspectives to business priorities and help NM live up to its perennial selection as one of Fortune Magazine's "World's Most Admired" companies.



## SBE Participation

Through March 31, 2014, total project expenditures subject to the human resources agreement were \$10,069,834. Total SBE participation was \$2,431,480, or 24.1 percent.

### PROFESSIONAL SERVICES

Northwestern Mutual considered a number of options for the location of their building, eventually narrowing the choices to expanding either its Franklin campus or its Milwaukee campus. Even before the decision was made, the company hired Hines as development manager, Kendall/Heaton Associates as architect of record, Valerio Dewalt Train Associates (VDTA) as programming consultant, Pickard Chilton as design architect, and other firms, all nationally recognized in their fields, with experience working on Class A towers of the Northwestern Mutual project's size and scope. When the decision was made to build in Milwaukee and the company committed to local participation, Prism Technical was hired to help ensure opportunities for SBE professional service firms to work with the national firms already in the fold.

Even before the Human Resources Agreement was finalized, Northwestern Mutual began requiring its professional service providers to find opportunities for SBEs to meaningfully participate on the project. After researching a viable list of firms, Northwestern Mutual held several rounds of interviews with local SBEs and subsequently modified project participant contracts to ensure meaningful opportunities for a number of metropolitan Milwaukee businesses (see Table 1). As a result of these efforts, the adjusted professional service budget through March 31, 2014 was \$9,008,440, and SBE firms had contracts totaling \$3,182,573. Accordingly, **SBE firms are expected to receive 35.3% of project-related professional service expenditures.**

**Accordingly, SBE firms are expected to receive 35.3 percent of project-related professional service expenditures.**

Through March 31, 2014, SBE firms were paid \$612,288 of the adjusted professional service spending of \$2,804,202. SBEs were paid 21.8 percent of project-related professional service expenditures.

**SBEs were paid 21.8 percent of project-related professional service expenditures.**

TABLE 1: SBE PROFESSIONAL SERVICE PROVIDERS

SBE FIRM	SUBCONTRACTOR TO	TRADE/DESCRIPTION OF WORK	TOTAL CONTRACT AMOUNT	AMOUNT PAID THROUGH 3/31/14
<b>American Design, Inc.</b>	Kendall Heaton Associates	East Building Selective Salvage Project – Full Services	\$ 5,510	\$ -
<b>American Design, Inc.</b>	Kendall Heaton Associates	East Building Demolition Project – Full Services	\$ 48,830	\$ 41,723
<b>American Design, Inc.</b>	VDTA	Office Tower Interior – Production Architect	\$ 638,735	\$ -
<b>American Design, Inc.</b>	VDTA	Fitness Center	\$ 109,400	\$ -
<b>Barrientos Design &amp; Consulting</b>	Kendall Heaton Associates	Van Buren Bridge Project – Full Services	\$ 117,360	\$ -
<b>Con-Cor Company, Inc.</b>	Giles Engineering Associates	Concrete Coring	\$ 79,043	\$ 68,243
<b>Continuum Architects + Planners, S.C.</b>	Kendall Heaton Associates	Code Review and Permit Expediting Services	\$ 31,320	\$ 4,698
<b>Continuum Architects + Planners, S.C.</b>	Kendall Heaton Associates	Old North Building Basement Project – Full Services	\$ 97,265	\$ 14,590
<b>Dakota Intertek Corp.</b>	Giles Engineering Associates	Labor and Hand Augering Services	\$ 3,411	\$ 3,411
<b>Fusion Integrated Solutions, LLC</b>	HMA Consultants	Construction Services	\$ 45,000	\$ -
<b>IBC Engineering Services, Inc.</b>	Sebesta Blomberg & Associates	Mechanical and Electric Commissioning	\$ 42,350	\$ -
<b>IBC Engineering Services, Inc.</b>	Alvine Engineering	MEP Engineering for The Commons	\$ 495,760	\$ 137,441
<b>IBC Engineering Services, Inc.</b>	Aquatic Design & Engineering	Water Feature Consultant	\$ 33,275	\$ -
<b>PA Roeper &amp; Associates</b>	Graef	Drafting Services	\$ 22,500	\$ 17,100
<b>Prism Technical</b>	Northwestern Mutual	HR Consultant	\$ 452,451	\$ 127,933
<b>Quorum Architects, Inc.</b>	Kendall Heaton Associates	Graphics/Wayfinding Consultant	\$ 196,140	\$ 29,475
<b>Quorum Architects, Inc.</b>	The Office of James Burnett	Associate Landscape Architects	\$ 218,230	\$ 14,650
<b>Rinka Chung Architecture, Inc.</b>	VDTA	Café Project – Production Architect	\$ 66,300	\$ -
<b>Rinka Chung Architecture, Inc.</b>	VDTA	Credit Union Project – Full Services	\$ 54,300	\$ -
<b>Rinka Chung Architecture, Inc.</b>	Kendall Heaton Associates	North Parking Garage – Full Services	\$ 58,000	\$ -
<b>Rinka Chung Architecture, Inc.</b>	Buro Happold	Solar Reflectivity Site Assessment	\$ 6,000	\$ -
<b>ZS, LLC</b>	Magnusson Klemencic Associates	Structural Engineering	\$ 195,000	\$ 129,900
<b>ZS, LLC</b>	Entuitive Corporation	Building Enclosure Sub-Consultant	\$ 42,950	\$ -
<b>ZS, LLC</b>	Northwestern Mutual	Laser Scan	\$ 51,000	\$ -
<b>ZS, LLC</b>	Kendall Heaton Associates	Structural Engineering	\$ 23,124	\$ 23,124
<b>ZS, LLC</b>	Applied Technical Services, Inc.	Exterior Building Maintenance	\$ 49,319	\$ -
<b>TOTAL SBE PARTICIPATION</b>			<b>\$3,182,573</b>	<b>\$ 612,288</b>
<b>SBE PARTICIPATION AS PERCENTAGE OF TOTAL CONTRACT VALUE AND PAID TO DATE</b>			<b>35.3%</b>	<b>21.8%</b>

## RINKA CHUNG ARCHITECTURE, INC.

is an SBE firm that is, as principal owner Matt Rinka (bottom right) says, "always interested in helping develop the city of Milwaukee." Since the company got its start in 2006, Rinka Chung has grown from a sole proprietorship to a corporation. Explaining how large and small projects alike can have a major effect on a city, Matt cites his firm's work on The Moderne and the new park on Martin Luther King Jr. Drive. "Our vision is to inspire through design," Matt says. That drive to develop the city is what first interested his firm in finding work on The Northwestern Mutual Tower and Commons.

Matt also shares his thoughts on Northwestern Mutual's effort to include local firms in the project. "It is essential to involve local talent. It's critical to us because it's in our front yard. If we don't do a good job, we must live with it. Local companies and workers from the community are invested in setting the bar high."



## THE EAST BUILDING DECOUPLING PROJECT

Before The Tower and Commons could be built, the existing east office building on Northwestern Mutual's campus had to be deconstructed and removed. This required first decoupling some utilities that had served the south building. The decoupling project severed these ties between the buildings.

The work included:

- Removal of electrical, water, chilled water, gas and telecommunications utilities
- Construction of a temporary chilled water/emergency generator plant to serve the south building
- A new electrical service entrance room and new electrical feeds from We Energies

Northwestern Mutual hired C.G. Schmidt, Inc, as the general contractor for the decoupling project and requested that the construction firm make a significant commitment to hiring small business enterprises and utilizing local residents for as much work as possible. This request was consistent with the human resource agreement with the city, which had not yet been finalized at the time.

C.G. Schmidt worked closely with Prism to ensure legitimate participation of SBEs providing a commercially useful function. To help ensure opportunities for local underemployed workers, Prism contacted workforce organizations such as the Wisconsin Regional Training Program/Big Step, the Milwaukee Area Workforce Investment Board, local unions and others.

The adjusted contract value of the decoupling project, in accordance with the terms of the HR agreement, was \$3,579,054. SBE firms received \$917,742, or 25.6 percent of the total.

**SBE firms received \$917,742,  
or 25.6 percent of the total.**

TABLE 2: EAST BUILDING DECOUPLING SBE PARTICIPATION (General Contractor: C.G. Schmidt, Inc.)

SBE FIRM	SUBCONTRACTOR TO	TRADE/DESCRIPTION OF WORK	TOTAL CONTRACT AMOUNT	AMOUNT PAID THROUGH 3/31/14
<b>Con-Cor Company, Inc.</b>	C.G. Schmidt, Inc.	Concrete Cutting	\$ 1,139	\$ 1,139
<b>Con-Cor Company, Inc.</b>	Staff Electric Company, Inc.	Electrical	\$ 10,350	\$ 10,350
<b>Dairyland Electric Company, Inc.</b>	Staff Electric Company, Inc.	Switchgear	\$ 2,209	\$ 2,209
<b>Dairyland Electric Company, Inc.</b>	Staff Electric Company, Inc.	Electrical	\$ 306,320	\$ 306,320
<b>Duwe Metal Products, Inc.*</b>	C.G. Schmidt, Inc.	Acoustic Screen Wall	\$ 60,304	\$ 60,304
<b>Hard Rock Sawing &amp; Drilling *</b>	J.F. Ahern Co.	Concrete Cutting	\$ 9,240	\$ 9,240
<b>Hawks Utility Locating *</b>	C.G. Schmidt, Inc.	Foundations and Helical Piers	\$ 27,929	\$ 27,929
<b>KMI Construction</b>	C.G. Schmidt, Inc.	Masonry	\$ 4,150	\$ 4,150
<b>National Athletic Turf *</b>	Stano Landscaping, Inc.	Hardscape Restoration	\$ 50,850	\$ 50,850
<b>Rockwell Mechanical, LLC</b>	J.F. Ahern Co.	Chiller Procurement	\$ 386,250	\$ 386,250
<b>Rockwell Mechanical, LLC</b>	J.F. Ahern Co.	Chiller Installation	\$ 32,130	\$ 32,130
<b>Sonag Ready Mix, LLC</b>	C.G. Schmidt, Inc.	CIP Concrete	\$ 20,846	\$ 20,846
<b>Tremmel-Anderson Trucking, LLC</b>	New Berlin Grading	Trucking	\$ 6,025	\$ 6,025
<b>TOTAL SBE PARTICIPATION</b>			<b>\$ 917,742</b>	<b>\$ 917,742</b>
<b>SBE PARTICIPATION AS PERCENTAGE OF TOTAL CONTRACT VALUE AND PAID TO DATE</b>			<b>25.6%</b>	<b>25.6%</b>

\* As the project allows the utilization of certified disadvantaged business enterprises (DBEs) if SBEs are not available or practicable for a particular trade or task, the SBE column in Table 2 and those that follow may also include DBEs. These are noted by asterisk.

SBE contractor **Dairyland Electric** held a contract to provide lighting insulation service and ensure switchgear was properly installed during the east building decoupling project. Dairyland owner **Chris Martinez** (right) stated that attaining the contract, as a subcontractor to Staff Electric, allowed him to continue to employ some long-term company employees who otherwise may have been laid off. Chris expressed gratitude for the opportunity and excitement about the Northwestern Mutual project. "It is assisting Milwaukee with taking such a beautiful turn," he says.





SBE contractor **Rockwell Mechanical** worked with mechanical contractor **J.F. Ahern Co.** to provide industrial HVAC services during the east building decoupling project. Owner **Antonio Velez** (right) says, "I am honored to be a part of such a high-profile project that is redeveloping the city of Milwaukee." Antonio appreciated the project team's assurance that his company was able to provide meaningful contracting services that developed his expertise as an owner and project manager and utilized his employees' skills.



and SBEs have been awarded contracts totaling \$1,765,070. The total expected SBE participation on the deconstruction project is 25 percent. As of March 31, 2014, Veit has been paid \$1,969,002, and SBEs have been paid \$277,081, or 14.1 percent.

**The total expected SBE participation on the deconstruction project is 25 percent.**

**As of March 31, 2014, Veit has been paid \$1,969,002, and SBEs have been paid \$277,081, or 14.1 percent.**

## THE EAST BUILDING DECONSTRUCTION PROJECT

The multi-layered, floor-by-floor deconstruction of the east building began in December 2013. As part of the project's sustainability efforts, at least 75 percent of the materials removed from the building will be recycled, and several trees from the project site were replanted on Northwestern Mutual's Franklin campus.

Prior to awarding the contract to Veit & Company, Inc., a list of qualified bidders was developed by seeking data from a number of local and national firms, including SBEs. When the list of bidders was finalized, they were all provided access to Prism Technical, which in turn conducted an email campaign to alert certified SBEs, other small businesses, support agencies and others of the opportunity to compete for work on the project.

The qualified bidders also met with WRTP/Big Step to discuss the process of obtaining RPP workers for the project. Veit & Company demonstrated to the Northwestern Mutual team that they were familiar with SBE and RPP targets and committed to 25 percent SBE participation and 40 percent RPP participation by conclusion of their project.

Veit's contract, including change orders, is \$7,070,693,



Pictured: McDowell Construction Corp. Owner Sean McDowell (top), Veit workers Ka-Ron Sanders (bottom right) and Gregory Greer (bottom left)

TABLE 3: EAST BUILDING DECONSTRUCTION SBE PARTICIPATION (General Contractor: Veit & Company, Inc.)

SBE FIRM	SUBCONTRACTOR TO	TRADE/DESCRIPTION OF WORK	TOTAL CONTRACT AMOUNT	AMOUNT PAID THROUGH 3/31/14
<b>Autumn Trucking, Inc.</b>	Veit & Company, Inc.	Fuel and Oil	\$ 196,546	\$ 20,512
<b>Dairyland Electric Company, Inc.</b>	Staff Electric Company, Inc.	Electrical Work	\$ 17,875	\$ 11,440
<b>Marek Landscaping, LLC</b>	Veit & Company, Inc.	Erosion Control	\$ 54,921	\$ 44,417
<b>McDowell Construction Corp.</b>	Veit & Company, Inc.	Fencing	\$ 68,728	\$ 61,855
<b>Rams Contracting, Ltd.</b>	Veit & Company, Inc.	Trucking	\$ 452,000	\$ -
<b>Valente Transport, Inc.</b>	Veit & Company, Inc.	Trucking/Disposal	\$ 975,000	\$ 138,857
<b>TOTAL SBE PARTICIPATION</b>			<b>\$ 1,765,070</b>	<b>\$ 277,081</b>
<b>SBE PARTICIPATION AS PERCENTAGE OF TOTAL CONTRACT VALUE AND PAID TO DATE</b>			<b>25.0%</b>	<b>14.1%</b>

## THE UTILITY RELOCATION PROJECT

The utility relocation project included replacing and relocating an existing 15-inch diameter combined sewer and a 36-inch diameter water main on the Northwestern Mutual campus.

The replacement combined sewers were installed under East Wisconsin Avenue, North Prospect Avenue and East Mason Street, and existing combined sewers were abandoned. The new replacement water main is installed along North Van Buren Street and East Mason Street.

Prior to awarding the utility relocation contract to Globe Contractors, Inc., a list of qualified bidders was developed by seeking data from a number of local and national firms, including SBEs. When the list of bidders was finalized, they were all provided access to Prism Technical, which in turn conducted an email campaign

to alert certified SBEs, other small businesses, support agencies and others of the opportunity to compete for work on the project. The qualified bidders also met with WRTP/Big Step to discuss the process of obtaining RPP workers for the project. Globe Contractors contractually committed to 25 percent SBE participation and 40 percent RPP participation by conclusion of their project.

Globe's contract is \$3,988,610, and SBEs have contracts totaling \$972,406. The current expected SBE participation on the utility relocation project is 24.4 percent. Globe is seeking additional participation to meet or exceed its contractual 25 percent requirement. **Through March 31, 2014, Globe was paid \$ 1,717,576. SBEs were paid \$624,369, or 36.4 percent.**

**SBEs were paid \$624,369,  
or 36.4 percent.**

TABLE 4: UTILITY RELOCATION SBE PARTICIPATION (General Contractor: Globe Contractors, Inc.)

SBE FIRM	SUBCONTRACTOR TO	TRADE/DESCRIPTION OF WORK	TOTAL CONTRACT AMOUNT	AMOUNT PAID THROUGH 3/31/14
<b>Arrow-Crete Construction, LLC</b>	Globe Contractors, Inc.	Concrete	\$ 148,800	\$ 19,399
<b>Autumn Trucking, Inc.</b>	Globe Contractors, Inc.	Fuel	\$ 80,000	\$ 44,780
<b>Con-Cor Company, Inc.</b>	Globe Contractors, Inc.	Sawing	\$ 20,000	\$ 5,022
<b>EKG Trucking, LLC</b>	Globe Contractors, Inc.	Trucking/Permits	\$ 507,600	\$ 361,075
<b>McDowell Construction Corp.</b>	Globe Contractors, Inc.	Asphalt	\$ 46,256	\$ -
<b>Metropolitan Services, Inc.</b>	Globe Contractors, Inc.	Traffic Control	\$ 13,750	\$ 146,163
<b>Vizcainos Trucking, LLC</b>	Globe Contractors, Inc.	Trucking	\$ 156,000	\$ 47,930
<b>TOTAL SBE PARTICIPATION</b>			<b>\$ 972,406</b>	<b>\$ 624,369</b>
<b>SBE PARTICIPATION AS PERCENTAGE OF TOTAL CONTRACT VALUE AND PAID TO DATE</b>			<b>24.4%</b>	<b>36.4%</b>

EKG Trucking, LLC, is an SBE firm founded in 1980 by Ed Grober (right). In the 34 years since he bought that first truck to get the business started, EKG has grown its fleet to more than 20 quad-axle dump trucks and semis. EKG worked as a subcontractor to Globe to haul materials to and from the Northwestern Mutual project site. Ed describes industry margins as “tight” but notes that in the last six weeks of the project he hired three new drivers. He also expresses satisfaction with seeing another big project in the city. “It’s nice to see more work in the city,” he says. “When more projects stay in the city, the city can grow.”



# RPP Participation

Table 5 shows total project hours through March 31, 2014, and the RPP requirement based on those hours. While the project's RPP requirement is based upon the total percentage at project completion, total RPP participation through March 31, 2014, was 43.5 percent, exceeding the 40 percent target by more than 1,410 hours.

**Total RPP participation through March 31, 2014, was 43.5 percent, exceeding the 40 percent target by more than 1,410 hours.**

RPP workers have worked nearly 18,000 hours before construction of The Tower and Commons has even started. Following Table 5 are several breakdowns of RPP participation by project. Note: some tables showing related or aggregated data may differ slightly due to rounding.

**TABLE 5: RPP PARTICIPATION THROUGH MARCH 31, 2014**

<b>TOTAL CONSTRUCTION HOURS</b>	<b>40,621.2</b>
<b>Multiplied by 40%</b>	16,248.5
<b>Applicable RPP Goal</b>	40.0%
<b>Total RPP Construction Hours</b>	17,658.9
<b>RPP Hour Surplus/Shortfall</b>	1,410.4
<b>RPP Percentage (Total RPP Construction Hours/Total Construction Hours Worked)</b>	43.5%

C.G. Schmidt employee **Alexander Harmon** (right), a certified RPP worker, worked as a cement finisher apprentice on the east building decoupling project. He sees the Northwestern Mutual project and other projects that develop the city as great job opportunities for apprentices like him. "I'm thrilled to have worked on the Northwestern Mutual project," he says. "It's wonderful and interesting learning about such an awesome project and improving my skills." Alexander is also confident about work in 2014. He believes his RPP certification, combined with his job skills and dedication to making a difference in his community, will also help him get jobs in the future.



TABLE 6: EAST BUILDING DECOUPLING RPP PARTICIPATION BY CONTRACTOR (General Contractor: C.G. Schmidt, Inc.)

CONTRACTOR	TRADE	ONSITE CONSTRUCTION HOURS THROUGH 3/31/14			
		Projected RPP%	Total Hours	RPP Hours	RPP%
<b>C.G. Schmidt, Inc.</b>	General Contractor / Demo	20.0%	1,048.0	4575	43.7%
<b>Architectural Products of Wausau, Ltd.</b>	Acoustic Screen Wall	40.0%	387.8	1678	43.3%
<b>Con-Cor Company, Inc.</b>	Electrical	0.0%	71.5	0.0	0.0%
<b>Chilstrom Erecting Corporation</b>	CIP Concrete	0.0%	61.0	54.5	89.3%
<b>Dairyland Electric Company, Inc.</b>	Electrical	0.0%	464.0	464	100.0%
<b>Duwe Metal Products Inc.</b>	Acoustic Screen Wall	0.0%	16.0	0.0	0.0%
<b>Hawks Utility Locating</b>	Foundations / Helical Piers	0.0%	161.8	0.0	0.0%
<b>High Voltage Maintenance</b>	Electrical	0.0%	73.5	0.0	0.0%
<b>J.F. Ahern Co.</b>	Mechanical / Plumbing	40.9%	2,614.7	722.5	27.6%
<b>KMI Construction, LLC</b>	Masonry	0.0%	52.0	0.0	0.0%
<b>Marshall Erecting</b>	Electrical	0.0%	71.0	19.5	27.5%
<b>Midwest Drilled Foundations &amp; Engineering, Inc.</b>	Helical Piers	50.0%	242.0	118.5	49.0%
<b>Munson, Inc.</b>	Fencing	0.0%	69.0	0.0	0.0%
<b>Natural Athletic Turf, LLC</b>	Hardscape Restoration	45.6%	438.3	94.3	21.5%
<b>New Berlin Grading</b>	Excavating	50.0%	181.5	89.5	49.3%
<b>Precise Excavating, LLC</b>	Operating Engineer	0.0%	110.0	0.0	0.0%
<b>Rockwell Mechanical, LLC</b>	Mechanical / Plumbing	0.0%	119.0	119.0	100.0%
<b>Staff Electric Company, Inc.</b>	Electrical	40.8%	5,038.5	2,072.0	41.1%
<b>Stano Landscaping, Inc.</b>	Hardscape Restoration	0.0%	20.3	0.0	0.0%
<b>State Painting Co.</b>	Painting	0.0%	160.0	0.0	0.0%
<b>PROJECT TOTALS</b>		<b>38.3%</b>	<b>11,399.9</b>	<b>4,379.1</b>	<b>38.4%</b>

Staff Electric was hired to provide electrical services for the east building decoupling project. Staff electrician **George Lobasz** (right), a certified RPP worker, worked on the project. "I was laid off when I received a phone call regarding the Northwestern Mutual project," says George. "My RPP certification helped me get this opportunity." George stresses the potential of Northwestern Mutual's commitment to ensure RPP participation. "It has a tremendous amount of potential for city residents looking for work in the construction field," he says.



TABLE 7: EAST BUILDING DECOUPLING RPP PARTICIPATION BY TRADE (General Contractor: C.G. Schmidt, Inc.)

TRADE	NUMBER OF RPP WORKERS	ZIP CODE	TOTAL RPP HOURS THROUGH 3/31/14
<b>Carpenter &amp; Soft Floor Layer</b>	1	53207	93.5
	1	53215	74.3
	1	53218	48.0
	1	53219	65.0
	1	53222	197.0
<b>Cement Mason/Concrete Finisher</b>	1	53222	102.5
	1	53224	31.5
<b>Electrician</b>	1	53206	464.0
	1	53212	57.0
	1	53219	1,241.5
	1	53221	773.5
<b>General Laborer</b>	1	53212	118.5
	1	53218	11.5
	1	53222	2.0
<b>Ironworker</b>	1	53205	54.5
	1	53215	19.5
<b>Landscaper</b>	1	53204	94.3
<b>Pipefitter</b>	1	53207	54.5
	1	53225	16.0
	1	53216	550.5
<b>Plumber</b>	1	53215	101.5
<b>Power Equipment Operator</b>	1	53212	89.5
<b>Steamfitter</b>	1	53224	119.0
<b>TOTALS</b>	<b>23</b>	<b>—</b>	<b>4,379.1</b>

TABLE 8: EAST BUILDING DECONSTRUCTION RPP PARTICIPATION BY CONTRACTOR (General Contractor: Veit & Company, Inc.)

CONTRACTOR	TRADE	ONSITE CONSTRUCTION HOURS THROUGH 3/31/14			
		Projected RPP%	Total Hours	RPP Hours	RPP%
<b>Veit &amp; Company, Inc.</b>	General Contractor	40.0%	14,635.0	5,430.5	37.1%
<b>Brand Energy Service</b>	Specialty Services	0.0%	3,584.5	1,337.0	37.3%
<b>Chilstrom Erecting Corporation</b>	Erecting	0.0%	44.0	12.0	27.3%
<b>Dairyland Electric Company, Inc.</b>	Electrical	100.0%	233.0	233.0	100.0%
<b>Elite Environmental Service</b>	Tank Cleaning	0.0%	12.3	0.0	0.0%
<b>Faust Company, Inc.</b>	Utility Disconnects	0.0%	92.5	0.0	0.0%
<b>Greg Rouse Trucking</b>	Trucking	0.0%	8.5	8.5	100.0%
<b>Integrity Environmental, Inc.</b>	Asbestos Abatement	80.9%	2,544.5	2,183.5	85.8%
<b>J &amp; J Contracting, LLC</b>	Waste Removal	40.0%	683.0	352.50	51.6%
<b>J.T. Farina Enterprises, LLC</b>	Trucking	0.0%	85.5	69.5	81.3%
<b>Marek Landscaping, LLC</b>	Erosion Control	44.6%	22.5	0.0	0.0%
<b>McDowell Construction Corp.</b>	Fencing	100.0%	196.0	177.0	90.3%
<b>Renegade Trucking, LLC</b>	Trucking	0.0%	15.0	15.0	100.0%
<b>Reynolds Rigging &amp; Crane Service, Inc.</b>	Crane Rental	0.0%	830.5	0.0	0.0%
<b>Schlarb Contractors</b>	Trucking	0.0%	25.0	7.5	30.0%
<b>Staff Electric Company, Inc.</b>	Electrical	70.5%	722.5	331.5	45.9%
<b>Titan Building Company</b>	Carpenter	0.0%	479.0	106.5	22.2%
<b>Valente Transport, Inc.</b>	Trucking Disposal	0.0%	400.5	249.8	62.4%
<b>PROJECT TOTALS</b>		<b>44.6%</b>	<b>24,613.8</b>	<b>10,513.8</b>	<b>42.7%</b>

Milwaukee Code of Ordinances (MCO) Section 355-7(1)(a) notes that for the purpose of calculating RPP participation, "worker hours"...excludes the number of hours of work performed by all non-Wisconsin residents." In this report, all onsite construction hours are included, including those worked by non-Wisconsin residents. Veit is a Minnesota-based firm with a sizable Milwaukee presence. While the majority of its workers on the Northwestern Mutual project are Wisconsin residents, if the hours for non-Wisconsin residents are removed from the calculations presented herein, Veit's RPP participation according to the MCO rises from 42.7% to 51.2% (10,513.8 of 20,228.8 hours), and the total project RPP participation rises from 43.5% to 48.7% (17,658.9 of 36,236.2 hours).

TABLE 9: EAST BUILDING DECONSTRUCTION RPP PARTICIPATION BY TRADE (General Contractor: Veit & Company, Inc.)

TRADE	NUMBER OF RPP WORKERS	TOTAL RPP HOURS THROUGH 3/31/14
Asbestos Abatement Worker	8	1,816.5
Electrician	5	564.5
Fence Erector	3	177.5
General Laborer	27	5,655.5
Ironworker	1	12.0
Power Equipment Operator	5	1,883.0
Truck Driver	8	405.2
<b>TOTAL</b>	<b>57</b>	<b>10,513.8</b>

TABLE 10: UTILITY RELOCATION RPP PARTICIPATION BY CONTRACTOR (General Contractor: Globe Contractors, Inc.)

CONTRACTOR	TRADE	ONSITE CONSTRUCTION HOURS THROUGH 3/31/14			
		Projected RPP%	Total Hours	RPP Hours	RPP%
Globe Contractors, Inc.	General Contractor	15.0%	2,851.0	1,057.5	37.1%
Arrow-Crete Construction	Concrete	66.7%	80.5	32.5	40.4%
Con-Cor Company, Inc.	Sawing	50.0%	0.0	0.0	0.0%
EKG Trucking, LLC	Permits/Trucking	70.0%	1,106.0	1,106.0	100.0%
McDowell Construction Corp	Asphalt	66.7%	0.0	0.0	0.0%
Vizcainos Trucking, LLC	Trucking	90.0%	570.0	570.0	100.0%
<b>PROJECT TOTALS</b>		<b>40.0%</b>	<b>4,607.5</b>	<b>2,766.0</b>	<b>60.0%</b>





Chad Kolpack (far left) and Angel Nieves (near left) are both RPP workers for **Globe Contractors, Inc.** The two Milwaukee residents have worked on projects together for more than a decade.

Chad has worked in construction as an operator engineer for 21 years. "It's a good career," he says. "I'm thankful for it every day." His passion for the job is easy to see as he discusses the skills he's learned as an operator over the years. Chad is confident about future opportunities and understands the significance of city development projects like The Tower and Commons. "The RPP certification has helped me keep work, especially when the economy was down," he says. "I appreciate it, and it's nice to be able to work in the city I live in and my son is growing up in. I love Milwaukee. It has changed so much over the last 20 years, and it's going to keep changing. I'm glad to be a part of that."

Angel got his start in construction in 1987 and is glad he doesn't have to be "stuck in one place or working in an office all the time." On the utility relocation project, he performed grading and compacting work, along with final touchups. Angel says the RPP certification helped him so much that he referred other Milwaukee residents to the program. "And they also found work there," he says. Before construction, Angel was driving flatbed trucks, mostly plant cargo, from place to place. He's happy to now be working on a project in Milwaukee. "It feels good when I can drive by and say 'I was a part of that.'"

**TABLE 11: UTILITY RELOCATION RPP PARTICIPATION BY TRADE** (General Contractor: Globe Contractors, Inc.)

TRADE	NUMBER OF RPP WORKERS	ZIP CODE	TOTAL RPP HOURS THROUGH 3/31/14
<b>General Laborer</b>	1	53204	8.0
	2	53207	24.5
	1	53208	394.0
<b>Heavy Equipment Operator</b>	1	53215	663.5
<b>Three or More Axle</b>	1	53209	100.5
	1	53215	400.0
	2	53223	605.5
<b>Truck Driver</b>	1	53207	206.0
	4	53215	283.0
	1	53219	81.0
<b>TOTALS</b>	<b>15</b>	<b>—</b>	<b>2,766.0</b>

# Apprenticeship Participation

Northwestern Mutual includes apprenticeship requirements in its construction contracts, in accordance with the human resources agreement. Apprenticeships combine classroom instruction with on-the-job learning while working on construction projects under the supervision of experienced journey workers. The

availability of construction apprenticeships varies by trade, employer and market fluctuations. Contractors on Northwestern Mutual's project are asked to maximize the number of apprentices utilized in accordance with guidelines issued by the Wisconsin Department of Workforce Development.

TABLE 12: EAST BUILDING DECOUPLING APPRENTICESHIP PARTICIPATION THROUGH MARCH 31, 2014

TRADE	JOURNEYMEN	APPRENTICES	UNION LOCAL
<b>Bricklayer</b>	2		Local 8
<b>Carpenter &amp; Soft Floor Layer</b>	12	1	Local 161
<b>Cement Mason/Concrete Finisher</b>	6	2	Local 599
<b>Electrician</b>	17		Local 494
<b>General Laborer</b>	31	1	Local 113
<b>Ironworker</b>	3	1	Local 8
<b>JM Painter</b>	3		Local 7
<b>Landscaper Foreman</b>	3		Local 113
<b>Landscaper Laborer</b>	7		Local 113
<b>Landscaper Union</b>	3		Local 113
<b>Millwright</b>	4	1	Local 1056
<b>Operating Engineer</b>	1		Local 139
<b>Pipefitter</b>	17	6	Local 183
<b>Plumber Laborer</b>	2	3	Local 75
<b>Power Equipment Operator</b>	6		Local 139
<b>Sheet Metal Worker</b>	3	1	Local 18
<b>Sprinkler Fitter</b>	1		Local 183

TABLE 13: EAST BUILDING DECONSTRUCTION APPRENTICESHIP PARTICIPATION THROUGH MARCH 31, 2014

TRADE	JOURNEYMEN	APPRENTICES	UNION LOCAL
<b>Asbestos Abatement Worker</b>	11		Local 113
<b>Carpenter</b>	16		Local 161
<b>Cement Finisher</b>	2		Local 599
<b>Electrician</b>	8		Local 494
<b>Fence Erector</b>	5		Local 113
<b>General Laborer</b>	62		Local 113
<b>Ironworker</b>	10		Local 8
<b>Landscape Laborer</b>	4		Local 113
<b>Pipefitter</b>	1		Local 183
<b>Plumber</b>	2		Local 75
<b>Power Equipment Operator</b>	29		Local 139

TABLE 14: UTILITY RELOCATION APPRENTICESHIP PARTICIPATION THROUGH MARCH 31, 2014

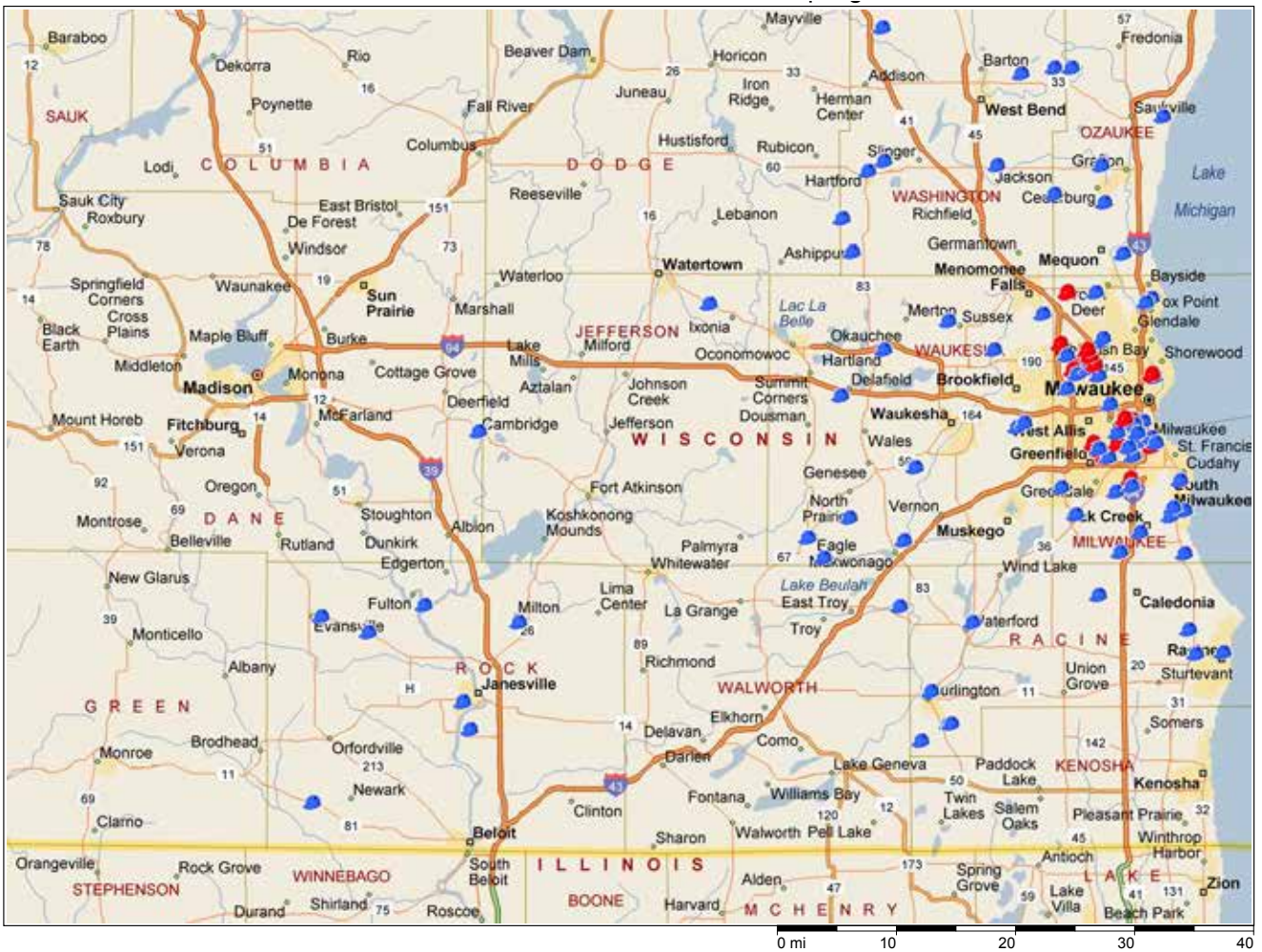
TRADE	JOURNEYMEN	APPRENTICES	UNION LOCAL
<b>Asbestos Abatement Worker</b>	11		Local 113
<b>Carpenter</b>	16		Local 161
<b>Cement Finisher</b>	2		Local 599
<b>Electrician</b>	8		Local 494
<b>Fence Erector</b>	5		Local 113
<b>General Laborer</b>	62		Local 113
<b>Ironworker</b>	10		Local 8
<b>Landscape Laborer</b>	4		Local 113
<b>Pipefitter</b>	1		Local 183
<b>Plumber</b>	2		Local 75
<b>Power Equipment Operator</b>	29		Local 139

# Maps

On the following pages are maps showing the residences of workers on each of the first three construction projects related to the Tower and Commons, with RPP workers shown in red.

NORTHWESTERN MUTUAL TOWER WORKFORCE - DECOUPLING

- Northwestern Mutual Tower Workforce-...
- Non-RPP
  - RPP



Copyright © and (P) 1988–2006 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/mappoint/>  
 Portions © 1990–2005 InstallShield Software Corporation. All rights reserved. Certain mapping and direction data © 2005 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2005 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc.

## NORTHWESTERN MUTUAL TOWER WORKFORCE - UTILITY RELOCATION

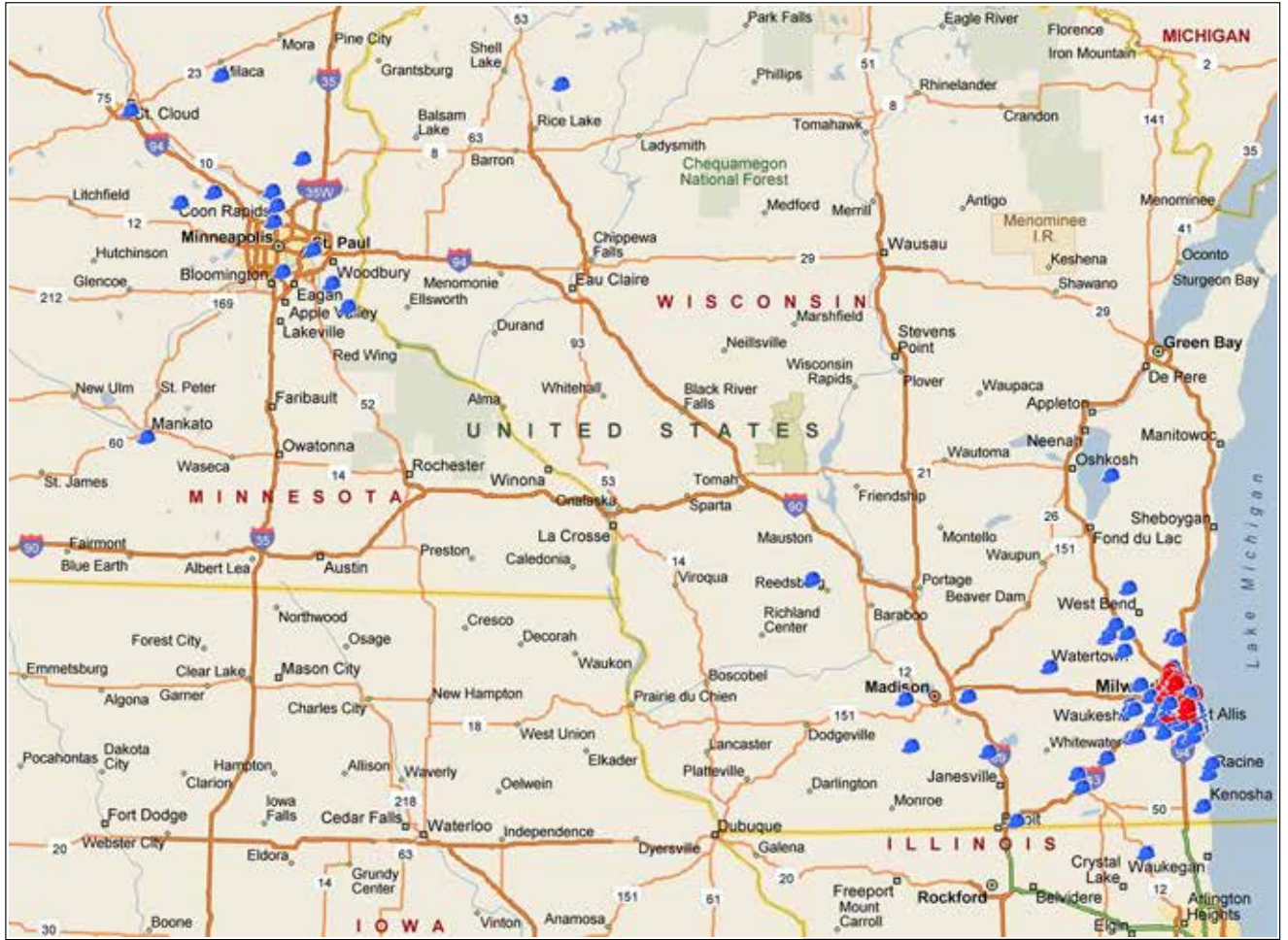
**Northwestern Mutual Tower Workforce - Utility Relocation**  
 ● Non-RPP  
 ● RPP



Copyright © and (P) 1988–2006 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/mappoint/>  
 Portions © 1990–2005 InstallShield Software Corporation. All rights reserved. Certain mapping and direction data © 2005 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2005 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc.

## NORTHWESTERN MUTUAL TOWER WORKFORCE - DECONSTRUCTION

Northwestern Mutual Tower Workforce - Deconstruc...  
 ● Non-RPP  
 ● RPP



Copyright © and (P) 1988–2006 Microsoft Corporation and/or its suppliers. All rights reserved. <http://www.microsoft.com/mappoint/>  
 Portions © 1990–2005 InstallShield Software Corporation. All rights reserved. Certain mapping and direction data © 2005 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2005 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc.

Northwestern Mutual Campus Connection Project |  
SBE/RPP Outreach Activities

Activity	Audience	Location	Date/Time	Status
SBE Information Session (I)	SBE Trades and Suppliers RPP/Skilled Trades	1555 N. RiverCenter Drive Auditorium Milwaukee, WI	Tuesday, May 20, 2014; 4:00 p.m.	Event attended by 25 SBE firms; key stakeholders and community leaders.
Pre-Bid Conference	Prime Contractors	1555 N. RiverCenter Drive Auditorium Milwaukee, WI		
	SBE Trades and Suppliers			
	RPP/Skilled Trades			
Architectural Trades (A Trades)	Technical Briefing		Wednesday, May 21, 2014; 1:30 p.m.	Briefing attended by 10 MEP prime bidders and SBE Trades
	Teaming Workshop with networking and plan review.			
	Prism: SBE Briefing WRTP (Buford): RPP Briefing			
MEP Trades	Prism: SBE Briefing WRTP (Buford): RPP Briefing		Wednesday, May 21, 2014; 3:30 p.m.	Briefing attended by 10 MEP prime bidders and SBE Trades
The Business Council - affinity group of the MMAC	Contracting opportunities; subcontractors; suppliers; videotape 2-3 principals for future matchmaking.	Gilbane Building Company offices	Monday, June 2, 2014; 4:00 p.m.	Briefing attended by 14 SBE/DBE experienced firms; well positioned for partnering opportunities in Phase III and IV bidding
City of Milwaukee Small Business Sustainability Conference	SBE Trades and Suppliers City of Milwaukee Departments Milwaukee OSBD Tom Neider and Linda Graves presenters	ManpowerGroup Headquarters	Tuesday, June 3, 2014 1:30 p.m.	Briefing attended by 35 SBE/DBE firms
Ezekiel Community Development Corporation (contractor group under MICAH Jobs & Economics Committee (12 - 14 attendees)	SBE Trades; RPP Employers	Project Overview; subcontracting opportunities	Wednesday, June 4, 2014; 2:00 p.m.	12 very small businesses; RPP journey-level tradespeople.

Northwestern Mutual Campus Connection Project |  
SBE/RPP Outreach Activities

Activity	Audience	Location	Date/Time	Status
Office of Federal Contract Compliance (OFCCP); Employment Over Recidivism, a Roundtable Discussion on Overcoming Ex-Offender Employment Barriers	Community Based Organizations; Federal Contractors; Academia and Federal Agencies; Linda Graves, Gilbane   C. G. Schmidt; Earl Buford, WRTP; Construction Industry; Workforce Opportunities;	Federal Building: 310 West Wisconsin Avenue, Suite 1200 East Tower Milwaukee, Wisconsin 53203	Wednesday, June 11, 2014; 9:00 a.m. -- 12:00 p.m.	10 community based organizations; OFCCP/EEOC staff; MICAH; Word of Hope Ministries and WRTP. Primary interest in Workforce opportunities.
SBE Information Session (II)	SBE Trades and Suppliers RPP/Skilled Trades	1555 N. RiverCenter Drive Auditorium Milwaukee, WI	Wednesday, June 11, 2014 5:00 p.m.	34 SBE firms attended; connected to prime bidders; certification and RPP resources.
SBE Information Session (III)	SBE Trades and Suppliers RPP/Skilled Trades	Potawatomi Hotel & Casino Event Center 1721 W. Canal Street Milwaukee, Wisconsin (co-hosted with the American Indian Chamber of Commerce)	Monday, June 30, 2014; 9:00 a.m. (confirmed)	
SBE Information Session (IV)	SBE Trades and Suppliers RPP/Skilled Trades	United Methodist Children's Services 3940 W. Lisbon Ave Second Floor Milwaukee, Wisconsin 53208 (co-hosted by Ald. Russell Stamper - 15th Aldermanic District)	Monday, June 30, 2014; 1:00 p.m. (confirmed)	



Northwestern Mutual Campus Connection Project |  
SBE/RPP Outreach Activities

Activity	Audience	Location	Date/Time	Status
Pre-Bid Meeting II (Architectural Trades B) and Matchmaking Session	Prime Contractors	ManpowerGroup Headquarters – HUBS 1, 2, and 3 100 Manpower Place Milwaukee, Wisconsin 53212	Wednesday, July 2, 2014	
	SBE Trades and Suppliers			
	RPP Skilled Trades Includes SBE/RPP Briefing			
	<b><i>Tentative Schedule</i></b>	Welcome	8:00 a.m.	
		Matchmaking Sessions (A)	8:00 - 9:00 a.m.	
		Technical Briefing & SBE/RPP Briefing	9:30 - 11:00 a.m.	
		Matchmaking Session (B)	11:00 - 12:00 p.m.	
Matchmaking Session	Prime Contractors	TBD	Wednesday, July 16, 2014; 1:00 - 3:00 p.m.	
	SBE Trades and Suppliers			
Other Opportunities TBD				