



# 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,  
clee@milwaukee.gov*

*Legislative Liaison, Andrew VanNetta, 286-2253,  
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Thursday, February 25, 2016

9:00 AM

City Hall, Room 301-B, Third Floor

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#### 1. Call to Order.

*Meeting called to order at 9:03 a.m.*

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

#### 2. Approval of the Previous Meeting Minutes from February 11, 2016.

*Ms. Lutzka moved approval, seconded by Ms. Purvis, of the meeting minutes from February 11, 2016 with the amendment that the word "ports" be changed to "reports" on page 4. There were no objections.*

#### 3. Introductory Remarks.

*-Introduction of members*

*Members made brief introductions.*

*-Brief overview of objectives and goals*

*Ald. Stamper said the meeting is a second opportunity to have an open and candid conversation about improving the RPP program.*

#### 4. Discussion with outside community agency representatives on the City's workforce development and economic participation initiatives (RPP, SBE, LBE) relative to successes, failures, and suggestions for improvement.

*(Developers, contractors, compliance monitors, trades, unions, RPP workers, training agencies, commerce)*

*-Introduction of representatives present*

*Representatives present at the table:*

*Therius Campbell, Northcott Neighborhood House Assistant Supervisor*

*Randy Crump, Prism Technical*

*Carla Cross, Cross Management Services President & CEO*

*Lauri Rollings, Plumbing Mechanical Sheet Metal Contractors' Alliance Executive*

*Director*

*Dan Bukiewicz, Milwaukee Building & Construction Trades Council President*

*Ken Kraemer, Building Advantage WI & Construction Labor Management Council*

*Executive Director*

*Joan Zepecki, Hunzinger Construction Diversity and Community Outreach Coordinator*

*Darryl Johnson, Riverworks Development Corporation Executive Director*

*Representatives made introductions.*

*Mr. Johnson said his organization has been part of the RPP program for two years with workforce employment and financial literacy programs.*

*Ms. Zepecki said she has been with Hunzinger for 21 years, was executive director at the Third Ward Association for 8 years, has experience in private and public sectors relative to workforce and diversity issues, and has been involved in over \$300 million of direct contracting to diverse firms for projects like Miller Park, Convention Center, and Milwaukee World Festivals.*

*Mr. Kraemer said his firm represents over 20,000 union construction workers and over 600 union contractors that use the RPP program.*

*Mr. Bukiewicz said his trades council is the vehicle for RPP workers to find work and develop careers and has placed RPP workers in the City.*

*Ms. Rollings said that her trade association consists of about 150 contractors in the City who employ RPP workers on a regular basis for plumbing, piping, HVAC, and other mechanical work on City projects and City funded projects.*

*Ms. Cross said her consulting firm specializes in supplying workforce diversity consulting since 1999 on many City projects and other projects in the Midwest such as Lambeau Field.*

*Mr. Crump said his consulting firm is in its 21st year, worked on Miller Park as its first project in construction management, worked with Milwaukee Public Schools on inventing the Communities in Need (COIN) program, and am responsible for voluntary inclusion of minorities, women, and RPP participation on many past and current projects such as the Northwestern Mutual project. He added that there is a real minority workforce problem.*

*Mr. Campbell said he is in the RPP program through Northcott.*

*Ald. Stamper said that the last meeting resulted in discussion about industry partnerships and collaboration, enhancement of the RPP program, ability to track and measure program outcomes and impact, and changes in RPP certification criteria to develop an efficient pipeline.*

*-Question, answer, and representative remarks*

*The question was put: Do you think the RPP program is effective? If so, how?*

*Mr. Crump replied. The RPP program is partially effective. The program does a good job focusing on putting underemployed residents to work, and the building trades are responding. There was a time in the past where the law would not allow the advancement of non-minorities. The law protected minorities and did not permit the advancement of anyone ahead of others. Through his son's legal request for a*

*determination on RPP from the State, the State responded that the RPP program addressed the same issues because of high unemployment in the City. The restriction was eased. The list from Workforce Development and the RPP list for the City do not compete with each other anymore.*

*Ms. Cross said one impact of the expansion of the RPP requirement to 40% and being citywide was the decreased of RPP certified individuals being a person of color. RPP certification increased for residents not of color. Prior to the expansion change, 70% of the workforce was coming outside of the City on projects tracked by her firm. The RPP program was originally for block grant areas and for a 21% participation requirement. The majority of people in the block grant areas are people of color, and they were more likely to be certified due to those areas being set up for the RPP program. When the program became citywide and expanded to a 40% participation requirement, people not of color outside of the block grant areas were able to become certified. The recession helped increase the number of RPP certified people not of color due to the increased number of the unemployed. The original goal of the program was to get people in the inner city to work.*

*Mr. Kraemer commented. The State presently allows for the selection of anyone of any rank on an apprenticeship list who is RPP certified. The RPP program is a tool that is being used on a regular basis now for the trades and contracting industry. Although there was a minority focus in the past, the RPP program is race and gender neutral right now. There are some other tools to help fulfill the 40% RPP participation requirement. Individuals already employed with low wages should be included in the program. The biggest hurdle is readiness due to the need for productivity, safety, and high standards on projects.*

*Ms. Rollings said that the effectiveness of the RPP program depends on perspectives and view of the goals of the program. The program is effective in getting residents to work but not for the long term. If the goal is to increase the number of city residents to have long term family sustaining careers, there is opportunity to make the program more effective by tweaking some of the requirements. The building trades rely on highly skilled specialty workers. Contractors faced the challenge of finding RPP workers with highly specialized skills, readiness, productivity, and safe work habits. Contractors have few needs for unskilled jobs and workers. A tweak in the program can be dropping the underemployment criteria and making the program applicable to all City residents. Perhaps the "underemployed" can be redefined, made less restrictive, and be inclusive of workers currently employed unsustainable jobs. Due to the underemployment criteria, RPP candidates oftentimes become victims of their own success after they are laid off.*

*Ms. Cross said there is a misunderstanding of the RPP certification criteria. There are three criteria: unemployment within the last 30 days, less than 1200 hours worked in the last 12 months, or current employment with income below the federal poverty line for the free lunch program. She has helped a person become RPP certified despite earning \$80,000 due to his big family size of 11 people. The income criteria can work and allow for highly skilled RPP workers with high income.*

*Mr. Roberts said the key to the program is to get people certified and monitor them through the program.*

*Ald. Stamper inquired about the ability for workers to acquire skills.*

*Mr. Bukiewicz replied that skills are acquired through the building trades in training facilities. His firm partners with W RTP to give people in their pipeline readiness training and evaluate them through accuplacure tests. After the accuplacure test,*

people have the discretion to pursue a trade and career to their liking based on their rank from the test. The RPP program enables people to get the opportunity to enter the building trades and obtain training and careers. The RPP certification should not be limited to income. All City residents who live and pay taxes in the City should be eligible for RPP certification. The construction industry has become efficient, required less time on project sites, and desire workers with high skills and readiness. Many people fail and drop out of the program due to not having readiness qualifications or requirements such as a driver's license, G.E.D., or being drug free. The trades continually monitor candidates for these requirements or qualifications and will replace people who fail to meet those with the next candidate. There is a cost to train or retrain people to acquire or reacquire these entry level qualifications and requirements. Safety is also a major concern for the trades.

Mr. Bukiewicz added that the RPP program is effective but can be tweaked to make improvements. Despite the focus on credit being given on actual jobs on projects in the city, some consideration or incentive should be given to contractors and RPP candidates in other respects. Perhaps credit should be given for RPP candidates who are receiving training at shops either inside or outside of the City. Also, perhaps RPP candidates who are being trained should be subsidized prior to actual employment on a project.

Ms. Zepecki said that the RPP program is a mix bag on effectiveness. The program has been effective in getting residents on job sites. There is much misconception, frustration, and misunderstanding at the subcontracting level regarding the requirements of the program. There is a perception that RPP workers lack training or are all previously unemployed. Contractors seek productivity and highly skilled workers. Contractors find much difficulty in acquiring RPP workers meeting and possessing those skills in a timely fashion. There is more benefit to the contractors to hire entry level workers and determine their value, skills, and productivity. There needs to be the flexibility to identify a worker's skillset, productivity, and understanding of the trade. The 30 day unemployment, income, and 5 year eligibility criteria for RPP certification should be reexamined because it may be detrimental to those individuals who are already employed. The key is to get residents working long term in family supporting careers. Perhaps the program can be more effective if zip codes or addresses become part of the criteria. Many small contractors lack the capacity to deal with the administrative costs and paperwork associated to the program requirements, and many shy away from bidding on contracts with the RPP participation requirement. Private companies with diversity programs oftentimes have little to no paperwork. Perhaps the paperwork and ongoing reporting of the RPP program can be minimized.

Mr. Johnson said that his organization has experienced some barriers to getting people RPP certified on the frontend. Some barriers include failed drug tests and transient living. He added that the RPP program can be made more effective if it required participation on other city services through other city departments, such as the Department of Neighborhood Services.

Ald. Stamper inquired about the RPP certification criteria and the 5 year certification period. He added that the City has not enforced the 5 year certification rule to his knowledge.

Ms. Cross replied that there is a misunderstanding that the criteria is the 30 day unemployment status. There are the other two criteria pertaining to hours worked and poverty income line. Journeymen and people with high income and experience can get RPP certified. Concerning the certification period, people should remain certified indefinitely. Her firm has been proactive relative to confirming addresses so

*RPP hours are not missed and assisting people to complete certification forms. There are 987 people in her firm's database that are RPP certified. The 5 year certification period should be removed.*

*Mr. Bukiewicz said some of the trades have had issues with the 5 year certification period, such as the case with iron workers at the Northwestern Mutual project. He added that certain classifications, such as an iron worker, do not qualify for RPP status due to not being a classification with the State. If the certification period rule is not being enforced, it should be removed. He has heard some complaints from iron workers. His contractors will use apprentices to the greatest possible extent as it lowers their composite rate on bidding.*

*Mr. Crump said that there may be a prevailing wage issue but not a RPP issue. Another issue for the trades is workers moving. Their hours would not be counted until their addresses can be confirmed.*

*Mr. Bukiewicz asked: Regardless of classification, should a worker be counted as RPP if already certified?*

*Mr. Roberts said that workers should be counted as RPP if they are performing work on the site. Permission is needed to count workers who are offsite.*

*Rhonda Kelsey, Department of Administration Purchasing Division Director, appeared and said that some of the confusion may be due to the apprenticeship ratio requirement in Ch. 355 of the City code. Contractors may be misunderstanding that they have to fulfill those apprenticeship requirements. They may be bypassing those workers if those apprenticeship requirements are not fulfilled. They may be trying to really fulfill and meet the intent of those requirements.*

*Ms. Lutzka said that the private sector may be enforcing the 5 year certification period but not the public sector. The apprenticeship percentages are determined by the Wisconsin Department of Workforce Development.*

*Ms. Zepecki said that the subcontracting community will have uncertainty towards the program given that there is current uncertainty as conveyed by the parties today. The RPP program needs to be simplified and communicated to everyone to acquire understanding and effective implementation of the program.*

*Ald. Stamper said that the reform efforts will address the uncertainty of counting RPP hours and the misunderstanding at the subcontracting level.*

*Ms. Rollings said that some of her contractors have stopped bidding on City work altogether due to the paperwork, administrative difficulties, and challenge of interpreting the program.*

*Mr. Roberts questioned the arbitrator or moderator for the City's RPP program and said that Workforce Development from the State has conveyed that they are not the arbitrator.*

*Mr. Crump said that the uncertainty mentioned today is a result of inconsistent practices from what is written.*

*Ms. Cross said that an improvement for the RPP program is to allow the banking of hours including the hours that RPP workers are being trained or working on other projects that do not require RPP. The ability to bank hours will incentivize workers to continue with the program and employers to value those workers.*

*Ms. Cross added that the difficulty with learning LCPTracker and the lack of training to use the software is a problem, including for her staff and small businesses through her firm.*

*Ms. Lutzka moved to recommend removal of the 5-year certification period requirement from the RPP program. Mr. Roberts seconded. There were no objections.*

*Kathy Block, Assistant City Attorney, appeared and said that the recommendation made will require a formal amendment to the ordinance.*

*Ald. Stamper said that the committee will meet one last time on its recommendations and send them to the Common Council for approval.*

*Ms. Purvis commented. There are three agencies that the City recognizes to certify RPP workers: Department of Public Works (DPW), Riverworks, and WRTP/Big Step. The City has opportunities for LCPTracker training and prefers that contractors use the software, especially for projects requiring the utilization of the software. It is best that LCPTracker agency does the training. There is no cost to the contractor as the City incurs the costs of the training.*

*Ms. Cross says that her firm helps people fill out and notarize the certification forms, which are submitted to DPW for review and certification.*

*The question was put: What improvements do you want to see in the RPP program?*

*Mr. Campbell said that the RPP program should focus on participants who really want to complete the training and program.*

*Mr. Crump replied. There is legislated 30% minority and 5% women participation in Minnesota's new stadium. Milwaukee Public Schools developed its own program, COIN, where workers come from depressed areas based on census track poverty. 95% of the people qualified for the COIN program are in Milwaukee County, are predominantly the City of Milwaukee, and are predominantly a minority population. The COIN program is defensible in court, and perhaps the RPP program should be tweaked to resemble the COIN program. He found issue with the RPP program expanding to 40% and citywide. Contractors will go to where it is easiest to meet the goals. Most contractors are small and will get their workforce from personal referrals and family. Goals for the RPP program should be reduced. More focus is needed on the specific populations that need to be employed.*

*Mr. Bukiewicz replied. The first change to make a major impact is the recommendation to lift the five year certification period. The City should caution to narrowly restrict the RPP program to specific areas or zip codes. Doing so will result in failure. Contractors may not be able to acquire skilled workers from specific areas to competitively bid for work.*

*Ms. Lutzka said that perhaps there should be some credit and incentives, perhaps 10%, given to contractors who hire workers from distressed census track areas.*

*Mr. Bukiewicz said that Mr. Lutzka's suggestion can be looked at, but cautioned against the ability to bank hours. Contractors may have RPP certified workers sit on projects to bank hours instead of putting them on projects. A better incentive is to subsidize contractors for training or hiring RPP certified workers. Contractors will more likely hire RPP workers with a wage supplement like the TRANS program*

where many graduate candidates may come from distressed areas. City taxpayers living in the City and those already employed should be RPP eligible. Residents should not have to travel outside of the City to be employed. The underemployed and income criteria should be lifted. It is not normal or likely for a highly skilled worker with high income to meet the certification criteria. The average family size is low, probably around 2.5 to 3. People should not proactively become unemployed for 30 days to be eligible for certification due to the adverse impact on those people for the month of unemployment.

Mr. Johnson concurred with Ms. Lutzka and said that perhaps more credit should be given to impoverished areas with the highest need.

Ms. Zepecki replied. If LCPTTracker will be the desired tracking system to use for the RPP program, it will be critical to teach and acquire understanding from everyone on its utilization. The biggest impediment to long term success and productivity for RPP workers is the lack of sustainable job opportunities. Many RPP participation required jobs on projects are very short term and do not last the entirety of the overall project. The ability to count hours performed on other projects that do not require RPP participation or through training should be allowed because firms will have the incentive to keep workers. There needs to be an understanding of the transient nature of the industry and the hardships of those people not being able to qualify for the RPP program.

Ms. Cross replied. Hours should be counted for other industry related jobs and not just for construction. There should be a RPP worker pipeline list online that is available for firms or contractors to acquire and seek workers, especially for those who do not have the means to access any list. Currently, some firms are able to access RPP workers from unique lists maintained by unions, partners, monitoring agencies, DPW, and other personal connections. The affidavit form for RPP certification should be made available online for anyone to obtain and submit to DPW themselves rather than rely on assistance from firms like hers. There needs to be simple and clear instructions for RPP certification. There are some private entities, like Froedtert Hospital, who are doing race and gender programs. The State used to be legislated to include race and gender programs and credits for projects, such as Miller Park and the Convention Center.

Ald. Stamper said that the City originally had a race, gender, and zip code specific RPP participation program but not anymore, and he is still trying to learn the history of why those specific targets were removed from legislation.

Ms. Cross said that the use of LCPTTracker has made it burdensome and costly for contractors. There needs to be better training, simpler instruction given, and less reporting from the utilization of the system, which is not happening. There is a cost for some firms to be able to integrate their database software with LCPTTracker. Clear instructions need to be given to integrate payroll systems. Complicating the use of the software and reporting is becoming a deterrent for contractors and other firms. Her staff has had difficulty and has used many hours to understanding using LCPTTracker.

Ms. Purvis questioned the utilization of LCPTTracker for Cross Management Services.

Ms. Cross said that her firm has been involved in both directing large contractors to enter information and entering information on behalf of small contractors for LCPTTracker. It is assumed that the developers and general contractors understand the use of LCPTTracker when meeting with the City, but they may not.

*Ms. Purvis remarked. LCPTracker is set up for contractors to use the system. For projects with HR agreements, the City does meet with the developer to discuss utilization of LCPTracker prior to the project commencing. The developer and general contractor have the responsibility to disperse the software information to subcontractors and inform the City if they do not understand the use of the software. It is not a fair statement to generalize that small contractors cannot utilize the software. Additional payroll products for the software are shared through the trainings.*

*Mr. Kraemer replied. The RPP program should allow for City residents to fill in any gaps in the 40% participation requirement if all avenues have been exhausted. Contractors with City RPP workers in their workforce but on other project sites not requiring RPP should count towards the program regardless if those projects are inside or outside the City. The real goal is to keep people on jobs.*

*Ms. Rollings replied. The RPP program should incorporate pre-training to prepare all RPP candidates to possess jobs skills prior to working on project sites. Such a program will increase workers' productivity to succeed long term. Perhaps the pre-training can be 20 to 40 hours. WRTD offers pre-training to particular trades. The City should consult with developers prior to setting RPP participation requirements due to the industry not being static. There could be a number of factors affecting or exhausting particular resources or trades at any given time, such as other projects occurring at the same time. The administrative process should be simplified to attract contractors to bid on work, especially for small businesses.*

*Mr. Crump added some remarks. Of importance of the program is to keep people working. Through his experience, many have come out of the program angered and frustrated due to being dispersed after the completion of projects. Of another importance is to track where workers are coming from to determine who and what is effective and eliminate the waste of resources. The City does not have the money to offer subsidy to workers in the program like other entities, such as the State Department of Transportation and its TRANS program. Credit should be given for workers from certain distressed neighborhoods will critically bring value; however, it should be recognized that the 40% participation requirement may not be fulfilled. Contractors should really perform and fulfill RPP participation on project sites. They should not be incentivized or be able to get out of RPP participation or use loopholes any easier. Building trades are different from each other, and RPP participation for a particular trade should be analyzed and made unique with respect to that trade. The City should caution itself from making a universal RPP worker list available for access by the public. Opportunities may be pilfered from others, especially if contractors only contact those who are already working. The lists maintained by the building trades are great since the building trades are aware of those people on their lists. Despite the difficulties with LCPTracker currently due to its initial implementation, there will be benefit from and willing utilization of the software if given some time.*

**10:30 A.M.**

**5. Public hearing on the City's workforce development and economic participation initiatives (RPP, SBE, LBE) relative to successes, failures, and suggestions for improvement.**

*Individuals appearing and offering testimony:  
Earl Buford, Employ Milwaukee (previously MAWIB) President & CEO*



*Fred Royal, NAACP Milwaukee Branch President  
Ben Goetter, Mortenson Construction*

*Mr. Buford testified. A gap analysis should always be done for every project. Training should be attached to RPP certification. Everyone should be very careful to disperse any kind of list to contractors due to the ambiguity of worker information on any list. There should be some kind of selection system for contractors to utilize or there needs to be someone or manpower behind a list that can be updated relative to worker skills, experience, and certifications.*

*Mr. Royal testified. He is advocating for a race incentive model. An inclusion report states a specific race hiring program process in other cities such as Chicago, Cleveland, Denver, and Kansas City. The State program examples discussed today where race played a factor has worked. There should be a database for RPP participants. Certification processes, which are all over the board, need to be all centralized, including the unified certification program.*

*Ms. Purvis said that the City is not part of the unified certification program, which is a federal program certifying DBEs and any federally recognized certifications.*

*Ms. Zepecki added that the amount of different certifications small contractors have to carry is a bureaucratic barrier for them and can deter them from pursuing projects. Milwaukee has SBE certification. Milwaukee County has State of Wisconsin WDBE certification via DOA and DOT. MMSD has its own certifications. National Minority Supplier Development Council and Women's Business Enterprise have national certifications. Private companies use national certifications and do not accept SBE certifications from cities. Minorities and women and others are burdened to have to carry six to nine different certifications and regularly renew and pay for their certifications. Different certifications are required based on the job source. The City will not accept the National Minority Supplier Development Council and Women's Business Enterprise national certifications. The City will accept other public certifications, which has been helpful.*

*Ms. Purvis said that the City's certification is specific to private development projects that receive \$1 million or more of City financial assistance in Ch. 355 of the City code and other cities have similar provisions.*

*Ms. Block said there can be conversations to develop joint certifications with other agencies doing so will be difficult, especially with private contractors with national certifications. The City's program has different requirements and will look different than the programs of other agencies.*

*Mr. Goetter testified. The vocational trades should be embraced and educated at the high school level to prevent the trades from disappearing as career options for aspiring youths. Thinking out of the box is needed to incentivize contractors keep workers employed after projects, continue training, and adding to the pipeline.*

*Ald. Stamper concluded the discussion and said further comments can be sent to him and City Clerk staff for consideration.*

## **6. Next Meeting Date and Time.**

*Thursday, March 24, 2016 at 10:30 a.m. Meeting room is to be determined.*

7. Adjournment.

*Meeting adjourned at 11:11 a.m.  
Chris Lee, Staff Assistant*