

RESOLUTION OF THE CITY COUNCIL

No. 323

Approved August 3, 2016

RESOLVED, That the Members of the Providence City Council hereby Authorize Approval to renew the current Contract Award for Fiscal Year 2017, by the Board of Contract and Supply, in accordance with Section 21-26 of the Code of Ordinances.

Building Futures
(Planning & Development)

\$150,000.00

IN CITY COUNCIL

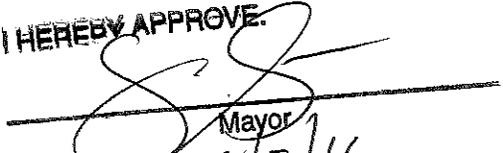
AUG 02 2016

READ AND PASSED


PRES.


CLERK

I HEREBY APPROVE.


Mayor

Date: 8/3/16

MATTHEW M. CLARKIN, JR.
INTERNAL AUDITOR
25 DORRANCE STREET, ROOM #307
PROVIDENCE, RI 02903
Phone: (401) 421-7740 EXT. 577
Fax: (401) 551-1056
mclarkin@providenceri.com



City of Providence, Rhode Island Office of the Internal Auditor

June 23, 2016

Ms. Lori Hagen
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Lori:

I am writing to request that the following requested contract awards be submitted to the City Council and the Finance Committee for approval.

- *Public Works* – Approval of a sole-source award in an amount of \$63,000 to Dunbar Armored, Inc. for monthly armored car service to be provided during fiscal 2017 to the Department of Public Works for parking meter revenue collection.
- *Public Works*- Approval of a sole-source award in an amount of \$43,200 to Cale America, Inc for monthly service during fiscal 2017 on multi-space parking meters.
- *Public Works* - Approval of a sole-source award in the amount of \$187,200 to Cale America, Inc for monthly leasing fees during fiscal 2017 on multi-space parking meters.
- *Public Works* – Approval a sole-source award to Pascale Services in an amount of \$25,000 for the purchase of miscellaneous parks for International, Sterling and Freightliner Trucks.
- *Public Works* – Approval of a sole-source award to MacKay Meters, Inc. in an amount of \$135,500 for monthly service fees on single space parking meters.
- *Information Technology* - Approval of a sole-source, three-year award to W.B. Mason Inc. in an amount not to exceed \$90,000 for the periodic purchases of printer, toner, paper, office supplies and computer supplies.

- *Information Technology* – Approval of a one-year contract extension in an amount of \$30,000 for fiscal year 2017 to Jimmy Chiu for emergency Lawson software infrastructure support.
- *Human Resources* – Approval to renew the current Pharmacy Benefit Management contract with CVS/Caremark for a term of two years beginning July 1, 2016 through June 30, 2018 at a maximum cost of \$19,292,000.
- *Human Resources* – Approval to renew the current Stop Loss Insurance contract with Blue Cross-Blue Shield of RI for the term of one year beginning July 1, 2016 through June 30, 2017 at a cost of \$922,000.
- *Planning & Development* – Approval to renew the current contract for fiscal 2017 in amount of \$150,000 with Building Futures for services associated with the city's First Source program.

Sincerely,



Matthew M. Clarkin, Jr.

Internal Auditor

Cc: Alan Sepe, Director of Operations
James Lombardi, City Treasurer
Margaret Wingate, Manager of Employee Benefits
Natalie Lopes, Director –First Source
Russell P. Knight, Director – Public Works
James Silveria, Chief Information Officer



Department of Planning and Development
Jorge O. Elorza, Mayor | Bonnie Nickerson AICP, Director

June 17, 2016

The Honorable Jorge O. Elorza
Chairman, Board of Contract and Supply
City Hall - 25 Dorrance Street
Providence, RI 02903

RE: Building Futures Continuation of Services Proposal for FY 2017 (First Source)

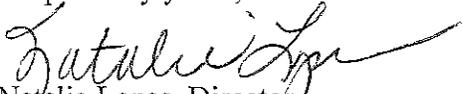
Dear Mayor Elorza:

The Department of Planning and Development respectfully requests approval to authorize a continuation of services contract with Building Futures for FY 2017. Building Futures provides project monitoring and technical assistance to construction projects funded by the City and offers pre-apprenticeship training and placement for unemployed Providence residents ages 18-35. The attached proposal seeks to continue Building Futures' important services for the City of Providence.

As background, Building Futures has been a sole-source provider for the Department of Planning and Development's First Source program for multiple years, is the only Rhode Island state-certified pre-apprenticeship program in construction, and serves as the Industry Partner for the construction sector for the Governor's Workforce Board. Their scope of work with the City has evolved and remained flexible over time. It includes technical assistance and compliance monitoring for construction projects in achieving First Source goals and provides technical assistance to City Departments who procure construction services as well as to entities obligated by receiving city funds.

Building Futures has prepared the enclosed proposal for continuation of its services for FY '17 with a request not to exceed an amount of \$150,000. The FY '17 budget is provided through the General Fund Account Code 101-908-55125 (First Source) which has been budgeted for by the Department of Planning and Development.

Respectfully yours,


Natalie Lopes, Director
First Source Providence

Cc: Bonnie Nickerson, Director, Department of Planning and Development

DEPARTMENT OF PLANNING AND DEVELOPMENT
444 Westminster Street, Providence, Rhode Island 02903
401 680 8400 ph | 401 680 8492 fax
www.providenceri.com



Department of Planning and Development
Jorge O. Elorza, Mayor | Bonnie Nickerson AICP, Director

June 17, 2016

The Honorable Jorge O. Elorza
Chairman, Board of Contract and Supply
City Hall - 25 Dorrance Street
Providence, RI 02903

RE: Building Futures Continuation of Services Proposal for FY 2017 (First Source)

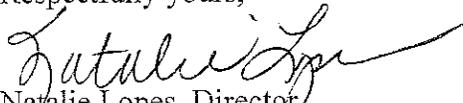
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Renewal Application to City of Providence For Construction Monitoring and Resident Services

INTRODUCTION

Building Futures is pleased to propose continuing services to assist the City of Providence achieve its policy goals related to compliance and community benefit on construction projects. Building Futures is an Industry Partnership for non-residential construction in the State of Rhode Island and operates two core programs. The Apprenticeship Utilization Program (AUP) increases utilization of registered apprentices on major nonresidential construction projects. The Pre-Apprenticeship Program prepares diverse low-income men and women for placement into family-sustaining employment as registered apprentices in the building and construction trades.

These proposed services build on Building Futures' successes working with the City of Providence (City) to achieve its construction-related policy goals over the past several years, as the City has requested we expand our scope of work to meet changing and growing needs for compliance monitoring. During the performance of previous contracts, we have responded to evolving requirements related to specific projects as requested by the City, such as tracking the labor hours performed by W/MBE firms or developing revised protocols. This year we have strengthened our working relationship with the Planning and Purchasing Departments, and created systems to support improved monitoring and technical assistance. We propose to sustain and grow this effective partnership in FY2017.

SCOPE OF SERVICES

Building Futures proposes to continue providing a variety of services in relation to construction projects located in the City of Providence. Three categories of construction project will receive these services:

1. Construction services **purchased directly through a City department;**
2. Construction services **purchased from an entity that has received funds from the City, and;**
3. Construction services **purchased from an entity that has received or will receive public benefits from the City** (e.g. a Tax Stabilization Agreement), obligating that party to meet specified community benefit goals.

To achieve City policy goals related to construction projects in these categories, we propose continuing and expanded services in the two interconnected areas through this scope of service: 1. Project Services and 2. Resident Services, discussed in sections to follow. In partnership with the City and on the City's behalf, Building Futures will continue to implement and refine systems which monitor and document performance toward project goals, and assist obligated parties such as developers, contractors and subcontractors in achieving those goals. Additionally, we will continue to prepare Providence residents for entry-level construction employment, ensuring a qualified and diverse candidate pool is available to fill hiring opportunities stimulated in part by the City's construction policies.

We project an increase over FY2016 levels of construction monitoring services. This increase is driven by the rapidly increasing volume of Tax Stabilization Agreements in the pipeline due to the Neighborhood TSA and I-195 Corridor TSA programs; the anticipated expansion in City-procured

projects, especially school construction; the anticipated increase in Department of Public Works projects; and the definite increase in major commercial construction projects generally, which may be subject to monitoring requirements, due to traditional TSAs or other agreements, and provide placement opportunities for the Providence residents we prepare for employment as apprentices. This increased volume requires that we allocate additional staff time in order to ensure that the City's aims are met on all applicable projects.

Our proposed services allow flexibility, as with the previous contract, to address any evolving needs of the City related to construction projects. Some project-specific services may not be possible to anticipate, and we can adapt services according to new situations. Various City Departments have sought and utilized our input on procedures and project-specific data over the course of our contracts. We will continue to coordinate with the Office of First Source and the Purchasing Department to plan and prioritize the work associated with active and upcoming construction projects. In addition, we will provide information to the Office of First Source on a quarterly basis related to Providence resident employment on projects being monitored by Building Futures, or when we place residents into registered apprenticeship employment upon graduation from our pre-apprenticeship program. Specific services proposed for FY17 are described below in the two broad categories of Project Services and Resident Services.

Project Services

PLANNING

During FY16, Building Futures has worked closely with Tolulope Kevin Olasanoye of the Purchasing Department, and Natalie Lopes of the First Source Office of the Planning Department to refine procedures for initial planning and compliance meetings with project owners and contractors. These meetings are best held prior to the solicitation of bids for construction services. Preferably, the planning meeting occurs before the selection of a Construction Management firm or shortly thereafter. Attendees vary depending on the type of project, but will generally include representatives from the project owner, including: the City department purchasing construction valued at more than \$100,000 per the Code of Ordinances Section 21-28.1 (Apprentice Utilization); the recipient of City funds obligated by Section 2-169.1 (First Source); or the applicant for/recipient of tax agreements that involve construction for property improvements. The Construction Management Company or General Contractor, if selected, ordinarily attends as well. At this meeting, the compliance monitoring process is reviewed in relation to the specifics of the construction project.

As the City Designee, Building Futures provides the applicable ordinances, forms, instructions and guidance in relation to construction monitoring and compliance, and establishes next steps. We request and review project bidding specifications to ensure that terms specified by applicable ordinances are incorporated appropriately for all contractors that may provide construction services, regardless of tier. Additionally, we will share best practices from previous projects that achieved specified goals, such as creating an apprentice utilization and resident hiring plan in advance of the project start for any anticipated employment opportunities. In addition, representatives from the City review requirements

and best practices for achieving W/MBE contractor utilization, and First Source compliance for temporary and permanent labor associated with the development project.

HIRING DURING CONSTRUCTION

As contracts are awarded and work commences, Building Futures continues to provide assistance to all entities involved in the construction process with the City of Providence utilization ordinances as applicable, including Section 2-169.1 (First Source hiring requirements), Section 21-28.1 (apprentice utilization), and Section 21-52 (MBE/WBE utilization) to ensure obligations are met regarding apprentice utilization, local hiring/First Source process, and in achieving diversity goals for both the labor-force and business enterprises engaged. Construction sub-contracts are generally awarded in stages in accordance with the divisions established by the American Institute of Architects (AIA), as different scopes begin only after other scopes are underway or completed. Therefore, during construction, and as contracts are awarded, we will identify potential opportunities for resident hiring and apprentice utilization with awarded subcontractors throughout the project construction and match qualified residents to the trade occupations in coordination with the Office of First Source.

MONITORING AND REPORTING

Building Futures will assist an obligated entity and/or their designee in the timely collection and submission of employment data for the project during construction. By using the Monthly Employment Utilization Report (MEUR) developed initially for City of Providence School construction in 2007, and further refined since creation, data collected will provide the following from all tiers of awarded contractors:

1. Total Labor Hours performed
2. Apprentice Utilization achieved
3. Trade/Occupational composition
4. Residency, Ethnicity and Gender of workforce, (by hours worked and individuals employed)
5. Source of employees (of Apprentices and Journeyworkers)
6. Contractor(s) performance as related to the data above

By reviewing these reports as received, progress towards the project goals and obligations can be measured while construction is underway, which in turn allows time for any corrective actions that may be needed to increase performance. In addition to the ongoing review of data, upon completion of the project, Building Futures will provide a summary report capturing the outcomes achieved as discussed above.

All of the project-based services above, including any development of collateral materials and tools or refinements to protocols and procedures established, will be informed by the City and performed in conjunction with the appropriate City staff to ensure continual information sharing. The work process for these Project Services is broadly delineated below:

Pre-Construction

1. Attends/convenes a planning meeting with the "Project Owner", whether that be a City Department or a TSA recipient, to review the project goals and compliance terms in addition to reviewing relevant bidding specifications prior to the solicitation of bids for construction services;
2. Meet with the Project Owner's prime contractor (whether a CM or GC firm) prior to the commencement of construction and/or bidding to subcontractors;
3. Attend pre-construction meetings with awarded contractors to review procedures to meet compliance obligations, achieve project-specific goals, provide technical assistance and make compliance waiver determinations;

During Construction

4. Manage the construction-reporting process, provide technical assistance to contractors as needed, receive and review all subcontractor reports on a monthly basis;
5. Analyze reports received from obligated contractors, summarize and provide progress summaries to the Project Owner and/or prime contractor, and City departments on the achievement of goals by project in aggregate, and by individual contractors;
6. Provide performance communication to the prime contractor on a monthly basis upon completion of review and analysis of submitted reports;
7. Advise the City on the issuance of payment of contractor requisitions (when applicable) upon confirmation of reporting as required and the achievement of project-specific goals;
8. Provide the City of Providence Office of First Source summary information on Providence residents employed on projects being monitored by Building Futures for compliance on a quarterly basis,
9. Attend periodic construction progress meetings as needed and/or requested by the Project Owner, or its Prime Contractor as designee for the Project Owner, throughout the project;
10. Advise the City during regular meetings on reporting compliance, providing current performance summaries and data analysis by project (by contractor upon request) to ensure best faith efforts have been undertaken;
11. Facilitate the placement of Providence residents, as needed, for any new non-supervisory positions created during the construction process;
12. Review and advise the City on any contractor's request for an adjustment in the apprentice utilization requirements and/or exemption requests received during the performance of the awarded scope;

Post Construction

13. Provide the City a summary analysis upon the completion of the specific project scope of work, which at minimum will include:
 - Utilization of registered apprentices in aggregate and by trade;
 - Demographics of the workforce of the project in aggregate, including personnel employed and their trade, residency, gender and ethnicity;
 - Performance towards project goals by individual contractors/subcontractors;
 - Percentage of labor hours performed by Women and Minority Business Enterprises;
 - Provide data on the satisfactory or non-satisfactory performance to inform enforcement efforts of the City.
14. Recommend sanctions and/or implement corrective actions to rectify non-satisfactory performance in conjunction with the City of Providence and applicable City Ordinances.

Resident Services

Building Futures operates the only formally recognized construction pre-apprenticeship program in Rhode Island, certified by the Rhode Island Department of Labor's State Apprenticeship Council and recognized nationally as a model program of best practices. Through our pre-apprenticeship program, we ensure a qualified pool of Providence residents is available for entry level employment as registered apprentices on construction projects -- projects taking place in the City of Providence as well as elsewhere in Rhode Island and region.

As a nationally recognized and comprehensive pre-apprenticeship program, Building Futures routinely has far more individuals attending orientation sessions than we can serve. We have graduated 220 individuals from our program, 80% of which are non-white and 60% are Providence residents. All Building Futures participants are low-income; 60-70% unemployed at the time of enrollment and approximately 50% receive public benefits; over 50% have been involved with the court system. The average age of our participants is 27.

We are celebrating a milestone: as of this writing, 200 of our graduates have been placed into employment as registered apprentices in one of 12 different trade unions, with starting wages of \$17 per hour and above. Most importantly, the starting wages are the first step for our graduates on a genuine career path -- with advancement in both wages and benefits gained for every 1000 hours worked during employment as registered apprentices until completion of the apprenticeship program. Upon completion of registered apprenticeship (becoming a Journeyworker), our graduates have average hourly wage rate of \$37 and \$23 in benefits, totaling \$60 per hour in compensation -- to date, 54 of our graduates have become Journeyworkers. Our graduate retention in employment during the first critical year of apprenticeship remains over 90 percent, and retention of all placements over the last eight years is over 80% percent.

The success of our pre-apprenticeship program is a result of the careful integration of comprehensive support, assessment, education and training. The first several months consist of a variety of assessments to ensure participants are well suited for the rigors of non-residential construction. Those who successfully complete this phase are taught basic construction skills in an industry-simulated context, exposing individuals to all construction trades during our 5-week hands-on training.

A critical component to any workforce development program for low-income participants is case management and support services. During the initial assessment phase of our program, staff meets individually with each candidate to explore potential barriers to program participation and construction employment. This interview, and the barriers survey that is completed, lays the foundation for the development of an individual service plan that identifies issues that may prevent successful employment and outlines realistic steps to address each issue. The plan, developed with the participant, articulates the next steps agreed to in order to mitigate barriers and provides a timeline by which he/she will do so along with staff support.

Building Futures provides needed referrals to community services such as low cost medical assistance, legal services, financial planning and family support. Additionally, we provide financial education to all participants and have capitalized a loan fund with Pawtucket Credit Union for qualifying graduates. This loan program helps in not only alleviating financial hardship preventing employment, but also builds positive credit for graduates. In order to be eligible for a Building Futures' Hardship loan, graduates must engage in further financial counseling. All support services are offered during our program as well as throughout our graduates' apprenticeships.

Providing access to services, helping to mitigate employment barriers stemming from poverty, and intensive training and career counseling along with our placement services, has allowed for many participants to successfully transition to careers in construction who would not have otherwise.

These resident services are complementary to project-based work as proposed, and the majority of this programming is paid for by other funding. Small percentages of the staff time of Building Futures' Program Director and Service Coordinator are supported by City of Providence funds as proposed. These services represent significant leveraged resources to the City of Providence, and bring enhanced value to the City's policy goals around construction and community benefit.

IMPLEMENTATION OF SERVICES

In order to effectively provide the services discussed above, the following staff will devote a portion of their time to this scope of work to provide a team approach and ensure adequate project resourcing, as outlined below.

Andrew Cortés, Director of Building Futures will provide planning and technical assistance regarding the consistent application of project-based process as described above across City departments, and he will provide overall management and guidance for the services as proposed. Mr. Cortés has 0% of his time included in this proposal's budget, with all time towards the scope of services provided in-kind.

Ian Chase, Apprentice Utilization Compliance Manager, will initiate the construction planning process through the joint meetings with the City and obligated parties as described above, to ensure understanding of protocols and requirements regarding apprentice utilization, resident hiring and participation by Women and Minority Business Enterprises. He will provide technical assistance to obligated parties in achieving the policy goals associated with the construction project, with a specific focus on resident placement and apprentice utilization by contractors of all tiers. Additionally, Mr. Chase will work closely with Mr. Cortés regarding planning efforts and with Ms. Holahan to ensure compliance efforts are coordinated with reporting and other technical assistance as needed. He will be responsible for identifying opportunities on applicable projects for Providence residents generally, and Building Futures' graduates specifically, to begin employment as registered apprentices in the trade of their choice. The Apprentice Utilization Compliance Manager will provide 20% of his time towards this scope of services.

Brady Dunklee, Assistant Program Director, will provide coordination and administrative support to all members of the compliance team, and act as liaison to project owners and construction managers on

designated projects. He will provide technical assistance to contractors, manage communications with City of Providence representatives, and assist with data entry and reporting. He will also focus on continuous improvement of monitoring systems and procedures, in order to facilitate this year's increase in project volume with the most efficient tools available. The Assistant Program Director will provide 33% of his time towards this scope of services.

Rita Holahan, Data Manager, will oversee data collection and reporting with the obligated prime contractors and their subcontractors, track progress and provide monthly summary reports on all obligated projects, provide specific analysis when appropriate and/or requested, in addition to providing technical assistance to contractors as needed in relation to monthly data submissions. Additionally, she will ensure that an overarching implementation schedule of project activities is maintained, and will direct the internal staff team work meetings to ensure our scope of services is performed as demanded by the project compliance implementation schedule created. Ms. Holahan will provide 37.5% of her time towards this scope of services.

Daisy Luciano, Services Coordinator, will provide all support services either directly or through referrals to participants, provide the financial education coursework, including basic financial literacy and more advanced asset-building classwork for hardship loan participants. Ms. Luciano will provide 15% of her time towards this scope of services.

Margarita Perez, Data Management Assistant, will provide data management support directly under the supervision of Ms. Holahan, ensuring errors in reporting are identified and reporting contractors provide all needed information prior to analysis and summarization of performance by Ms. Holahan. Ms. Perez will provide 45% of her time towards this scope of services.

Judith Titzel, Building Futures' Program Director, will oversee all program elements related to the resident services enumerated above, provide supervision to our Service Coordinator, provide all pre-apprenticeship program data and analysis and report on all residents receiving services as well as track their employment information, including placement and advancement. She will work closely with Ms. Holahan to ensure program-based services are aligned with the project-based implementation plan to maximize resident hiring. Ms. Titzel will provide 15% of her time towards this scope of services.

**BUILDING FUTURES CITY OF PROVIDENCE / FIRST SOURCE
BUDGET PROPOSAL 7/1/16 TO 6/30/17**

COST CATEGORIES	FTE /Other Rates FY 17	Project Hours/ Full Year	FY 2017 REQUESTED BUDGET 7/1/16-6/30/17
Personnel Costs			
Salaries			\$ 103,052
Building Futures Director (Cortés) (In-kind)	0%	91	\$ -
AUP Compliance Manager (Chase)	20%	364	\$ 14,389
Program Director (Titzel)	15%	273	\$ 12,231
Assistant Program Director (Dunklee)	33%	479	\$ 17,850
Service Coordinator (Luciano)	15%	273	\$ 7,662
Data Manager (Holahan)	37.5%	683	\$ 30,287
Data Management Assistant (Perez)	45%	819	\$ 20,633
Fringe - Taxes/Benefits			\$ 20,617
Payroll Taxes FICA @7.65%	0.0765		\$ 7,883
Payroll Taxes RI UI @2.2%	0.0220		\$ 2,267
Medical and Dental Insurance	0.0817		\$ 8,415
Group Life and LTD Insurance	0.0052		\$ 536
Workers Comp Insurance @ .0059(GPR)	0.0059		\$ 608
Employer Pension Contribution @ 1% match	0.0100		\$ 908
Non-Personnel Project Operating Costs			\$ 12,695
Rent - Building Futures Office, Program and Meeting Space @ \$500/month			\$ 6,000
Maintenance/Repair @ \$50./month			\$ 600
Utilities @ \$150/month			\$ 1,800
Telephone, Fax, Internet @ \$175/month			\$ 2,100
Equipment Lease-copier @ \$100/month			\$ 1,200
Printing, Postage, Copy Paper, folders, general office supplies - First Source materials, reporting and monitoring supplies & printed materials			\$ 995
ProvPlan Indirect Costs - 10% of direct costs			\$ 13,636
Total Planned Expenditures			\$ 150,000

OTHER LEVERAGED RESOURCES SUPPORTING BUILDING FUTURES SERVICES TO PROVIDENCE AND ITS RESIDENTS

In addition to requested funds for FY 17, Building Futures has leveraged/secured nearly \$ 1 Million in other state, federal and non-governmental funds to support both our training programs and direct services for Providence residents, as well as Building Futures' systems work impacting the construction industry as a whole.

Leveraged resources include funding through the United Way, RI Foundation, Governors Workforce Board Industry Partnership, Workforce Innovation Funds, DLT/Real Jobs, RIDOT, and private philanthropic funds.