

ever, the GC will be able to adjust its projections each 12 months – through the development of a “remedial plan.” Such remedial plans must be legitimately feasible in order to be workable and acceptable.

Chart 1 is the current Implementation Plan for each major trade on the project. Trades that have projected zero RPP participation throughout the project all rest at the bottom of the graph. Except for the roofing workforce, all other trade areas projecting no participation have limited hours on the project, e.g., Electrical, HVAC and Plumbing. These trades are limited, as this Project is an exterior skin repair/replacement construction project and does not include significant MEP (Mechanical, Electrical and Plumbing) trades.

How will RPP Participation be achieved?

Charts 2 and 3 are depictions of the same information shown in two formats.

Chart 2 is an Area graph display, depicting the total RPP hours for the entire project shown at 100% month-by-month. The trade areas projected to create the total RPP hours for any given month are shown in the various colors.

At the bottom of the graph, shown in black, is the percent of all RPP hours that are the result of the General Contractor activities. These hours are listed as General Conditions. The percent of total RPP hours month-by-month as a result of the scaffolding erection crews are shown in a horn-shaped envelope pointing to the left.

The horn shape is caused by the extensive amount of total hours deployed by the scaffolding crews at the start of the project and the large percentage of RPP workers engaged in this activity. A quick review of Chart 1 (previous page) indicates that the scaffolding crew projected to have more than 50%

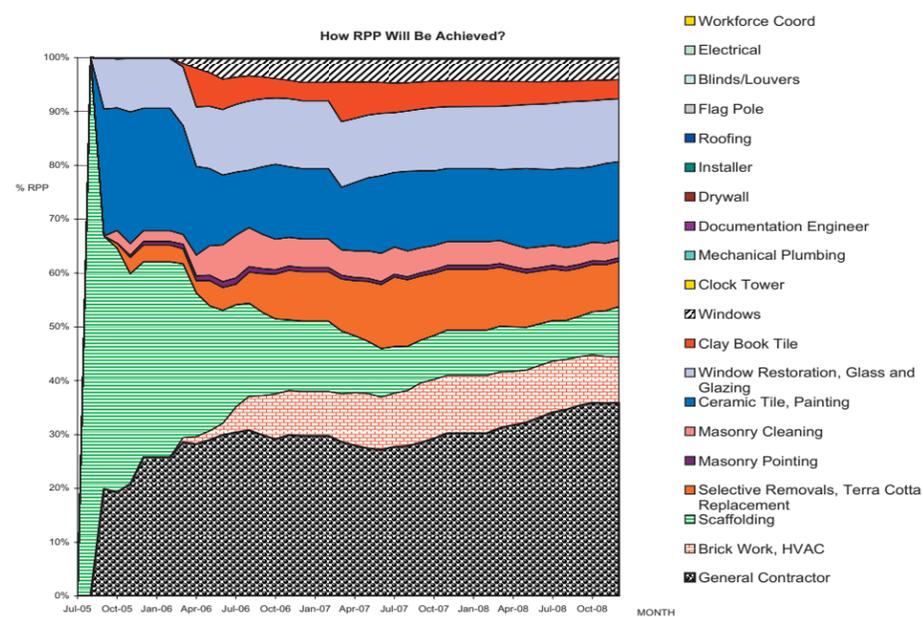


Chart 2 - RPP Breakout by Trade

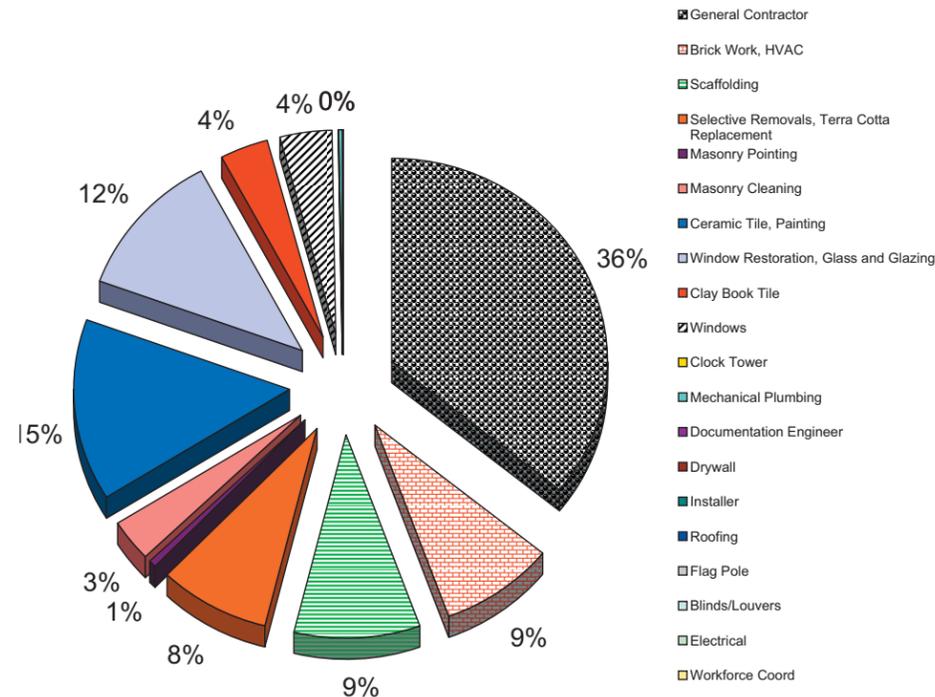


Chart 3 - RPP Percentages by Trade

RPP participation in both August and September 2005 with nearly 65% participation in November 2005.

Chart 3 depicts the projected total RPP participation for the entire project and related participation percentages.

This newsletter was prepared by PrismFX, a division of



Prism Technical Management & Marketing Services, LLC
6114 West Capitol Dr Suite 200
Milwaukee, WI 53216

414.847.0990 www.prismtechnical.com

Team City Hall

November 2005

Milwaukee Historic City Hall Restoration Project Participation Performance

Recognizing the significance of the City Hall Restoration Project, the Department of Public Works (DPW) has developed procedures and guidelines to achieve – and where possible, exceed – the City’s standard goals for Residents Preference Program (RPP), Emerging Business Enterprise (EBE) and Apprentice Utilization compliance. DPW has hired Prism Technical to assist with and monitor the RPP, EBE and Apprentice Participation performance of J.P. Cullen & Sons, Inc., the project’s general contractor.

hesive working relationship among DPW, the architect (Engberg Anderson Design Partnership), the general contractor, the subcontractors, the Project Monitor, the unions, WRTP / BIG STEP and community based agencies, such as the Milwaukee Urban League. At this Partnering Session, the parties developed a Mission Statement to guide their actions from project launch through its scheduled completion in 2008:

Our mission is to restore this National Historic Landmark in a manner that preserves its original design while securing its civic prominence for future generations. This will be accomplished by a collaborative and diverse team of restoration professionals who are passionate about their work and its efficient and timely completion.



J.P. Cullen is required to submit monthly EBE payment reports and quarterly reports documenting RPP compliance. The company’s quarterly reporting will commence with the month labor was deployed on the project – August, 2005. Thus, the initial quarterly report of the general contractor (and the subsequent report by the Project Monitor) shall include data from the months of August, September and October, 2005. As the Project Monitor anticipates receiving three months of data, and supporting documents – encompassing certified payrolls, EBE payments and additional required information – sometime in early November, it is likely that the first full quarterly report can be completed near the end of November. In the interim, this draft report is submitted to DPW for review and comment.

Following the City’s determination to award the Project to J.P. Cullen, the lowest responsive bidder, the participation planning process gained steam at a Partnering Session kicked off by Mayor Tom Barrett to build a co-

In addition to the Mission Statement, several project goals were agreed to by all:

- Have a safe project with zero lost time accidents.
- World-class quality and historic restoration.
- Complete project on time and under budget in a manner that is profitable for all.
- Meet or exceed City’s diversity goals.
- Maintain a great level of open respectful communication and team work.
- Determine and meet all expectations of the stakeholders involved.

- Maintain good public relations.

City Hall Restoration ISSUE NUMBER 1

Progress Report	2
RPP Implementation Plan	3
RPP Breakout by Trade	4

Participation Requirements

This report, and the subsequent quarterly reports, will focus on the diversity goals, to which J.P. Cullen is contractually committed. We will address progress toward meeting the goals, challenges faced, and significant happenings. The Project’s Participation Requirements are as follows:

Continued on page 2

At least 18% of the Project's payments must go to businesses certified as Emerging Business Enterprises by the City of Milwaukee's Emerging Business Enterprise Program.

At least 25% of the hours worked on the Project by on-site personnel must be by individuals certified under the City's Residents Preference Program.

At least six apprentices working a total of not less than 10,000 hours must be employed on the project, and must come from the following trades: Bricklayers, Glaziers and Roofers.

In addition to meeting the EBE, RPP and Apprentice Utilization requirements, J.P. Cullen has committed to use its best efforts to also deploy a significant minority workforce on the Project. Prism Technical has agreed to help them in this endeavor where practicable.

Reporting

The Restoration Project has started smoothly, with a spirit of cooperation and excitement. Despite a Project requirement to submit RPP participation performance documents once per quarter (and EBE payment reports monthly), J.P. Cullen has stated that, following the first quarterly submission, it will collect and measure RPP performance monthly, thereby maintaining tight control of jobsite performance. In a further demonstration of cooperation, the firm has also agreed to share this data with Project Monitor Prism Technical.

Subsequent to the first quarterly reporting cycle, monthly EBE and RPP performance reports shall be received for internal tracking purposes only, thus allowing data to be shared more frequently, handled in smaller bundles and ultimately,

analyzed more efficiently.

EBE Participation

The Project, currently projected to cost \$59,927,218, has an EBE requirement of 18%, or \$10,786,899.

At least nine EBE subcontractors are slated to work on the project, with finalized contracts in hand totaling \$15,287,929. Of that total, \$14,580,289 of the dollars pledged to EBE firms may be counted toward the Project's EBE participation (see Table 1). The currently projected EBE Participation represents an increase over the \$13,889,427 projected at bid award, and yields an EBE Participation Rate of 24.3%, which is 35% greater than the Project's 18% requirement.

EBE subcontractors on the project can be found in Table 1.

Table 1 - EBE Subcontractors

Name of Firm	Scope of Work	Amount of Contract
Arteaga Construction	HVAC, Masonry, Brick	\$2,726,181
Roberts Roofing	Roofing	3,806,848
Thomas A. Mason Co.	Painting, Masonry Cleaning	5,733,229
B&D Contractors	Scaffold Labor	358,849
J.F. Cook Co.	Windows	1,932,000
Ojibwa Ready Mix	Concrete Supplier	17,622
P.L. Freeman Co.	HVAC	4,600
Affirmative Supply Co.*	Mechanical Equipment Supplier	4,800
The Penebaker Enterprises**	Roofing	704,000

* Per the Participation Provisions of the Project, as a broker, the value of Affirmative Supply's contribution is reduced by 80% to \$960.

** Penebaker is a subcontractor to Roberts; its contract value is therefore included in Roberts' contract value for the purpose of calculating total EBE participation.

RPP Participation & Apprentice Utilization

"The City Hall Restoration Project could produce the equivalent of 70 man-years of labor for Residents Preference Program workers."

All parties involved were aware that achieving the RPP requirements on a historic building of this height could be very challenging. Nonetheless, by the close of the Project, RPP performance is expected to be at or above the 25% Project requirement. With total onsite hours projected at 424,188, achievement of 25% participation translates to more than 106,000 man-hours -- City Hall's restoration could therefore create 70 man-years of work for RPP workers.***

*** As a "full time" construction worker might expect to be cyclically or seasonally laid off, the City Hall Project could produce the equivalent of 70 man-years for RPP participants.

Through the end of October 2005, RPP hours were projected to be over 22% of all Project hours.

J.P. Cullen is working closely with WRTP / BIG STEP to ensure that there are sufficient qualified RPP certified workers available to the project. BIG STEP has conferred (and will continue to do so) with the Project's subcontractors regarding the represented trades, the required workers per trade, and the demographic makeup of each subcontractor's current workforce. The number of additional needed workers will be determined, and BIG STEP, through recruiting, training coordination, and discussions with the trade unions, will make every effort to help meet those needs.

Local demand for RPP workers is expected to be strong because of other significant local projects already underway or taking shape,

such as WisDOT's Marquette Interchange Project and WE Energies' Oak Creek Power Plant. Therefore, it will be particularly important to gauge and prime the pipeline of available workers.

Furthermore, J.P. Cullen and BIG STEP's efforts must be done with consideration of the Project's Apprentice Utilization requirements in mind – at least six apprentices must come from the Bricklaying, Glazing and Roofing trade areas.

for achievement of the RPP commitment for the project as a whole. The GC may decide that one of its subcontractors, which may require highly specialized technical workers onsite, cannot reasonably achieve much, if any, RPP participation. Similarly, the GC might find one or more subcontractors needed for the project for extremely short durations, with so few workers and hours onsite that attempting to deploy RPP certified labor would not be prudent nor responsible; i.e., workers may only be hired for a day or two and dismissed.

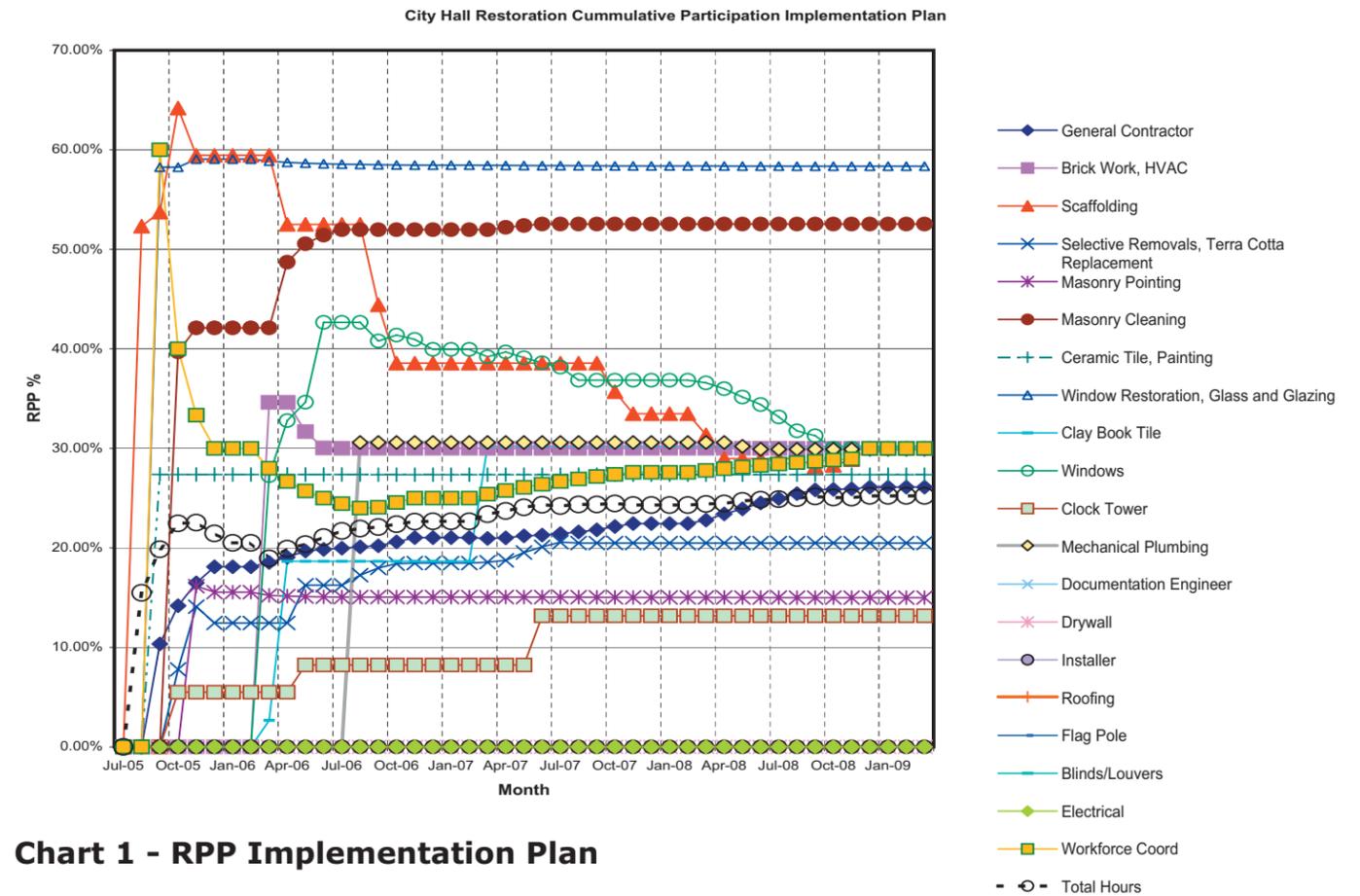


Chart 1 - RPP Implementation Plan

RPP Implementation Plan™ Comments

A key element in the success of controlling any dynamic process is establishment of goals and attainment and analysis of feedback to determine if the process is on target. This engineering concept is the basis for the Prism-created RPP Implementation Plan™.

An Implementation Plan is a month-by-month estimated projection of a service provider's workforce plan to successfully complete its contract. The plan compels the contractor to analyze the impact of all trades deployed onsite on its ability to achieve the Resident Workforce Hiring provisions committed to in its contract.

The General Contractor (GC) is the responsible party

In the aforementioned example, the GC would need to make up for the reduced or absent participation of RPP workers with firms that (1) are deployed longer, (2) have greater potential for the utilization of RPP workers in their trade area, or (3) deploy apprentices who can also qualify for the RPP initiatives. In this regard, the GC's responsibility is like that of an orchestra conductor – using the Implementation Plan as a musical score, the GC understands exactly when each subcontractor – like a musician – should be deployed, to create a harmonious and studied approach to achievement of the program goals.

Should the GC fail to achieve its Implementation Plan projections at any time, it could face financial sanctions in the form of payment withholdings, commensurate with the lost opportunity hours for area residents; how-