

URBAN COUNTY COUNCIL
Inter-Governmental Committee

March 10, 2009

CM James called the meeting to order at 1:00 P.M. All committee members were present, except Myers, Gray and Lawless.

I. Construction Apprenticeship Program- James

A group representing construction workers, builders and craft tradesmen were in the audience to speak on a proposed ordinance to adopt this program. Robert Akins, Todd Pancake and Jerry Yates, Indiana/Kentucky Regional Council of Carpenters were available to address the committee. They explained a wage/benefit package and certification by both state and federal government. Graduate of the program can work both in the U.S. and Canada and the only credentials required are either a high school diploma or GED and that graduates do not have any debit to repay after completion of the program. Adding this is a viable option for high school graduates not wishing to attend college. The program is key to encouraging economic development and keeping business local. Mr. Pancake said the program had a \$6.8 million dollar budget last year and invests a great deal in education and training. He said of 2100 workers, approx. 29% are minority and that most workers would be trained to construct buildings in their own community. He also said the program has an "articulation agreement" which spells out criteria a participant should know upon leaving school in order to prepare them for work on a construction site.

Larry Hujo, an independent contractor and Jefferson County school board member also spoke to the committee about benefits of the program and its success in Louisville/Jefferson County. He said this program creates opportunities for employment, and a chance for skilled trades' people to stay while, encouraging investment in the community.

James asked Anthony Wright, Mayor's Office of Economic Development to comment on the ordinance and advise the committee if he views the program as favorable and about economic impact.

Mr. Wright told the committee this was an opportunity for workforce development promoting skills and qualifications especially in light of the recent stimulus efforts to rebuild and revive cities infrastructures.

Crosbie said this opportunity already exist for employers to take advantage of this. She referred to section 1, item 6, 33% of total labor hours. She wanted to

know if this was legal and enforceable. Dave Barbarie, Law Dept. responded about a certain level of program participants residing in Fayette County would be reasonable.

Mr. Wright responded saying 25% is the lowest to use to meet federal requirements. Tied to percentage on a job however the draft calls for 33%. Barabie said based on one existing case law it would be defensible to have a certain number of journeyman in Fayette Co.

Crosbie expressed concern the program might put local construction business at a disadvantage if they could not meet requirements of the ordinance.

Wright said it would work on a bid process which would consider program participation or is part of the criteria and would be considered a preference because awarding bids is not determined on lowest bid alone.

Feigel stated the program was a great idea and wanted to know more about who pays any health insurance and pension plans. She also wanted to know if there are any guarantees of jobs or that the apprentice would stay with the contractor or company. She asked if there was any way to insure apprentice stays in the county. She also wanted to know if UK or the Fayette County School Board has a similar agreement.

Mr. Yates said apprentices are treated as a regular employee and accrue benefits accordingly. He replied ultimately the goal is for the apprentice to stay with the employer. However, there is nothing written to stipulate an apprentice has to stay in the area once they have completed apprenticeship. He said there is no type of agreement with either UK or Fayette Co. schools. He added this program does not cost the employer and nothing is mandated by law either. All this does is give an employer an advantage if they are training apprentices.

Feigel asked if state government had been approached about this and the answer was no. She remarked that would be a natural first step. She suggested changes to the draft ordinance, provision for participate to stay locally and a cap on change orders.

Mr. Hujo said Louisville Metro Government has this ordinance and addressed concerns about placing a cap on change orders.

Crosbie asked about other training programs. Mr. Hujo said KTCTS has one as do most unions. He added all skills are transferable and go towards earning even higher degrees such as engineering.

Henson referred to a decrease in skilled workers. What is required before entering the program and the average wage?

The only requirement is a high school diploma, GED, 18 years of age. The start is around 40% of top wage. There was an observation made that while trying to gear up data-base, technical & computer workers, we have fallen behind in training of skilled trades workers.

Salaries are based on top wage of whatever craft such as, electric, plumbing, building & average length of program which fall in range of 5 years, some are 4 years. There are incremental increases in wages like any other job.

Blues said by passing this ordinance the government would be encouraging and perhaps giving preferences to businesses that had this program. He also expressed concern as did Crosbie, about effecting competition with other contractors/builders, etc. He said he would like to see data on success of this program.

James stated she would arrange for Brian Marcum, Director of Purchasing to be available to answer concerns at another meeting or discussion on this topic.

Mr. Yates responded the most recent data is study of 1997. He has contacted the state for information on apprenticeship programs. He said he would get data to the council.

Blues talked about the government subsidizing an educational program and compared it to council's consideration of the scholarship program wondering if this issue would be somewhat the same. What is the cost of on the job training; he was concerned about inexperienced apprentice on site and if there were cost implication.

Beard referred to 25 to 33% talking about ratio of apprentices to qualified people. He wanted to know if there was a sequence in the training and what steps are taken to insure apprentices have a wide variety of job skills and knowledge. How is knowledge of different building codes handled?

Mr. Akins said employers are encouraged to know level of apprenticeship experience, there are a set of apprenticeship standards, and an agreed upon curriculum and understanding of skill levels. It is encouraged to provide exposure to every level of that craft. A license would be required and would account for knowledge of how to apply different building codes in different areas.

Martin said he also thought this was a good program but did not want to see it burdened with additional government restrictions that would be difficult to oversee and enforce. Recapture penalties are very difficult to enforce. Is the 3% enough of an increase or incentive to have of an impact. He wants the program to be effective and does not want to see change orders later to make up the difference in cost.

The 3% actually came directly from contractors as an average indicator of cost for the apprenticeship training. Mr. Hujo says it's been embraced in Louisville and encourages companies to participate.

Martin confirmed this would be worth a company's time and enough incentive to participate in this program.

Crosbie suggested having local industry people available at the next meeting or discussion. She said the matter might be referred to the Vice Mayor for a list of groups or businesses that might be affected by passing of this ordinance. Crosbie committed to contact Vice Mayor Gray about who to invite to future meetings.

James thanked Crosbie for volunteering to follow up on inviting other construction and/or real estate industry people to join in, saying this discussion was slated for continuation in April, 2009.

Mr. Hujo extended an invitation to visit their training center in Louisville, Kentucky. James asked Paul Schoninger, council staff to get contact information to perhaps set up a date to visit in a group setting with either members of council or business people in Lexington or both.

2. Oath for Commissions/Boards- Beard

CM Beard lead the discussion telling the committee he would like to see the practice of administering an oath much like in the banking business and other industries. He mentioned several boards and commissions that might qualify for the requirement of an oath which were all entities receiving LFUCG funds. He said his intention is perhaps not a cure, but would provide a level of sensitivity, using the incident of the airport board. He wanted to solicit input from other council members on the feasibility of this proposal.

Feigel commented saying everyone certainly needed to learn from the situation with the airport. She reiterated when serving on a board of a public entity there must be full knowledge of the job description and expectations.

Blues commented on taking oaths, saying it's a good idea. He also recommended providing board members with guidelines.

Beard added once an individual signs an oath is notarized and a judge does preside over this process.

Martin said he appreciated the spirit behind this proposal and discussion but wondered if a director of a city affiliated agency might also be subject to the

ethics board. Logan Askew, Law Dept. responded, they are not. Martin added that might be something to consider as a future requirement for commission/boards. He said some will violate rules no matter what and suggested having a director certified; much like IRS rules for a non profit organization to insure they are in compliance with the state and have good financial practices and good governance.

Feigel said we are attempting to communicate the magnitude of responsibility when people accept that role and how serious it should be taken. He added this needs to be clearly understood in the orientation process of a board and its directors.

Beard referred to a copy of an oath included in the meeting packet saying the process is not intended to be a burden, but rather a step to raise awareness for boards/directors and if they are not willing to sign an oath, then are not ready to take responsibility.

James suggested forming a working group to look at language of an oath that would be more specific to government funded entities such as, commissions and boards.

Beard called for a need to act swiftly on this and did not want to over complicate the issue. He asked how the committee felt about moving forward on this matter.

Feigel agreed to work further with Beard on defining requirements and specifics of oath signing and reporting back to the committee later.

Mr. Askew referred to state law regarding commissions/boards saying they are very specific. He also reminded them CM Myers has already approached the law dept. about training, ethics and codes of conduct. He told the committee there would be a memo coming forward to address those questions.

James asked Mr. Askew if the law department might be ready to address the committee on this matter in approximately one month and his reply was yes.

3. Grievance Procedures - James

James told the committee it's been almost a year that issue of the grievance procedure was brought before the Intergovernmental Committee. She referred to an employee survey to be done addressing the effectiveness of the process. She said the issue was lingering and being delayed due to various factors, such as the implementation of the People soft HR module. She said the committee should move forward to show an effort that it is looking into the process. She presented a draft resolution asking committee members to review and comment.

Martin said having to consider a matter such as this take him off guard and preferred to take it up at a latter date since he is not yet familiar with the issue.

Blues agreed with Martin saying acting on the proposed resolution today was not appropriate and suggested forming a task force.

Beard said he's been involved in situations where grievances were resolved and agree with Martin. In regard to a task force, he stated he felt this issue needed to be addressed sooner.

Feigel said she does not feel she has enough information on the matter at this time to act. She wanted to know how pervasive the problem was and if perhaps this was an issue of personalities versus efficiencies.

James responded saying there needs to be a distinction between person and personalities. She reminded the committee the intention of the survey was to better understand if the process works and if there might be retaliation and personality factors.

James said she needed to bring new council members up to date on the matter.

Feigel wanted to confirm if these are employee or citizen grievances and wanted to know why this matter was before council and feels it should be a matter for the administration.

James said since this involves employees who are also citizens of Lexington-Fayette County and resolutions or ordinances that sometimes come before council, she felt these actions were appropriate.

Feigel said she would like to see a copy of the ordinance dealing with the grievance process before voting on any actions pertaining to it.

Henson also indicated she would be interested in getting the background on this matter and why it was put into committee. She also asked for an estimate of grievance filed, pending and resolved.

Beard mentioned grievances in reference to police and fire. He said he was amazed that level of supervision is being usurped by the council. He mentioned how grievances are handled in the private sector referring to establishing a "grievance committee".

Logan Askew said police and fire issues are a matter of state law and is a different process. He added discipline of an employee is different from a grievance. He said the process is outlined in an ordinance and he felt the question is does the process need to be changed.

Joan Beck, Citizens Advocate suggested looking at how many grievances are filed following a disciplinary action. She agreed the process is problematic. She said feedback of the grievance process indicated there was a trust issue. She encourages the committee to consider misuse of discipline and the grievance procedure.

Blues said this matter should be carried over and reviewed at another Intergovernmental Committee meeting.

4. Update on Committee Items

This item was not covered due to lack of time.

Motion to adjourn by Beard, seconded by Blues, meeting adjourned at 3:00 pm