

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
ENERGY FACILITY SITING BOARD**

**RE: SB 2015-06, INVENERGY THERMAL DEVELOPMENT, LLC APPLICATION TO
CONSTRUCT AND OPERATE THE CLEAR RIVER ENERGY CENTER IN
BURRILLVILLE, RHODE ISLAND**

Pre-filed testimony of Andrew L. Cortes

1 EXECUTIVE SUMMARY

2 Building Futures is a domestic non-profit tax-exempt corporation that provides a comprehensive
3 construction pre-apprenticeship program for disadvantaged Rhode Island residents for placement
4 in multiple construction trade Registered Apprenticeship programs that was formed in 2007. If
5 this project is approved, fifteen percent (15%) of the workforce hours will be completed by
6 apprentices. Any new apprentices referred to this project through any of the union halls of the
7 Rhode Island Building and Construction Trades Council (RIBCTC) will be Building Futures'
8 program graduates. Meaning, all of these referrals will be Rhode Island residents. Additionally,
9 since Building Futures was formed ten (10) years ago it has placed two-hundred twenty-five
10 (225) of its graduates in a down economy into the local union trade workforce; some of which
11 may be referred to this project. All of these workers are also Rhode Island residents.

12 I. INTRODUCTION

13 Q. Please state your name, position and business address.

14 My name is Andrew L. Cortes, Executive Director of Building Futures. My business address is
15 One Acorn Street, Providence, RI 02903.

16 Q. Would you please summarize your professional background and experience?

17 For the past fifteen (15) years, non-profit workforce development has been my profession. Prior
18 to that, I worked as Carpenter, Cabinet Maker, Carpenter Foreman, and Project Superintendent.

1 Registered Apprenticeship has been central to my own career since completing the United
2 Brotherhood of Carpenters and Joiners of America Apprenticeship program in 1994. During my
3 career in the construction industry, experience was gained across all elements of the sector, from
4 an entry-level carpenter's apprentice, to managing construction of complex multi-million-dollar
5 projects. These experiences allowed me to develop both deep trade and industry knowledge, and
6 to understand the challenges and rewards facing all businesses. Three (3) years after moving to
7 Rhode Island in 2002, I left private sector employment and became the director of a YouthBuild
8 program. The experience gained in reinventing YouthBuild Providence was meaningful.
9 Graduation rates were brought to 92% from 37%, young adults gained diverse careers and eight
10 major construction projects were completed, including building new homes for low-income
11 families. However, I found that program model limited if one is seeking to meet an industry's
12 need for skilled labor at the appropriate volume and cost. Therefore, concurrently to operating
13 YouthBuild Providence, I designed a sector-based initiative driven by a program model that
14 could effectively meet the scale of the construction industry's demand for skilled labor, while
15 training and placing low-income adults of Rhode Island into employment as apprentices – this
16 effort was launched in 2007 as Building Futures. My summary biography is appended as Exhibit
17 1 to my testimony.

18 **Q. Would you please describe the organization, membership and purpose of the entity**
19 **on whose behalf you are providing testimony?**

20 Building Futures is a domestic non-profit tax-exempt corporation that serves low-income Rhode
21 Island residents by providing a comprehensive construction pre-apprenticeship program for
22 placement in multiple construction trade Registered Apprenticeship programs. It was and is
23 designed to meet future workforce demand needs of the Rhode Island marketplace. The entirety
24 of the programming in our first eight (8) years leveraged the well-established Registered

1 Apprenticeship programs within the construction sector to great impact. Building Futures is now
2 a nationally recognized model of best practices, both in program and policy efforts. To date, we
3 have been involved with at least 80 local construction projects that implemented apprentice
4 utilization programs, which have placed 225 Building Futures apprentices despite the down
5 economy, 70 of whom have completed their apprenticeship programs and are now
6 journeypersons. All of the workers we have trained and placed are from Rhode Island. The first-
7 year retention for Building Futures graduates is 97 percent, and nearly 80 percent since the
8 program's inception. The average starting wage for these workers is \$17 per hour. The average
9 wage of these workers upon completion of an apprenticeship program is \$37 per hour, with
10 benefits. These results achieved by Building Futures demonstrate the purpose of our organization
11 well. Our mission is to meet employer and industry need for skilled workers through the
12 Registered Apprenticeship system, while creating family-sustaining career opportunities for low-
13 income diverse residents of Rhode Island.

14 **II. POSITION OF ORGANIZATION**

15 **Q. What is the position of your organization with respect to these proceedings?**

16 Building Futures is the pre-apprenticeship and apprenticeship utilization program partner of the
17 Rhode Island Building and Construction Trades Council (RIBCTC), which has been granted
18 Intervenor status in this proceeding.

19 **Q. Why does your organization offer testimony in these proceedings?**

20 If approved, this project will implement an apprenticeship utilization program, (AUP), in
21 partnership with Building Futures through the project labor agreement (PLA). AUP ensures that
22 15 % of the total labor hours are performed by registered apprentices by each contractor. When a
23 contractor does not have an incumbent apprentice worker to achieve this goal, a graduate from

1 Building Futures will be referred to the project through the union halls of the RIBCTC. All of
2 these referrals will be Rhode Island residents.

3 **III. SOCIO-ECONOMIC IMPACT**

4 **Q. How many registered apprentices will be employed by the project?**

5 According to numerous experts, this project will create more than three-hundred (320) full-time
6 annual construction trade jobs per year from 2018-2021 for a total of more than twelve-hundred
7 (1,200) full time jobs for the duration of the project. If so, at least forty-eight (48) and as much as
8 one-hundred and eighty (180) of these positions would be registered apprentices in accordance
9 the PLA apprentice utilization program. Currently, only half of the workers in Rhode Island's
10 total construction industry workers are under the age of forty-five (45) with the average age of
11 union tradespeople often being above fifty (50). Based on previous AUP experience,
12 approximately half (1/2) of these new positions would Building Futures graduates continuing or
13 entering employment in their respective Registered Apprenticeships. And, as previously stated
14 herein, all of these workers will be from Rhode Island.

15 **Q. How would approval of this project affect Building Futures' low-income program**
16 **participants?**

17 Exceptional careers for disenfranchised residents have been provided through previous
18 apprentice utilization programs on large scale construction projects. It is unusual to have a
19 construction project of this anticipated length, which is extremely helpful as it provides
20 predicable apprenticeship opportunities for our graduates, which allows Building Futures to ramp
21 up training activities to meet specific project demand. Current graduates employed as registered
22 apprentices will become journeyworkers on this specific project, allowing for additional pre-
23 apprenticeship program graduates to be placed into employed as registered apprentices.

1 **Q. Do you have the capacity to provide the registered apprentices that this project will**
2 **need on an annual basis, and if so, could you confirm that these candidates will be from**
3 **Rhode Island?**

4 Yes. To date, every training cycle we receive more applicants than we have positions.
5 Additionally, our pre-apprenticeship program model allows for training cohorts to be increased
6 and for training cycles to be added based upon known industry demand. Additionally, pursuant
7 to the PLA, Building Futures will have a specified role in this project as part of the apprentice
8 utilization program; to monitor the utilization rates by contractors, allowing us to know when
9 apprentices will be needed for which scopes of work. Therefore, we will be able to anticipate and
10 adjust our pre-apprenticeship training activities in accordance with the construction schedule.
11 Lastly, we only recruit from select areas of Rhode Island. Accordingly, I can confirm that each
12 and every recruit will be a Rhode Islander.

13 **Q. How would approval of this project provide a socio-economic benefit to this state?**

14 From a Building Futures and workforce development perspective, the socio-economic benefit to
15 our state is clear. It will provide new local job and career opportunities for the local constituency
16 that our organization serves.

17 In a comprehensive analysis of a ten (10) years of data from (10) different states, Mathematica
18 Policy Research found an estimated benefit to society from only one apprenticeship to be
19 \$49,000, at minimum. Over a 36-year career, the earnings difference between a completer of
20 Registered Apprenticeship and a similar non-participant was more than \$300,000. Furthermore,
21 \$1 public workforce dollar invested in Registered Apprenticeship returned \$27. Employers have
22 been shown to gain a 50% return on investment, conservatively, and over 97% of employer
23 sponsors of Registered Apprenticeship would recommend the model to other employers. Studies
24 aside, I can personally testify that Building Futures' graduates are establishing college funds for

1 their children and becoming first time home-buyers. Our alumni have 200 children supported
2 among them. One hundred percent of our program participants are low-income Rhode Islanders,
3 prior to entering employment as registered apprentices. While 53% of our graduates were
4 formerly court involved, there is less than 1% recidivism among them. The socio-economic
5 impact of the opportunities for Rhode Islanders created by the project are significant.

6 **IV. CONCLUSION**

7 **Q. Does this conclude your direct testimony?**

8 Yes, it does.