

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE: February 12, 2018

TO: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors
Peggy A West, Chair, Finance and Audit Committee

FROM: James Martin, Interim Director, Department of Transportation

SUBJECT: **Petition for Waiver Request Ethics Code Section 9.05 (3) (a) for Bezawit Deneke former Airport Accountant IV**

POLICY

The Interim Director Milwaukee County Department of Transportation requests a waiver of 9.05(3)(a) of the Ethics Code which states that no former County employee, for twelve (12) months following the date on which he/she ceases to be a County employee, shall, for compensation, on behalf of any person other than a governmental entity, provide any contractual services to the County. This waiver request is for Bezawit Deneke Certified Public Accountant (CPA) who returned to the airport as a contractor through Personnel Services as a part time employee after leaving the County on September 6, 2017.

BACKGROUND

Bezawit as an Accountant IV specializing in Capital Project Accounting and Finance for nearly the last two years has developed and performed a unique set of duties. She also has built valuable relationships within Milwaukee County, the State Bureau of Aeronautics, the Federal Aviation Administration (FAA) and the airport's main financial consultant, Unison Consulting.

During the 2017 year-end process she will be requested to accomplish unique and critically important duties and train county employees on those duties including:

Passenger Facility Charges (PFC's) amendments. Ms. Deneke has spent 18 months compiling the necessary ground work for the amended PFC applications #14-17, which has resulted in a draft submission to the FAA. The FAA has recently provided guidance on the necessary modifications to have the amendments formally submitted and approved. This is critical because PFC collection at the highest rate is a necessary component for financing multiple capital projects. The Amendments insure the ability of the airport to continue collecting PFC's at the maximum rate of \$4.50 until the estimated year 2026. The approved amendment of existing PFC's to the \$4.50 rate would allow the airport to author a new PFC application #18 which Ms. Deneke is compiling and would be the first new application since 2013. PFC application #18 will contain the spending authority use of PFC's for the local (airport's) share of both past and future projects, and extend the \$4.50 collection rate to an estimated 2030 and possibly beyond.

Ms. Deneke has also played a key role in the Airport portion of the Single Audit. The Single Audit for the last two years since Ms. Deneke was in her capital role have been the cleanest in the airports history. The annual year-end audit of federally and state funded grants and PFC's are required by the FAA and the county. It is important that Ms. Deneke provide guidance through the process this year.

While a permanent replacement is sought through recruitment, many of Ms. Deneke's prior duties have been passed on to a county employee who retains the responsibility on an interim basis. Situations arise quite often where Ms. Deneke's experience and insight serve to guide the airport through a variety of unique situations. The need for Ms. Deneke's assistance is critical but also magnified as the Airport proceeds through the 2017 year-end close and begins to develop the 2019 Budget, which is the Airport Finance team's busiest time of the year and currently that area has three full time equivalent (FTE) vacancies.

Additional duties that Ms. Deneke is responsible for and has the most current experience over the last two years include:

- Oversees the FAA Airport Improvement Program (AIP) grant applications; coordinates with FAA and State Bureau of Aeronautics in use of grant funds in constructing an efficient and safe airport.
- Works with the Airport Engineer and Airport senior management in the determination and entry of the Annual Capital Budget, coordinates the changes in the Five-Year Capital Improvement Plan (CIP).
- Monitors project and grant spending to ensure that it is within budget, approval of fixed assets additions, setting up the annual public hearing on federally funded capital projects.

RECOMMENDATION

It is requested that the County Board Finance and Audit Committee waive 9.05(3)(a) of the Ethics Code regarding Bezawit Deneke's return to the airport because of the important and unique experience she brings to the airport at a critical time of year.

Approximately 75% to 85% of this expense is eligible to be funded using PFC funds for administration of airport PFC's.

FISCAL NOTE

There will be no tax levy impact from this action.

Prepared by: Charles Baker, Interim Deputy Airport Director-Finance & Administration

Approved by:



James H. Martin, Interim Director
Department of Transportation

CC: Chris Abele, Milwaukee County Executive
Raisa Koltun, Chief of Staff, Milwaukee County Executive's Office
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Steve Cady, Research and Policy Director, Office of the Comptroller