

MILWAUKEE COUNTY

Interoffice Communication

TO: Michael Mayo, Sr., Chairman, Milwaukee County Board of Supervisors
Theo Lipscomb, Vice-Chair, Committee on Economic & Community
Development
Economic & Community Development Committee Members

FROM: Freida Webb, CBDP Director

DATE: January 19, 2011

SUBJECT: **Recommendation for Changes in Chapter 32 and 56.30**

Background

In 2010, the Milwaukee County Board adopted revisions to county Ordinances so that Board approval would be required for contracts that would implement privatization of services provided by County employees. As part of that revision, administrators were charged with following adopted County policies related to working with the Office of Community business Development Partners to incorporate disadvantaged businesses in the contracts. The language effecting these changes appears to be limited to only the initial contracts related to privatization, not to subsequent renewal or re-solicitation of contracts for such services.

Recommendation

The attached resolution, if adopted, would strike the language limiting the involvement of the Board and the Office of Community Business Development Partners to only the initial privatization. The changes would accomplish two things. First, the Board would be in a position to re-authorize the use of private service providers rather than County employees. Second, if the privatization is re-authorized, administrators would be required to comply with adopted County policies related to disadvantaged businesses.

Cc: Terrence Cooley, County Board Chief of Staff
Jerome Heer, Director, Department of Audit
Stephen Cady, Fiscal Analyst, County Board
Julie Esch, County Board Analyst
Linda Durham, Committee Clerk, Economic & Community Development

1 | From the Director, Office of Community Development Business Development Partners seeking
2 authorization to amend Chapters 32 and 56 of the Milwaukee County Code of General Ordinances that
3 would require approval of the Milwaukee County Board of Supervisors and involvement of the Office of
4 Community Business Development Partners in any future contracts related to services that were
5 previously provided by Milwaukee County Employees, by recommending adoption of the following:
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7
8

9 **A RESOLUTION/ORDINANCE**

10
11 WHEREAS, Milwaukee County wishes to ensure Disadvantaged Business Enterprises (ACDBEs)
12 have every opportunity to bid or respond to requests for products or services that Milwaukee County
13 purchases or contracts for; and
14

15 WHEREAS, Milwaukee County's policy is "to comply with all federal and state requirements
16 relating to disadvantaged business enterprises and to require participation of disadvantaged business
17 enterprises (DBEs) and airport concession disadvantaged business enterprises (ACDBEs) in county
18 procurement, professional services, time and material, and public works contracting"; and
19

20 WHEREAS, the federal regulations were amended in February 1999 to strengthen the DBE
21 programs of recipients of U.S. DOT funding; and
22

23 WHEREAS, the Milwaukee County Board approved changes mandated by the U.S. DOT in May
24 2000, including amending Chapters 42 and 56.30 to conform to those changes; and
25

26 WHEREAS, in 2010, the Milwaukee County Board adopted revisions to county ordinances so that
27 Board approval would be required for contracts that would implement privatization of services provided
28 by county employees; and
29

30 WHEREAS, as part of that revision, administrators were charged with following adopted county
31 policies related to working with the Office of Community Business Development Partners to incorporate
32 disadvantaged businesses in the contracts; and
33

34 WHEREAS, the language effecting these changes appears to be limited to only the initial
35 contracts related to privatization, not to subsequent renewal or re-solicitation of contracts for such
36 services; and
37

38 WHEREAS, it is therefore necessary that Chapters 32 and 56 be amended to provide for
39 Milwaukee County Board review and approve of the continued use of private sector services providers
40 for services previous provided by county employees, and
41

42 WHEREAS, there are significant opportunities for the use of certified Disadvantaged Business
43 Enterprises (DBEs) in providing services to Milwaukee County; and
44

45 WHEREAS, these opportunities can strengthen the local economy; now, therefore,
46

47 BE IT RESOLVED, that the County Board of Supervisors authorizes and directs the Director,
48 Department of Administrative Services (or designee), to work with the Procurement Administrator, and

49 the Director of the Office of Community Business Development Partners, the Director of Audit, and the
50 County Board Staff to update the policies and procedures contained in the County’s Administrative
51 Manual to conform to amendments to Chapters 32 and 56.30 to ensure clarity and compliance with said
52 chapters as amended:

53
54 **AMENDED ORDINANCES**

55
56 SECTION 1. Section 32.20 of the General Ordinances of Milwaukee County as amended to and
57 including _____ hereby amended as follows:

58
59 (17) “Service Contract” means an agreement ~~for services where an existing County position will~~
60 ~~be abolished or where an existing position will be unfunded or where a County employee will be subject~~
61 ~~to layoff or reduced work hours which are~~ primarily related to staff services including, but not limited to,
62 housekeeping, security, landscaping, maintenance and other non-professional services.

63
64 SECTION 6. Section 32.25 (7) (e) of the General Ordinances of Milwaukee County as amended
65 to and including _____ hereby amended as follows:

66
67 (e) Annnnually the county board shall sdopt by resolution a recommended minimum
68 percentage goal for the participation of disadvantaged business enterprise vendors in contracts
69 awarded pursuant to chapter 32. Such goals are not manadatory; however, the purchasing
70 administrator shall make diligent efforts to achieve or exceed such annual participation goals.

71
72
73 SECTION 2. Section 56.30 of the General Ordinances of Milwaukee County as amended to and
74 including _____ hereby amended as follows:

75
76 (1)(g) “Service Contract” means an agreement ~~for services where an existing County position will~~
77 ~~be abolished or where an existing position will be unfunded or where a County employee will be subject~~
78 ~~to layoff or reduced work hours which are~~ primarily related to staff services including, but not limited to,
79 housekeeping, security, landscaping, maintenance and other non-professional services.
80

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 20 , 2011

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Amdendments to Milwaukee County General Ordinacnces Chapter 32 and 56.30 based upon Milwaukee County Board approved in January. 2011 to provide County Board approval and CBDP involvement in any future contracts related to services previously provided by County employees.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

| | Expenditure or Revenue Category | Current Year | Subsequent Year |
|-----------------------------------|---------------------------------|--------------|-----------------|
| Operating Budget | Expenditure | 0 | 0 |
| | Revenue | 0 | 0 |
| | Net Cost | 0 | 0 |
| Capital Improvement Budget | Expenditure | | |
| | Revenue | | |
| | Net Cost | | |

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Adoption of Amendendts to the Milwaukee County Ordinances Chapters 32 and 56.30 will ensure County Board approval and the involvement of the Office of Community Business Devellpment Partners in any future contracts related to services that were previously provided by County employees and provide correct and current information regarding poractive clear, steps for compliance with Milwaukee County Disadvanataged Business Enterpriser (DBE) Program rules administered by by County Board Office Community Business Development Parttners (CBDP).

B. There are no direct cost related to these amendments .

Department/Prepared By Mildred Hyde-Demoze

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.