

REVISED

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 5/5/16

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for authorization to execute a professional service agreement with POWER Engineers for the configuration and implementation of Cityworks, an Asset and Work Order Management System. (WO948 – Milwaukee County Asset and Work Order System)

FISCAL EFFECT:

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

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		
	Revenue		
	Net Cost		
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.

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.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

- A. The Department of Administrative Services – Information Management Services Division (DAS-IMSD) respectfully requests authorization to execute a Professional Service Agreement with POWER Engineers for the implementation of City Works, an Asset and Work Order Management System. At the completion of this project, the County will have an enterprise approach to work orders and facility asset maintenance. The implementation of the City Works application will enable a central approach to asset and work order process throughout the County and maximize operational efficiencies in order to reduce risk, improve service quality, meet compliance requirements and ultimately reduce costs.
- B. The POWER Engineers PSA is valued at \$783,980.19. The City Works implementation is expected to be completed within two (2) years of project kick-off, but DAS-IMSD is requesting the PSA include the initial period of two (2) years as well as the option of two (2) one (1) year renewals. The reason for the renewal option is not only to allow for project contingency, but also to enable DAS-IMSD to leverage POWER Engineers for future enhancements and system optimization. The overall project (WO948 – Milwaukee County Asset and Work Order System) will include: the PSA with POWER Engineers; project management; mobile hardware (tablets) pilot; and an additional contract contingency allocation of ten percent (10%), for a total project cost of \$1,252,830.
- C. As part of the approved 2016 capital budget, the County Board of Supervisors and the County Executive approved the capital improvement project WO948 – Milwaukee County Asset and Work Order System – for a total cost of \$620,000. The prior year appropriation was \$632,830 for a total appropriation of \$1,252,830. The requested action in this note will be funded through the capital project WO948. There will be no additional budgetary impact to the current year (2016). The two (2) optional one (1) year renewals and any additional work beyond the deliverables identified by the PSA will be based on labor rates identified in the PSA. Labor rates may increase annually by the change in CPI or 3 percent, whichever is less. Any additional services will be defined by written amendment to the PSA. At this point within the project limited GIS functionality is budgeted. If additional GIS functionality is identified, DAS-IMSD will be seeking additional funding in the out years. GIS professional services is currently budgeted at \$75,000 which is the DBE component of the project.
- D. IMSD has used vendor proposals to estimate the transition costs associated with this project. Additionally, the on-going cost estimate is based on the current state footprint (number of servers and storage resources) of Milwaukee County's infrastructure environment. The information provided on this form is based on the currently defined project scope modifications to scope could increase the value of the contract with POWER Engineers. WO948 includes a contingency of \$78,391.

Department/Prepared By IMSD/Laura Bahr, Project Manager

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required