



Community Business Development Partners

MILWAUKEE COUNTY

MARINA DIMITRIJEVIC • Chairwoman, Milwaukee County Board of Supervisors
NELSON SOLER • Interim Director, Community Business Development Partners

INTEROFFICE COMMUNICATION

DATE: September 27, 2012

TO: Supervisor Marina Dimitrijevic, Chair, Board of Supervisors
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel & Audit
Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel & Audit
Supervisor Patricia Jursik, Chair, Committee on Economic & Community Development
Supervisor Michael Mayo, Sr., Chair, Committee on Transportation, Public Works & Transit

FROM: Nelson Soler, Interim Director, Community Business Development Partners

SUBJECT: 2011 DBE Achievement Report

BACKGROUND

Prior to 2001, Milwaukee County measured small business participation by Minority and Woman-Owned Business Enterprise (M/WBE) standards. In January of 2001, the County updated all of its business development and diverse spend activities into a single Disadvantaged Business Enterprise (DBE) Program. A DBE is a small business concern owned and controlled by socially and economically disadvantaged individuals. All women and members of defined ethnic groups are presumed to be socially disadvantaged. Other individuals, including white males, may also be certified upon demonstration by a preponderance of the evidence that they are indeed socially and economically disadvantaged.

OBJECTIVE

The Milwaukee County Community Business Development Partners Department (CBDP) designs, implements, and monitors the County's DBE Program to ensure the meaningful participation of small businesses in overall County spend.

The County's DBE Program exists to level the playing field in contracting. To this end, CBDP employs multiple approaches. Principle among these approaches is partnering with internal and external stakeholders to identify barriers to participation, and working collectively to minimize the adverse affects of these barriers when and where their elimination in not feasible. The tools utilized in this effort include (1) establishing DBE participation goals on contracts that possess opportunities for DBEs to perform a commercially useful function; (2) assisting department/division heads, administrators, and prime contractors in identifying qualified DBEs; (3) monitoring of all contracts with an established DBE goal; (4) ensuring all DBE firms participating on County contracts are certified through the Wisconsin Unified Certification Program (WIUCP); (5) identifying and redressing instances of noncompliance; and (6) providing certified DBEs with technical assistance to enhance their ability to successfully participate on County contracts.

The purpose of this report is to overview the levels of participation by DBE firms in various types of contracts. This report only details contracts closed during the period from January 1 through December 31, 2011.

The summary of closed contracts and actual participation is shown in the attachment detailing achievements as dollars paid to DBEs and their resultant percentages based on total contract payments. Receipt of final payment from the County is utilized as the determination of a closed contract for purposes of consistency. These grand totals have been summarized to assess DBE participation as a percentage of spend in terms of areas of operation, which include (1) county-wide, (2) professional services, (3) construction, (4) consultant, (5) time and material, and (6) procurement division spend.

ACHIEVEMENT REPORT SUMMARY

It is important to note that this report does not reflect total Milwaukee County spend during 2011, although nearly \$70 million of Procurement Division activity is included. The methodology employed to calculate the report totals are based on the levels of DBE participation in contracting that departments have routed through CBDP as defined in the Milwaukee County Code of General Ordinances, Chapters 32 and 42. This report also excludes nearly \$11.8 million in tracked waivers for this period, which reduces the overall participation 1%. The **2011 DBE Achievement Report** tables note the following totals and overall percentage of DBE participation. Please see the attachment for more detailed breakouts that include individual owner departments, contractor/consultant awarded, and contract amounts by area of operation.

Tracked County-wide spend for 2011	\$ 141,111,508.51
Tracked DBE spend for 2011	\$ 17,315,750.59
Percentage of DBE spend for 2011	12.27%
Tracked County-wide spend for 2011 (including tracked waivers)	\$ 152,896,668.51
Adjusted percentage of DBE spend for 2011	11.33%

The report for calendar year 2011 details actual achievements as documented by signed Payment Certification forms. For purposes of continuity and consistency, this same form is utilized on projects where the DBE operates as the prime. The signed certification, and subsequent verification by CBDP staff, clearly indicates the total dollar amount received by the DBE for work on the contract.

The reporting of actual DBE achievement through the utilization of signed payment certifications continues to be an area of concern in the arenas of Professional, Contract, and Management Services. CBDP has determined that deficiencies in reporting are related to lack of consistent understanding of the DBE Program and its overall role in County spend. During 2011, CBDP worked diligently with the County Board and key departments to remedy issues such as this through updates to the County Code. Moving forward CBDP will be implementing multiple efforts to re-brand itself, to further develop and enhance its relationships with internal and external stakeholders, and continue to educate and inform the purchasing and contracting communities of the value-added benefits gained through partnering in the continual development of Milwaukee County.

RECOMMENDATION

This is an informational report. It is recommended that this report be reviewed, received and placed on file to serve as reference for policymakers moving forward.

Prepared by:



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Approved by:



Nelson Soler, Interim Director
Community Business Development Partners

cc: Chris Abele, County Executive
County Board of Supervisors
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Jerome Heer, Director, Department of Audits
Department Heads

MILWAUKEE COUNTY

2011 DBE Achievement Report

Milwaukee County Spend			
	County Spend	DBE Spend	DBE %
TOTAL DOLLARS	\$ 141,111,509	\$ 17,315,751	12.27%

Contracts Closed in 2011				
	Total \$ Amount of Contract Payments ¹	Total \$ Amount of DBE Payments ²	DBE Participation	DBE Goal
Professional Service	\$31,418,759.00	\$1,969,319.27	6.27%	17%
Construction Contracts	26,318,099.11	7,761,776.29	29.49%	25%
Consultant Contracts	10,236,555.83	2,446,037.46	23.90%	25%
Time & Material (T&M) Contracts	4,043,543.38	1,062,107.11	26.27%	25%
CONTRACT DOLLARS	\$72,016,957.32	\$13,239,240.13	18.38%	

¹ Represents only contracts that had DBE participation

² Amounts as reported on signed DBE Payment Certification (DBD-018) form

Procurement Vendor Payments in 2011				
	Total \$ Amount of Procurement Payments ⁴	Total \$ Amount of DBE Payments ⁵	DBE Participation	DBE Goal
PROCUREMENT DOLLARS	\$69,094,551.19	\$4,076,510.46	5.90%	10%

⁴ Payment totals for Procurement Vendors (including PC & PG) excluding Check Requests, Departmental Purchase Orders (PD), Professional Service Contracts (PO) & Time & Material Contractors (SC) during 2011

⁵ Amounts as reported in Advantage

Construction Related

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

Professional Services

DBE utilization 12-17%

DBE utilization 5 - 11.99%

DBE utilization < 5%

2011 Professional Service DBE Achievements

County-Wide Expenditures by Department (Figures include CDBP Approved Waivers)

Department	\$ Expended	\$ To DBEs	DBE %
Aging	8,250.00	8,250.00	100.00%
Audit	177,020.00	177,010.00	99.99%
Child Support Enforcement	213,000.00	16,000.00	7.51%
Community Business Development Partners	38,641.10	38,641.10	100.00%
Corporation Counsel	15,000.00	0.00	0.00%
Court Related Services	158,274.00	76,718.99	48.47%
DAS - Fiscal Services	1,265,900.00	0.00	0.00%
DAS - Risk Management	225,000.00	0.00	0.00%
DHHS - Accounts Payable	22,000.00	0.00	0.00%
DHHS - Behavioral Health	26,419,417.48	1,410,943.07	5.34%
DHHS - Housing	27,100.00	0.00	0.00%
DHHS - Marcia Coggs Center	15,000.00	15,000.00	100.00%
DHHS - Vel Phillips Center Complex	355,966.00	57,816.46	16.24%
Family Care	10,580.00	10,580.00	100.00%
GMIA	33,575.00	33,506.25	99.80%
IMSD	45,750.00	45,750.00	100.00%
Medical Examiner	19,999.00	19,999.00	100.00%
Parks	54,000.00	5,104.40	9.45%
Real Estate	4,000.00	0.00	0.00%
Sheriff Office	58,743.32	0.00	0.00%
State Court Services	2,062,474.00	43,800.00	2.12%
University of WI - Extension	160,870.00	0.00	0.00%
Zoological Society	28,200.00	10,200.00	36.17%
Grand Total	\$ 31,418,759.90	\$ 1,969,319.27	6.27%

DBE utilization 12-17%

DBE utilization 5 - 11.99%

DBE utilization < 5%

2011 Construction DBE Achievements

County-Wide Expenditures by Department

Department	\$ Expended	\$ To DBEs	DBE %
Community Corrections Facility South	993,780.00	278,684.00	28.04%
Facilities Management - Various Sites	994,778.54	163,845.50	16.47%
GMIA & Timmerman Field	14,732,342.80	5,166,734.84	35.07%
Health & Human Services	254,628.00	44,836.00	17.61%
Highways (Roads & Bridges)	3,176,693.10	731,129.95	23.02%
Mass Transit (MCTS)	48,200.00	12,116.00	25.14%
Parks, Recreation & Culture	2,674,108.75	624,307.47	23.35%
Zoo Complex	3,443,567.92	740,122.53	21.49%
Grand Total	\$ 26,318,099.11	\$ 7,761,776.29	29.49%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

2011 Consultants DBE Achievements

County-Wide Expenditures by Department

Department	\$ Expended	\$ To DBEs	DBE %
GMIA & Timmerman Field	6,628,668.89	1,142,104.79	17.23%
Highways (Roads & Bridges)	1,137,608.74	550,313.80	48.37%
Mass Transit (MCTS)	28,292.82	28,292.81	100.00%
Parks, Rec & Culture (including Museums)	1,541,907.26	485,830.24	31.51%
Health & Human Services	205,443.52	43,738.06	21.29%
Other (Environmental Svcs, Public Art, etc.)	691,419.28	186,456.66	26.97%
Grand Total	\$ 10,233,340.51	\$ 2,436,736.36	23.81%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

2011 T & M DBE Achievements

County-Wide Expenditures by Department

Facility	\$ Expended	\$ To DBEs	DBE %
Behavior Health Complex	319,884.00	38,253.11	11.96%
Community Corrections Facility South	597,803.60	217,670.83	36.41%
Facilities Management - CH	228,077.43	36,958.00	16.20%
Facilities Management - Grounds	376,534.75	79,062.20	21.00%
GMIA & Timmerman Field	1,373,627.96	340,589.08	24.79%
Marcia Coggs Complex	84,394.08	50,263.80	59.56%
Parks, Recreation & Culture	804,430.76	231,519.42	28.78%
Zoological Society	258,790.80	64,685.57	25.00%
Grand Total	\$ 4,043,543.38	\$ 1,062,107.11	26.27%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

2011 T & M DBE Achievements

County-Wide Expenditures by Individual Contractor

Company Name	\$ Expended	\$ To DBEs	DBE %
Alpine Plumbing ¹	154,277.98	62,149.89	40.28%
Arteaga (DBE) - HVAC ²	161,873.90	108,387.63	66.96%
Belonger Corporation (DBE) ²	24,670.82	24,670.82	100.00%
Cornerstone Plumbing ¹	163,453.55	9,719.22	5.95%
Dnesco Electric ⁴	504,167.30	107,536.34	21.33%
Grunau Company ⁹	889,496.44	141,847.30	15.95%
Integrity Environmental ¹	64,810.42	15,555.00	24.00%
JF Cook Company (DBE) - Glazing ¹	16,449.54	16,449.54	100.00%
Joseph Lorenz Construction ⁴	313,571.80	134,780.88	42.98%
Kubenik Mechanical - Metal Fabrication ¹	33,242.00	28.55	0.09%
Langer Roofing ²	49,550.94	0.00	0.00%
Meer Electric ¹	10,854.40	6,908.55	63.65%
Milwaukee Iron Works ¹	14,881.28	14,881.28	100.00%
Milwaukee Plumbing ¹	10,029.49	1,500.00	14.96%
NAGY Restoration - Construction ⁷	321,188.60	106,762.96	33.24%
Northway Fencing ³	121,429.44	31,844.26	26.22%
PARSS ¹	30,239.91	2,479.54	8.20%
Poblocki Paving ³	415,792.00	96,088.34	23.11%
Property Electric ³	188,918.39	26,150.85	13.84%
Statewide Heating & Cooling ¹	22,804.24	5,698.67	24.99%
Uihlein Electric ¹	147,282.29	22,036.94	14.96%
United Flooring ³	62,607.91	7,662.00	12.24%
Velcheck & Finger - Roofing ³	165,494.90	16,415.11	9.92%
Vista Design & Construction (DBE) ¹	145,979.84	102,553.44	70.25%
Wil-Surge Electric ¹	10,476.00	0.00	0.00%
Grand Total	\$ 4,043,543.38	\$ 1,062,107.11	26.27%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

Superscript indicates the number of T&M contracts held during 2011

2011 T & M DBE Achievements (1 of 3)

Departmental Expenditures by Individual Contractor

Facility	\$ Expended	\$ To DBEs	DBE %
Behavioral Health Complex			
Dnesco Electric	15,439.26	3,744.30	24.25%
Grunau - Plumbing	127,529.82	16,563.34	12.99%
Joseph Lorenz Construction	116,983.35	3,944.67	3.37%
Property Electric	37,127.33	8,302.13	22.36%
Statewide Heating & Cooling	22,804.24	5,698.67	24.99%
United Flooring	0.00	0.00	0.00%
Total	\$ 319,884.00	\$ 38,253.11	11.96%

Community Correctional Facility South

Alpine Plumbing	154,277.98	62,149.89	40.28%
Grunau - HVAC	139,324.47	14,677.75	10.53%
Joseph Lorenz Construction	156,918.86	117,036.21	74.58%
Uihlein Electric	147,282.29	22,036.94	14.96%
Velcheck & Finger - Roofing	0.00	0.00	0.00%
Total	\$ 597,803.60	\$ 215,900.79	36.12%

Facilities - Courthouse

Arteaga (DBE) - HVAC	4,835.62	4,835.62	100.00%
Dnesco Electric	83,933.82	14,686.00	17.50%
Grunau - Plumbing	67,623.02	14,070.00	20.81%
NAGY Restoration - Construction	8,566.09	1,440.00	16.81%
United Flooring	52,642.88	6,762.00	12.85%
Wil-Surge Electric	10,476.00	0.00	0.00%
Total	\$ 228,077.43	\$ 41,793.62	18.32%

Facilities - County Grounds

Grunau - Plumbing	305,818.18	77,761.00	25.43%
Langer - Roofing	10,288.50	0.00	0.00%
NAGY Restoration - Construction	3,887.99	800.00	20.58%
Property Electric	56,540.08	540.72	0.96%
Total	\$ 376,534.75	\$ 79,101.72	21.01%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

2011 T & M DBE Achievements (2 of 3)

Departmental Expenditures by Individual Contractor

Facility	\$ Expended	\$ To DBEs	DBE %
<u>GMIA & Timmerman Field</u>			
Arteaga (DBE) - HVAC	157,038.28	103,552.01	65.94%
Cornerstone Plumbing	163,453.55	9,719.22	5.95%
Dnesco Electric	372,058.56	78,321.61	21.05%
Grunau - Plumbing	64,653.00	6,712.00	10.38%
Integrity Environmental	64,810.42	15,555.00	24.00%
Milwaukee Iron Works (DBE)	14,881.28	14,881.28	100.00%
Nagy Restoration - Concrete	35,851.19	4,930.00	13.75%
Nagy Restoration - Construction	91,572.99	21,890.00	23.90%
Nagy Restoration - Painting	0.00	0.00	0.00%
Northway Fence	65,168.94	12,933.10	19.85%
Poblocki Paving	197,840.00	55,179.75	27.89%
United Flooring	9,965.03	900.00	9.03%
Velcheck & Finger Roofing	136,334.72	16,015.11	11.75%
Total	\$ 1,373,627.96	\$ 340,589.08	24.79%

Marcia Coggs Complex

Belonger Corporation - HVAC	7,867.65	7,867.65	100.00%
Belonger Corporation - Plumbing	16,803.17	16,803.17	100.00%
Dnesco Electric	32,735.66	10,784.43	32.94%
Joseph Lorenz Construction	16,133.20	7,900.00	48.97%
Meer Electric	10,854.40	6,908.55	63.65%
Total	\$ 84,394.08	\$ 50,263.80	59.56%

DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%

2011T & M DBE Achievements (3 of 3)

Departmental Expenditures by Individual Contractor

Facility	\$ Expended	\$ To DBEs	DBE %
<u>Parks, Recreation & Culture</u>			
Grunau - HVAC	97,739.97	11,259.89	11.52%
Joseph Lorenz Construction	23,536.39	5,900.00	25.07%
Milwaukee Plumbing	10,029.49	1,500.00	14.96%
NAGY Restoration - Construction	128,186.00	44,410.96	34.65%
Northway Fence	33,154.00	8,810.00	26.57%
PARSS	30,239.91	2,479.54	8.20%
Poblocki Paving	211,154.00	36,897.59	17.47%
Property Electric	95,250.98	17,308.00	18.17%
Velcheck & Finger - Roofing	29,160.18	400.00	1.37%
Vista Design & Construction (DBE)	145,979.84	102,553.44	70.25%
Total	\$ 804,430.76	\$ 231,519.42	28.78%

Zoological Society

Grunau - Electric	4,694.60	0.00	0.00%
Grunau - HVAC Controls	62,556.28	0.00	0.00%
Grunau - Plumbing	19,557.10	803.32	4.11%
JF Cook Company (DBE) - Glazing	16,449.54	16,449.54	100.00%
Kubenik Mechanical - Metal Fabrication	33,242.00	28.55	0.09%
Langer Roofing	39,262.44	0.00	0.00%
NAGY Restoration - Construction	53,124.34	33,292.00	62.67%
Northway Fencing	23,106.50	10,101.16	43.72%
Poblocki Paving	6,798.00	4,011.00	59.00%
Total	\$ 258,790.80	\$ 64,685.57	25.00%

Grand Total	\$ 4,043,543.38	\$ 1,062,107.11	26.27%
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DBE utilization 20 - 25%

DBE utilization 10 - 19.99%

DBE utilization < 10%