

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: December 7, 2021

TO: Marcelia Nicholson, Chairperson, Milwaukee County Board of Supervisors

FROM: Stuart Carron, Director, Facilities Management Division, Department of Administrative Services

SUBJECT: A Request from the Director, Department of Administrative Services (DAS), regarding Authorization of \$500,000 of ARPA funds for the purpose of establishing and operating an ARPA Capital Program Management Office.

FILE TYPE: Action

REQUEST

The Director of DAS respectfully requests authorization of \$500,000 of ARPA funds for the purpose of establishing and operating an ARPA (American Rescue Plan Act) Capital Program Management Office.

OVERVIEW

The American Rescue Plan Act (ARPA) of 2021 was signed into law by President Joseph Biden on March 11, 2021, in efforts to provide support to individuals, families and businesses impacted by the COVID-19 pandemic. Milwaukee County will directly receive \$183 million in ARPA funding through the federal government's State and Local Fiscal Recovery Fund. These funds are intended to allow flexibility for jurisdictions to meet local needs and fund local solutions to support families, small businesses, impacted industries, essential workers and the communities disproportionately affected by the pandemic.

On June 24, 2021, the Milwaukee County Board of Supervisors approved a resolution to establish the American Rescue Plan Act of 2021 Task Force. The task force will use a public process to make non-binding recommendations for ARPA allocations to the County Board of Supervisors.

Of Milwaukee County's \$183 million of ARPA aid, approximately \$115,728,599 million has been allotted for Revenue Loss Recovery projects. The Revenue Loss Recovery Subgroup of the ARPA Task Force was established to generate project-level allocation recommendations to improve the fiscal health of Milwaukee County and strengthen support for vital public services. Sample expenditures that are being considered by the Revenue Loss Recovery Subgroup include addressing the backlog of capital projects and deferred maintenance, as well as making cost-saving and efficiency investments in technology, service delivery, facilities, etc.

With potentially over \$100M of capital projects that may be funded over the next three years, the Department of Administrative Services (DAS) is planning how to best manage this unique requirement. The Architecture, Engineering and Environmental Services (AE&ES) section of

the Facilities Management Division (FMD) of DAS currently is charged with planning and executing the majority of County capital projects (exceptions include Highway and Transit projects) and is expecting to be charged with planning and executing capital projects funded via ARPA. AE&ES is not be sufficiently staffed to fully support the influx of capital projects. They currently have a long list (over 200 projects and \$100M of capital) of active projects, is short-staffed, has a high retirement eligibility, and has limited bandwidth to manage significant project inflow from ARPA. The number and scale of ARPA-funded projects is currently unknown, yet ARPA comes with a specific timeframe for completing these projects.

An ARPA Capital Program Management Office (CPMO) is proposed to be set up within AE&ES to provide overall organization of all approved ARPA capital projects. Its purpose is to establish procedures, provide oversight and controls, and provide uniform reporting of status of projects. Responsibilities would include project intake, assignments, record-keeping, procurement strategies, project accounting and reporting of all ARPA capital projects. The CPMO shall meet regularly to provide oversight and guidance to the executing of approved projects.

A \$500,000 allocation is requested to provide supplementary external resources, which will be procured via the County's standard bid process, to establish and operate the CPMO. Once set up, the CPMO shall provide regular reports and updates to the ARPA Task Force. These reports shall include, at a minimum,

- The list of ARPA-funded capital projects
- Project status and projected schedule
- Approved budgets, commitments, and forecast
- Summary of highlights and concerns
- Other items as the ARPA Task Force may require

The ARPA Task Force met on Thursday, December 2, 2021 and recommended approval of the requested funds for the ARPA Capital Program Management Office.

POLICY

File No. 21-555

In July 2021 the Board resolved to create a Task Force to review and recommend funding allocations to the Milwaukee 8 County Board of Supervisors for monies received by the County in the Federal 9 American Rescue Plan Act of 2021.

File No. HRA21-481

On December 2, 2021, the ARPA Task Force approved the request for ARPA CPMO funding from the Facilities Management Division of DAS at an increased amount of \$500,000.

FISCAL EFFECT

There are sufficient funds in the County ARPA program to fund external resources to support the ARPA Capital PMO. There is no tax levy impact.

TERMS

A standard Milwaukee County professional services agreement shall be used to define the terms of contract for external resources. The term of the agreement shall be one year subject to renewal as needed to support ARPA capital programming for the duration of the fund.

RACIAL EQUITY COMPONENT

The contract shall include a targeted business enterprise (TBE) goal of 17%.

VIRTUAL MEETING INVITEES

Stuart Carron, Director Facilities Management Division, Department of Administrative Services

Aaron Hertzberg, Director, Department of Administrative Services

PREPARED BY

Stuart Carron, Director Facilities Management Division
Department of Administrative Services

APPROVED BY

Aaron Hertzberg

Aaron Hertzberg, Director, Department of Administrative Services

cc: David Crowley, County Executive
Mary Jo Meyers, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board
Janelle M. Jensen, Manager, Legislative Services Division, Office of the County Clerk
Joseph Lamers, Director, Office of Performance, Strategy and Budget, DAS
Vince Masterson, Capital Budget Coordinator, Office of Performance, Strategy and Budget, DAS
Pamela Bryant, Capital Finance Manager, Office of the Comptroller
Justin Rodriguez, Budget and Management Coordinator, Office of the Comptroller
Guy Smith, Director, Department of Parks, Recreation and Culture