

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: February 23, 2015

TO: Supervisor Marina Dimitrijevic, Chair, County Board of Supervisors

FROM: Paul Bargren, Corporation Counsel

SUBJECT: Authorization for Milwaukee Transport Services, Inc. to engage Quarles and Brady LLP on behalf of Milwaukee County to develop and implement a legal strategy including the authorization to pursue litigation if necessary related to the Milwaukee County Transit System Farebox Replacement Project (Farebox Project)

Referral to the Committee on Judiciary, Safety and General Services is requested. MCGO 1.11(c)(3)(2)b calls for the Committee, subject to full board approval, to approve the initiation of all suits or claims by the county.

BACKGROUND

Milwaukee Transport Services Inc. (MTS), under a contract entered into with a vendor by Milwaukee County, has undertaken a comprehensive capital improvement project to replace the fareboxes and fare collection system on transit buses.

The project addresses not only replacement of the physical fareboxes on the transit buses but includes other major elements such as the implementation of a smart card fare payment technology. The smart card fare payment technology provides the capability for transit customers to reload smart card stored value not only at established retail outlets within the transit operating network but also by a transit passenger over the internet.

The Farebox Project is funded with federal American Recovery and Reinvestment Act (ARRA) funds that expire on September 30, 2015. Due to federally required tasks that must be completed by Milwaukee County Department of Transportation staff, the vendor work must be completed earlier than this deadline to achieve project closeout and reimbursement. As of February 2015 there remain significant outstanding tasks and functionality that, while they could still be provided by the farebox replacement vendor, in accordance with the schedule deadlines established by MTS, have not been successfully delivered.

A verbal update on the status of this project was provided to the Committee on Transportation, Public Works & Transit in closed session at its meeting on January 21, 2015.

At this time, Corporation Counsel requests authorization for MTS to engage the law firm of Quarles and Brady LLP on behalf of Milwaukee County to develop and implement a legal strategy that may include litigation, if needed, as Corporation Counsel shall authorize and direct, related to the Milwaukee County Transit System Farebox Replacement Project. Because Milwaukee County is the contract party, any lawsuit would need to be brought in the name of the County, not in the name of MTS.

FISCAL EFFECT

As described in the attached Fiscal Note, all efforts will be made to absorb costs for this engagement within the existing 2015 appropriation for Transit/Paratransit and within Quarles and Brady's existing MTS legal services contract. If additional funds are needed, an additional request will be made.

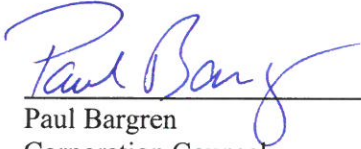
RECOMMENDATION

Corporation Counsel recommends adopting the resolution authorizing Milwaukee Transport Services, Inc., to engage the law firm of Quarles and Brady LLP to develop and implement a legal strategy on behalf of Milwaukee County, as needed, including the pursuit of litigation if necessary related to the Milwaukee County Transit System Farebox Replacement Project.

The authorization is requested in order to protect the interests of Milwaukee County given the contractual obligations that must be fulfilled by the farebox replacement vendor in order to achieve successful project closeout prior to the September 30, 2015 expiration of federal funds being used to cover the project costs.

Prepared by: James H. Martin, Director of Administration, MCDOT

Approved by:



Paul Bargren
Corporation Counsel

cc: Chris Abele, County Executive
Raisa Koltun, Chief of Staff, Office of the County Executive
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Brian Dranzik, Director, Department of Transportation
Dan Boehm, Managing Director, Milwaukee Transport Services
Josh Fudge, Budget Director, DAS - PSB
Steve Cady, Research and Policy Director, Office of the Comptroller