



OFFICE OF THE COUNTY EXECUTIVE 2015 JUL 29 A 9:41

Milwaukee County
JOSEPH J. CZARNEZKI
MILWAUKEE COUNTY CLERK

CHRIS ABELE • COUNTY EXECUTIVE

DATE: July 27, 2015

TO: The Honorable Milwaukee Board of Supervisors

FROM: Chris Abele, Milwaukee County Executive

RE: Veto of County Board File No. 15-529 on a resolution authorizing an appropriation transfer from the Appropriation for Contingencies in an amount not to exceed \$505,000 to pay MidAmerican Building Services for the cost of providing their employees the County-required Minimum Wage (Living Wage) upon receipt and verification of actual costs by the Audit Services Division

I am vetoing County Board File No. 15-529 pursuant to the authority granted to me by Article IV, Section 23(a) of the Wisconsin Constitution and Section 59.17(6) of the Wisconsin Statutes.

The County Board adopted a resolution on July 15, 2015 that authorizes an appropriation transfer from the Appropriation for Contingencies of up to \$505,000 to pay MidAmerican Building Services for the cost of retroactively providing their employees the County-required Minimum Wage (Living Wage), dating back to June 1, 2014 and going through August 30, 2015.

I am vetoing this resolution because it seeks to give a substantial amount of non-contracted money to a vendor that has been shown by an independent audit to be underperforming, with the hope that the vendor then passes along that money to current and former employees.

In response to repeated complaints about the quality of cleaning service, the Department of Administrative Services contracted with 1Class Consulting to perform an audit of MidAmerican Building Services' contract compliance. Inspections were performed on County facilities, using International Sanitary Supply Association (ISSA) and Association of Physical Plant Administrators (APPA) standards to determine the quality of service performed by MidAmerican. This audit concluded that the County was receiving only approximately 50% of the services that it has been contracting for. This translates to \$600,000 per year worth of service that the County is paying for but not receiving. The audit also indicated several serious health risks based on the existing contractors deficiencies.

Meanwhile, the County used a competitive RFP process in an attempt to contract with a new vendor who would perform all the requirements of the contract while paying their employees a living wage. CleanPower scored as the best bid in that RFP process due to how it rated in contract cost, technical knowledge, experience, quality of personnel, and work history. Additionally, CleanPower submitted an enhanced Disadvantaged Business Enterprises plan, which provides for 25.1% DBE participation and includes a mentoring program that will help position its DBE subcontractors to submit competitive proposals in response to the next housekeeping and janitorial services RFP. This contract has been repeatedly blocked by the County Board.

Lastly, this resolution will leave the Appropriation for Contingencies at a dangerously low level. This fund is designed to address unforeseen conditions and public emergencies. Cumulatively, the actions of the Board are expected to leave the unallocated portion of the Appropriation for Contingencies at approximately a half million dollars at the end of July. This is by far the lowest level this fund has been at this time of the year in at least the last six years. With five months remaining in the fiscal year, the County is at risk of running out of contingency funds and will have to borrow from elsewhere in order to handle an emergency if one occurs. Leaving the County in this situation is irresponsible.

I encourage the Board to sustain this veto and allow the County to move forward on a contract with CleanPower so that the County can get better service while respecting workers and protecting emergency funding.