

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 12/30/2016

Original Fiscal Note ☐

Substitute Fiscal Note ☒

SUBJECT: Report from the Chief Information Officer, Information Management Services Division (DAS-IMSD), on a professional service contract extension with TDSi to provide IT consulting services for vendor selection and implementation planning for a phone system replacement and voice-over-internet-protocol (VoIP) system implementation.

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 approval of the requested action will allow IMSD to continue to pay TDSi to provide consulting services for the selection of a phone system replacement vendor and implementation planning. This action will result in charges being made to Capital Project WO217014. These charges are authorized within the 2016 sub-project through an appropriation transfer of \$552,062 made in 2014 to provide for critical repair of the existing phone system and to hire a consultant to develop a plan for phone and voicemail replacement.
- B. The TDSi PSA is valued at a total of \$131,237.72, to include the amendment amount of \$44,945.00. The total contract value is based upon 201 hours of vendor time already completed, and an additional 120 estimated hours of vendor time, billed at \$175 per hour. Funds for the increase are available in Capital Project WO217014 as a result of the 2014 appropriation transfer.
- C. IMSD appropriated funds in 2015 to pay TDSi for consulting services. All services provided to Milwaukee County by TDSi have been related to Capital Project WO217014: Phone and Voicemail Replacement. The requested action will result in a reallocation of the charges related to Capital Project WO217014 from the department's operating budget to the Capital Project. Work performed by TDSi was contemplated by the 2016 sub-project and a 2014 fund appropriation transfer of \$552,062 provided funding for critical repairs of the existing phone system as well as funding to hire a consultant.
- D. IMSD has used the vendor's proposed rates to estimate costs related to this project. The information provided on this form is based on the currently defined project scope and on the vendor's proposal. Additional modifications to scope could increase the value of the contract with TDSi.

Department/Prepared By IMSD/Laurie Panella, CIO

Authorized Signature



Did DAS-Fiscal Staff Review?

☒ Yes

☐ No

Did CBDP Review?²

☐

Yes

☐

No

☐

Not Required