



Community Business Development Partners

# MILWAUKEE COUNTY

RICK NORRIS, PE • Director, DBE Liaison Officer, ACDBE Liaison Officer

## INTER-OFFICE COMMUNICATION

DATE: August 10, 2017

TO: Supervisor Theodore Lipscomb Sr., Chair, Milwaukee County Board of Supervisors  
Supervisor Steve Taylor, Chair, Economic and Community Development Committee  
Supervisor Michael Mayo, Sr., Chair, Transportation, Public Works and Transit Committee

FROM: Rick Norris, PE, Director, Community Business Development Partners

SUBJECT: **DBE/TBE Participation Report for Reporting Period January through June 30, 2017**

### DIRECTIVE

At the request of the Transit, Public Works, and Transportation Committee and Committee on Economic and Community Development, the Community Business Development Partners Department (CBDP) provides a bi-monthly update on the Disadvantaged Business Enterprise (DBE)/ Targeted Business Enterprise (TBE) utilization.

### PURPOSE

Determine the economic impact the procurement activity has on small businesses and communities within Milwaukee County; through goals settings of 17 percent professional services and 25 percent construction services. Specifically, the impact the Disadvantage Business Enterprise/Targeted Business Enterprise (DBE/TBE) program has on the local economy.

### THE PROCESS

CBDP gathered contract information from Milwaukee County departments through various sources; such as but not limited to: DocuSign, hardcopies of contracts and 1684 forms. Contract information was gathered on all contracts regardless if the contract had participation or not, such as DBE/TBE subcontractor contract value, length of contract, racial and gender composition, and other company information. The goal was to determine where County dollars were going by location, gender and by race. At the time of this analysis; no employment information was available. The above information is key in determining the economic impact Milwaukee County has in the surrounding area.

### DATA SOURCES

Primary sources of data collection are DocuSign and 1684 forms. It's important to note that not all contracts are routed through a single procurement process. CBDP recognizes that the information used does not represent the total procurement dollars Milwaukee County contract for. Therefore, this report is based on the best available information and it does not represent the totality of contracts. An economic impact analysis was performed by assigning North American Industry Classification System (NAICS) codes to each business; and based on the NAICS codes an economic impact multiplier was generated.



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### FINDINGS

#### **Milwaukee County Departments/Division Participation Summary for January 2017 through June 30, 2017**

For the reporting period January through June 30, 2017, total contract dollars awarded were approximately \$174.7 million (**Figure 1**). Of that amount \$88.8 Million (51%) had DBE/TBE participation; \$85.9 million (49%) had no participation, which \$64.5 million (37%) of the \$85.9 million were contracts ineligible for participation. Ineligibility are contracts with non-profit entities, such as, but not limited to: other governmental agencies, non for profit organizations, etc. Figure 1 shows the breakdown between contracts with participation, without participation, and contracts ineligible for participation.

**Figure 2** bar chart shows participation dollar amounts by Departments totaling \$88.8 million. The \$88.8 million represents the total committed contract value with participation. It does not represent the total committed contract value to DBE/TBE companies. The total committed contract value to DBE/TBE companies is \$12.6 million, 14.1 percent of the \$88.8 million, or 7.1 percent of the \$174.7 million. Underperforming by 13.9 percentage points from the minimum average participation goal of 21 percent. Subtracting \$64.5 million (non-profit) from the \$174.5 million resulted in 11.39% participation compared to 7.1 percent. Still underperforming by 9.6 percentage points.

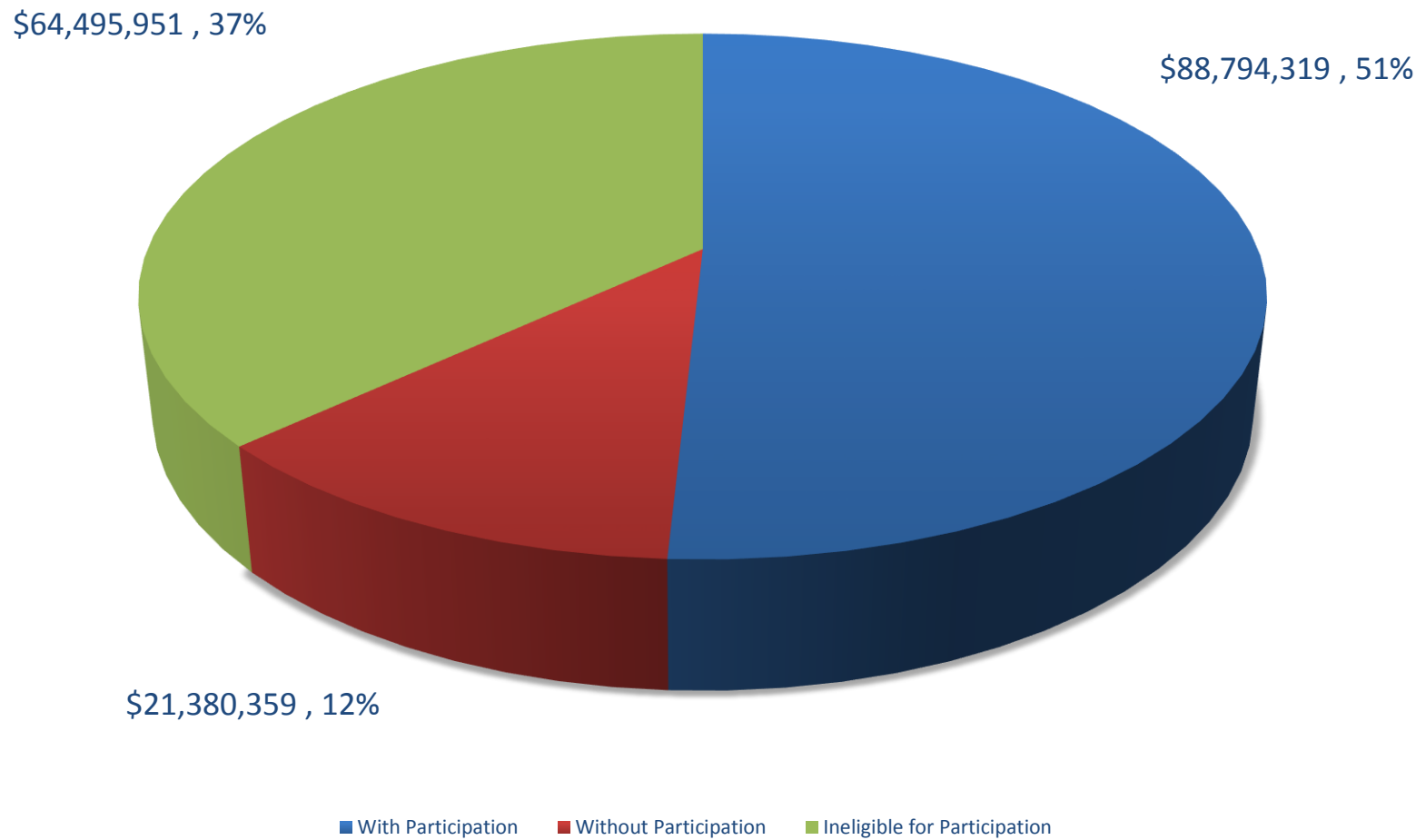
**Figure 4** bar chart shows zero participation dollar amounts by Departments totaling \$85.9 million. As previously mentioned approximately \$64.5 million is ineligible for participation due to the nature of work contracted with non-profit entities. Approximately \$21.4 million was eligible and were granted waivers, existing contracts that were issued amendments without CBDP prior review, or awarded under the authority of BHD's board of directors.

**Figure 5** Pie Chart shows the relationship associated with dollars amounts for non-profit contracts by Departments.

Rick Norris, PE  
Director, CBDP  
CC:Chris Abele, Milwaukee County Executive

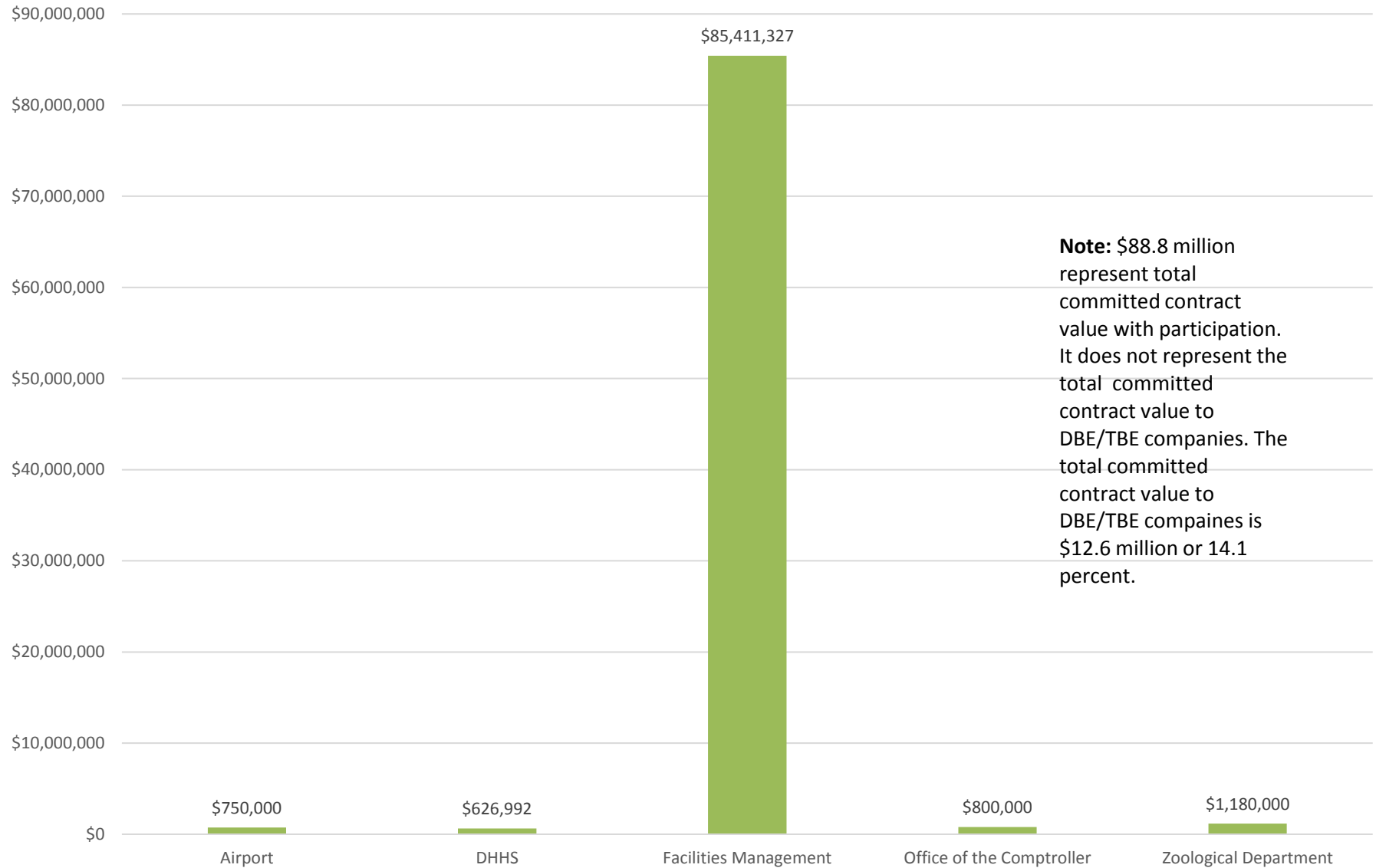
Contract Values  
Zero Participation vs. With Participation.  
Reporting Period January through June 30, 2017  
\$174.7 Million

**FIGURE 1**



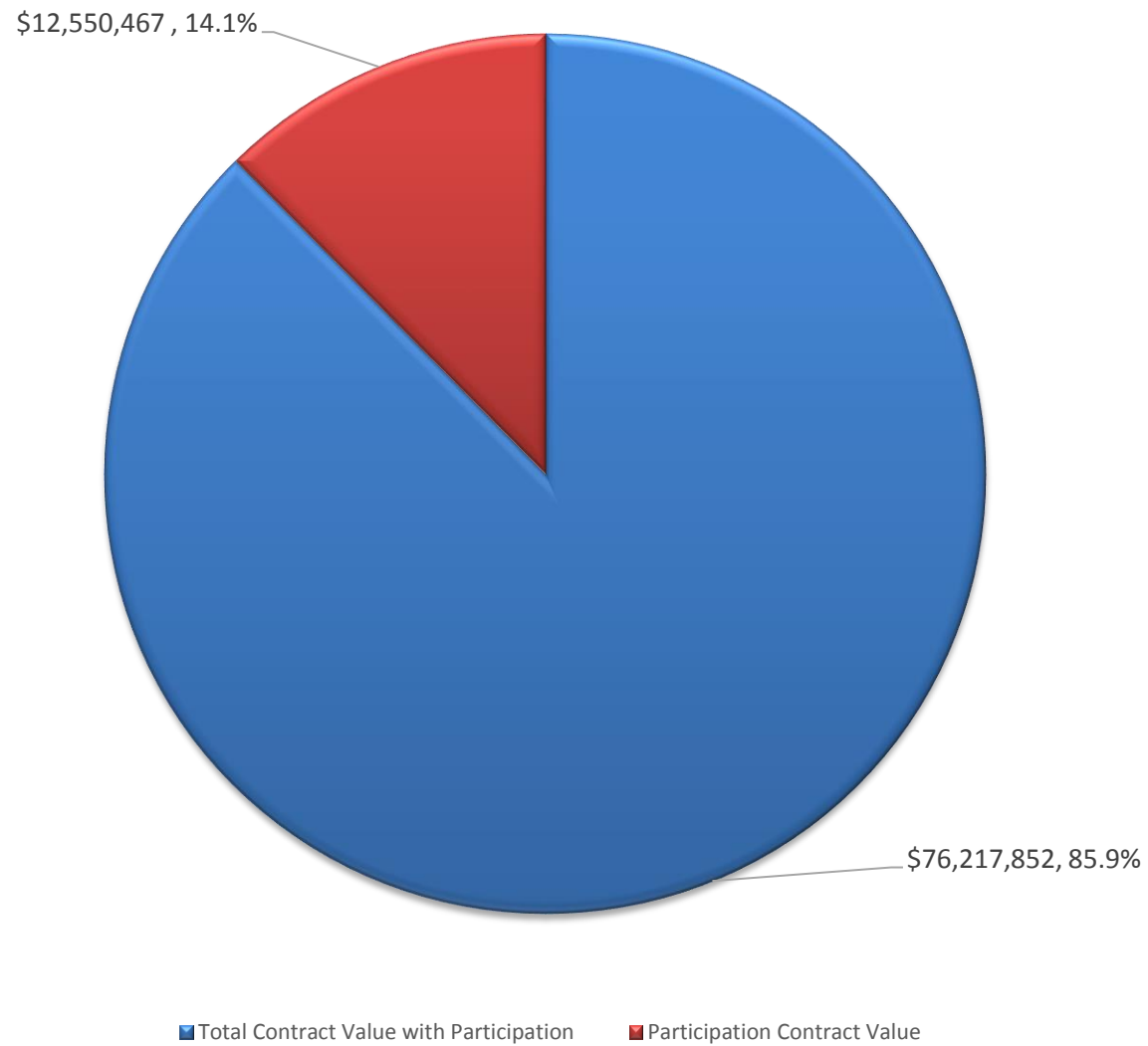
**FIGURE 2**

Contracting Activity with participation by Departments.  
Reporting Period January through June 30, 2017  
Total \$88.8 Million



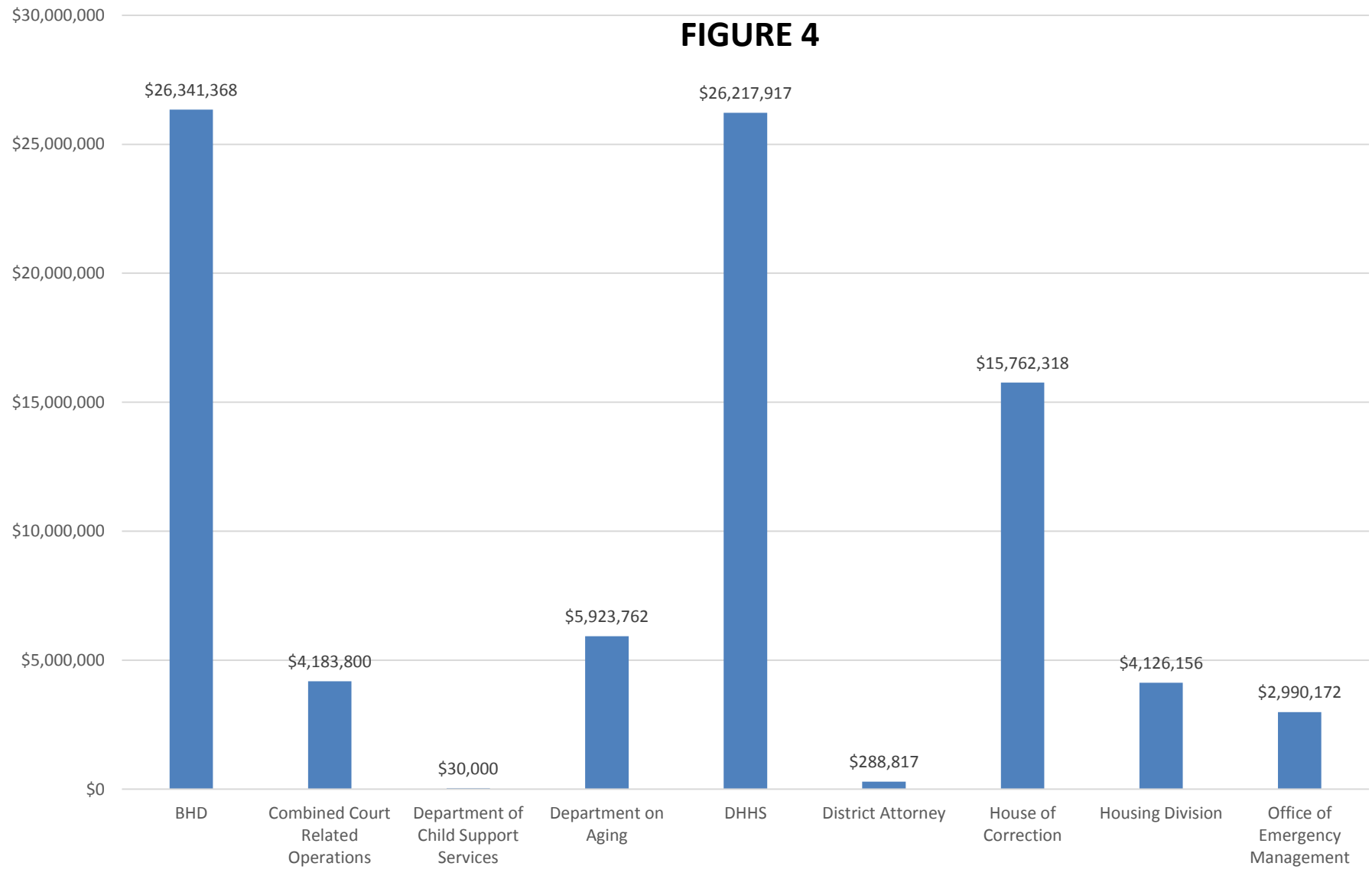
**Contract Values**  
**DBE/TBE committed dollars to contracts with participation.**  
**Reporting Period January through June 30, 2017**

**FIGURE 3**

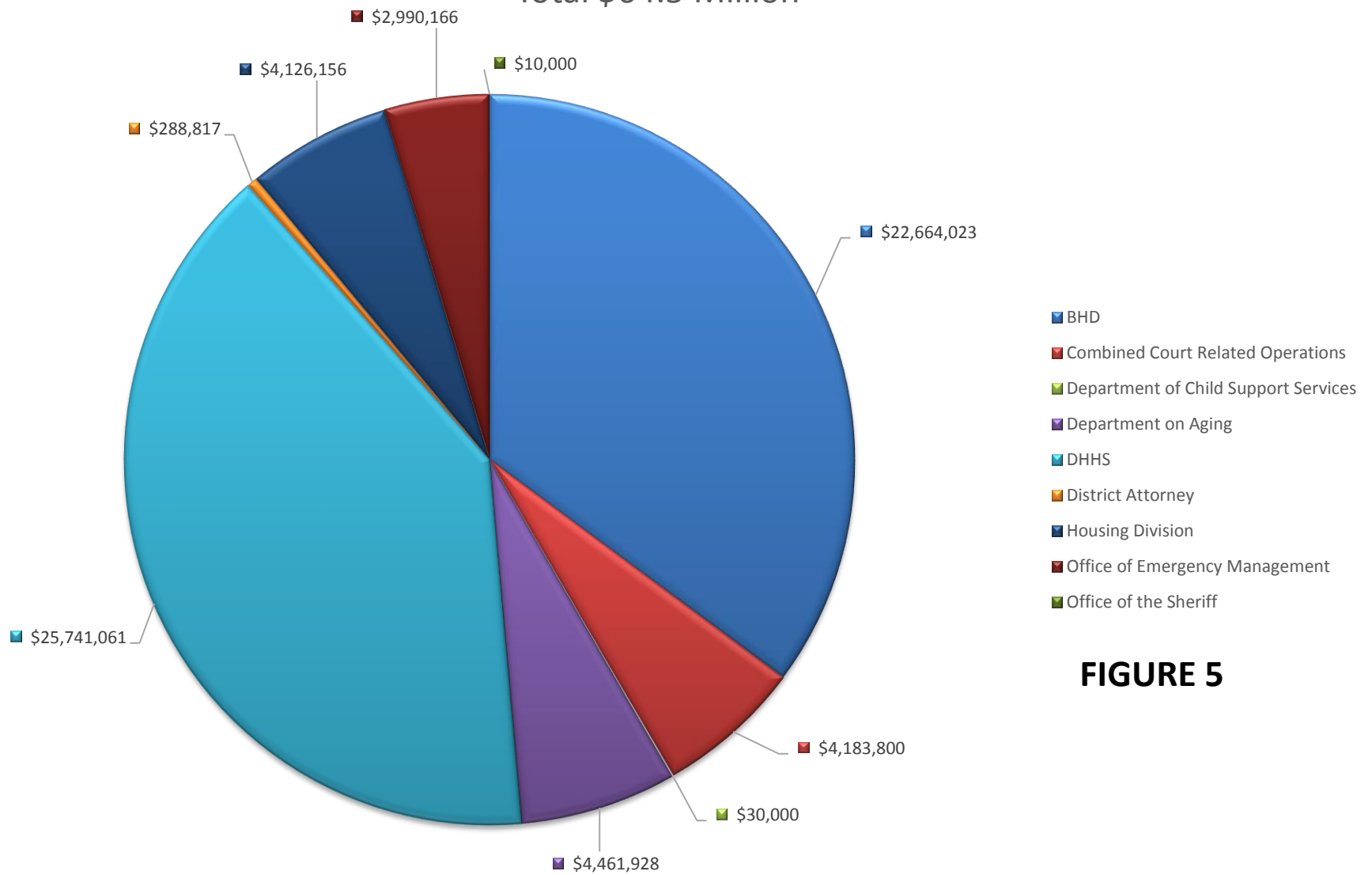


Contracting Activity with zero participation by Departments.  
Reporting Period January through June 30, 2017  
\$85.9 Million

**FIGURE 4**



Non Profit Contracting Activity with Zero participation by Departments  
Reporting Period January through June 30, 2017  
Total \$64.5 Million



**FIGURE 5**