

**Audit Services Division
Fraud Investigation
Closing Summary Report**

Subject: Case # 16009

I. INTRODUCTION

On November 28, 2016, the Audit Services Division (ASD) opened this investigation based upon complaints received in August and October 2016. The August complaint alleged multiple types of misconduct by General Mitchell International Airport (GMIA) Director Ismael Bonilla. An October complaint concerned GMIA Deputy Director Yul McNair; the second October complaint alleged that Bonilla asked a member of a proposal evaluation committee member about a proposal in violation of Milwaukee County ordinance.

ASD ultimately decided to focus its investigative resources on the alleged procurement violation. ASD cannot and will not make a determination as to the validity of the other alleged misconduct at this time.¹

The ASD investigation reviewed several GMIA requests for proposals in 2016 and 2017. The investigation focused in particular on a GMIA request for proposal and subsequent professional services contract for a Timmerman Airport business plan. GMIA awarded the \$250,000 contract to Hanson Professional Services, Incorporated (Hanson). Through its investigation, ASD personnel learned that Bonilla and McNair had prior working relationships with Hanson personnel and a Hanson sub-contractor. Bonilla has a current quasi-business relationship with Hanson personnel outside of the Timmerman business plan contract.

ASD learned that Bonilla and McNair arranged for Hanson personnel to take a site visit of Timmerman prior to the release of the request for proposal (RFP). Hanson personnel reported that the site visit was helpful. The issued RFP did not include an explicit notice that site visits were possible and ASD found no evidence that the three other companies which submitted a response requested or conducted a site visit.

ASD has determined that Bonilla and McNair, by arranging a site visit for a company prior to the publication of a RFP which did not include an option for a site visit, violated Milwaukee County General Ordinance (MCGO) § 9.05 (2)(d) prohibition against disclosure of privileged information.

ASD has also determined that GMIA personnel are insufficiently trained to conduct contract procurements. Recently hired and long-term GMIA personnel reported that they received no training from Department of Administrative Services (DAS) Procurement on issuing requests for proposals.

¹ During the ASD investigation, the Department of Human Resources (DHR) conducted an investigation into alleged misconduct at GMIA. ASD believes that the DHR investigation addressed some of the concerns which ASD did not investigate. ASD does not know the outcome of the DHR investigation.

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ASD cannot make a determination that Bonilla or McNair violated MCGO § 56.30, in particular § 56.30 (5)(d). MCGO § 56.30 concerns professional services procurements; paragraph (5)(d) addresses conflicts of interest and required disclosures.

While Bonilla's and McNair's actions may not be in the "spirit" of the County's rules regarding conflicts of interest, they appear to be within the letter of the law due to both a strict definition of relevant terms and the lack of procedural detail for a professional services contract RFP.

ASD recommends that i) GMIA develop and implement internal policies which define appropriate and inappropriate contact prior to a RFP publication as well as real or apparent conflicts of interest, ii) receive training from DAS Procurement on how to issue and evaluate fair and transparent procurements and iii) take any other action deemed appropriate.

II. APPLICABLE ORDINANCES, RULES AND REGULATIONS

i. Milwaukee County General Ordinance Chapter 9

MCGO § 9.05 (2)(d) No disclosure of privileged information: No county public official or employee shall use or disclose privileged information gained in the course of, or by reason of, his/her position or activities which in any way could result in financial gain for himself/herself or for any other person.

MCGO § 9.02 (14) "Privileged information" means information obtained under government authority which has not become part of the body of public information.

MCGO § 9.02 (5) "Conflict of interest" means a public official's or employee's action or failure to act in the discharge of his or her official duties which could reasonably be expected to produce or assist in producing a substantial economic or personal benefit for such official, his or her immediate family or an organization with which he or she is associated.

ii. Milwaukee County General Ordinance § 56.30 (5)(d)

Disclosure. Contract administrators, evaluation panel members, or potential members, department administrators and persons selecting evaluation panel members are required to fully disclose on forms approved by the Ethics Board any experience, contact or relationship with bidders that would create a potential conflict of interest, or the appearance of a conflict of interest, as defined in chapter 9 of these ordinances, in awarding or managing a contract. Such disclosure shall be presented to the administrator of the department letting the contract who shall forward the disclosure to the Ethics Board with a written request for a determination as to whether the disclosing party should be disqualified from evaluating, selecting or administering the proposed

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contract. The determination of the Ethics Board must be documented and included in the department's files for the contract and shall be retained as required under subsection (a) of this section. The provisions of this section are to be included in the Milwaukee County Administrative Procedures Manual. All the provisions set forth in the Milwaukee County Code of Ethics are in full force and effect and are not abrogated in any way by these requirements.

III. INVESTIGATION

i. Parties

a) Ismael Bonilla

Bonilla started with Milwaukee County as the GMIA Airport Director on February 1, 2016. His prior work experience includes the Jacksonville Aviation Authority (JAA), San Juan International Airport², Hi-Lite Airfield Services and the US Air Force.

The San Juan International Airport in San Juan, Puerto Rico is the first fully privatized major airport. The private company chosen to run the airport under a 40 year lease was Aerostar Airport Holdings LLC (Aerostar). At the time, Aerostar was a joint-venture between Grupo Aeroportuario del Sureste (ASUR), a Mexico-based airport operator, and an investment firm. Bonilla was the Chief Operating Officer during his tenure.

b) Yul McNair

McNair started with Milwaukee County as a GMIA Deputy Director on July 18, 2016. His prior work experience includes the Jacksonville Aviation Authority and Hi-Lite Airfield Services.

ii. Predication

In August 2016, ASD received various allegations against Bonilla, including, abusing a County purchase card, personal use of a County vehicle and hiring his best friend as a deputy director. In October 2016, ASD received an allegation that McNair listed two, concurrent full time jobs on his County employment application. McNair listed that he worked full-time for JAA while also working full-time for a JAA vendor.

A short time later, in October 2016, ASD received an allegation that Bonilla asked a proposal evaluation panel about a proposal by a local vendor. Bonilla was not a part of the evaluation panel and therefore should not have known about the responsive bidders and should not have asked an evaluator about received bids.³

² Luis Munoz Marin International Airport

³ Throughout the investigation ASD received information from confidential sources. ASD personnel used information received from confidential sources as investigative leads but not as direct evidence. ASD believes that disclosure of or direct reference to the information provided by the confidential sources

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iii. Interviews

a) [REDACTED]

On May 5, 2017, ASD personnel interviewed GMIA [REDACTED]. The interview occurred at GMIA. [REDACTED]. In summary, [REDACTED] stated the following:

[REDACTED] has written requests for proposals. The Timmerman RFP was not normal; the process was accelerated. Bonilla wanted to revitalize Timmerman and was motivated to get the process going. [REDACTED] did not know who authored the RFP. It may have been Bonilla, McNair or former GMIA employee [REDACTED]. [REDACTED] was a part of the proposal evaluation committee.

[REDACTED] recalled that Hanson personnel came to Milwaukee and visited Timmerman. Bonilla asked [REDACTED] to attend. [REDACTED] thought that Hanson reached out to Bonilla to schedule the visit. Companies have watched County Board actions for possible business opportunities and have reached out to departments. The other bidders could have asked for a site visit.

[REDACTED] did not know how ordinance chapters 32 and 56 affected the RFP. [REDACTED] was not sure if the contract referenced Chapter 56.30. [REDACTED] was unfamiliar with § 56.30. [REDACTED] was unaware of the conflict of interest disclosure requirement. [REDACTED] stated that [REDACTED] did the best that [REDACTED] could and that [REDACTED] has never received training on procurements or RFPs. [REDACTED] has not contacted DAS Procurement for assistance.

b) [REDACTED]

On May 8, 2017, ASD personnel interviewed GMIA [REDACTED]. The interview occurred at GMIA. In summary, [REDACTED] stated the following:

[REDACTED] writes [REDACTED] RFPs every [REDACTED] years. [REDACTED] refers back to old RFPs when [REDACTED] writes the new ones. [REDACTED] has not received training from DAS Procurement on writing RFPs. [REDACTED] is not familiar with ordinance chapters 32 and 56.

GMIA issued a marketing RFP in fall 2016. McNair, [REDACTED] selected the evaluation team. The team was [REDACTED], McNair and [REDACTED]

would reasonably allow a person to determine the identity of the sources. This disclosure would be detrimental to future investigations and have a chilling effect on people communicating with ASD.

[REDACTED]

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Two firms submitted proposals. Each firm made a presentation. McNair invited Bonilla, who was not on the evaluation team, to attend the presentations. Bonilla attended one of the presentations. The contract was awarded to the firm whose presentation Bonilla attended.

c) *Yul McNair*

On June 22, 2017, ASD personnel interviewed McNair. The interview occurred at GMIA.

ASD personnel read McNair the interview protocol form. McNair read and signed the form. ASD personnel informed McNair that he was being interviewed as a subject to an investigation and that the allegations concerned procurement and contracts. In summary, McNair stated the following:

McNair started working for the County in July 2016. GMIA develops projects' scopes of work and specifications which ultimately become contracts. DAS Procurement is the subject matter expert. McNair stated that he only worked with former DAS Procurement employee as needed. McNair did not know which county ordinances dealt with procurements.

The purpose of the procurement process is to identify the most responsible bidder. McNair agreed that the process keeps procurements fair and that the County benefits from fair and competitive procurements.

Concerning Timmerman, Bonilla wanted to focus on improving Timmerman. McNair stated that he had no role in the RFP process. He knew people who worked at the companies which bid for the contract. McNair's conflicts were Charles Snowden and Bingham Parkinson and a woman he knew that was with a Florida airport council. Snowden and Parkinson were aligned with Hanson; the unknown woman was from a different bidder. McNair worked with Snowden and Parkinson at JAA and has formed companies with Parkinson.

McNair denied writing the Timmerman RFP. He may have seen and reviewed a draft. Many people may have weighed in on the RFP. handled the RFP. picked the evaluation team members. He may have suggested areas of expertise to be included on the evaluation panel. McNair was not on the panel.

McNair was not sure if the Timmerman RFP included site visits. He noted that other RFPs included a provision for scheduling a site visit. McNair could not recall the date that Hanson visited Timmerman. He was not sure how Hanson came to Timmerman prior to the RFP publication. McNair recalled that Zellers, and he went to Timmerman. McNair denied that Hanson benefitted from the site visit or that the site visit influenced the RFP. McNair stated that site visits are valuable and probably

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should have included a site visit in the RFP. McNair did not think that Bonilla would have done anything wrong.

d) Ismael Bonilla

On July 14, 2017, ASD personnel interviewed Bonilla. The interview occurred at GMIA.

ASD personnel read Bonilla the interview protocol form. Bonilla read and signed the form. ASD personnel informed Bonilla that he was being interviewed as a subject to an investigation and that the allegations concerned procurement and contracts. In summary, Bonilla stated the following:

Bonilla started with the County in early 2016. He never received training on the County's procurement processes. GMIA historically did not work with DAS Procurement.

Concerning Timmerman, Bonilla stated that the funding was initially for an airport master plan. The plan pre-dated Bonilla's employment and was put on hold until GMIA had an airport director. When he was hired, Bonilla asked the County Board for funds for a business plan. He asked [REDACTED] to be in charge of the RFP. Bonilla did not know if [REDACTED] wrote the RFP or where [REDACTED] may have gotten it. Bonilla did not know if McNair wrote the RFP. The RFP did not include an opportunity for a site visit. The RFP described the process for asking questions. A potential bidder could have asked for a site visit.

Bonilla stated that companies look at County Board activity for business opportunities and contact GMIA. The Timmerman business plan concept was public knowledge prior to the RFP publication. Bonilla stated that after the RFP is issued he would not engage a person who asked about the RFP topic.

Bonilla stated that Hanson asked to come to Timmerman for a site visit. None of the other bidders asked to come for a site visit. Snowden reached out to Bonilla. Snowden and a woman [Zellers] wanted to see Timmerman and the fixed base operator (FBO). Bonilla worked with Snowden at JAA. Bonilla also worked with Parkinson at JAA. Bonilla did not know how Parkinson and Snowden got together to bid on the Timmerman RFP.

Bonilla did not think that Hanson got an advantage from the site visit. Bonilla did not influence the bid winner. Bonilla was not a part of the selection committee.

Snowden and Bonilla's Aerostar boss, Agustin Arellano, email Bonilla about airport public-private partnership opportunities. Bonilla stated that he does not get paid for his contributions to these email exchanges. Bonilla thought that the emails happened prior to the Timmerman RFP. Bonilla thought that because he was not a part of the selection

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committee or leading or influencing the selection committee that there was no ordinance violation.

iv. Records and Documents

a) DAS Procurement RFP Disclosure Requirement

On October 28, 2016, ASD received from DAS Procurement copies of RFP Disclosure Requirement forms for the GMIA Management & Operation of Parking Facilities & Ground Transportation RFP. DAS Procurement participated in this RFP. This was the RFP in which Bonilla allegedly commented about a bidder to an evaluation panel member.

The form quotes MCGO § 56.30 (5)(d). This ordinance section requires disclosure by certain personnel for any potential conflicts of interest or the appearance of conflicts of interest with bidders.

The person lists his/her name, the RFP name and number and then identifies his/her role in the RFP process: contract administrator, potential evaluation panel member, department administrator or person selecting evaluation panel member. The individual attests via signature to the following:

I hereby acknowledge that because I am or may be involved in the RFP process for the above-listed RFP, I am subject to Section 56.30(5)(d) of the Milwaukee Code of General Ordinances. I have read Section 56.30(5)(d) and understand its requirements and restrictions regarding disclosure conflicts of interest (actual, potential, and apparent). I understand that failure to fully and properly disclose actual, potential, or apparent conflicts of interest that exist now, as well as to disclose such conflicts of interest that may arise in the future, could result in a referral of the matter to the Ethics Board for formal review. I hereby certify that (check one):

• I have had no experience, contact or relationship with any potential bidder outside of my role as a county official or employee. Furthermore, neither I, nor any of the following people or entities, have any ownership or financial interest in any potential bidder in this RFP process: (1) any member of my immediate family living in my household and receiving one half or more of his/her support from me or providing one half or more of my support to me; (2) any of my business partners; (3) any organization that employs or is about to employ me, any member of my immediate family, or any of my business partners; and (4) any entity in which I, any member of my immediate family, or any of my business partners has an ownership interest.

• I may have an actual, potential, or apparent conflict of interest with respect to the RFP listed above, as follows: _____

b) Professional Services Contract-Hanson Professional Services, Inc.

On March 3, 2017, ASD personnel accessed the DocuSign website and retrieved a copy of the professional services contract between Milwaukee County, as represented

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by GMIA, and Hanson for the Timmerman Airport business plan. The contract was fully executed on November 10, 2016. The DocuSign document included the contract and Hanson's proposal.

The assigned project staffers included Project Principal Charles Snowden, Project Manager Susan Zellers and Business Planner Bingham Parkinson. Pages 7 to 21 of the proposal document are the resumes for key personnel inclusive of the aforementioned team members. Snowden's resume included Chief Operating Officer at JAA. Parkinson's resume included president of the JAA Enterprise Division.

c) County Legislative Information Center Records

On March 6, 2017, ASD personnel accessed the online County Legislative Information Center (CLIC) and reviewed files related to the Timmerman Airport business plan. Legislative file number 16-386 requested \$250,000 be released from an allocated contingency account within the Airport budget for consulting services at Timmerman Airport. The accompanying legislative report stated that "Airport Director has determined that an airport business plan is essential in planning for the future of Timmerman Airport."

The request was recommended for adoption by the Transportation, Public Works and Transit Committee on July 13, 2016, adopted by the County Board of Supervisors on July 28, 2016 and signed by the County Executive on August 12, 2016.

ASD personnel identified legislative file 16-725. The December 8, 2016 Finance and Audit Committee agenda included a passive review of a proposed contract with Hanson Professional Services, Inc. for an amount not-to-exceed \$250,000 for business planning and consulting services at Timmerman Airport.

d) Official Notice Number 7146

On April 12, 2017, ASD received from [REDACTED] records related to the Timmerman Airport business plan RFP. The RFP was Official Notice Number 7146 Request for Qualifications (RFQ)⁵ Airport Business Plan and Master Plan Update Consulting Services at Lawrence J. Timmerman Airport Milwaukee, Wisconsin.

The RFQ timeline, Section G on page 5, was:

September 15, 2016: Advertise for proposals
October 3, 2016 at 1:00 pm: Proposals due
October 17, 2016: Complete evaluation and selection
November 21, 2016: Agreement executed and term begins

⁵ As the first section of the RFQ states that "Milwaukee County/Lawrence J. Timmerman Airport (LJTA) is seeking *proposals* [emphasis added] from qualified, experienced airport planning firms...", ASD will use the terms "proposal" and "qualification" and the accompanying acronyms interchangeably.

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Section M. states that the successful bidder will enter into a professional services contract with Milwaukee County as required by MCGO § 56.30.

e) *McNair Emails*

On November 29, 2016, ASD personnel received from GMIA copies of McNair's sent and received County emails and attachments. The received emails cover the time period of July 19, 2016 to November 28, 2016. On November 30 and December 6, 2016, ASD personnel reviewed McNair's email records.

On October 17, 2016, at 5:34 pm, [REDACTED] invited McNair and Fetchko to a marketing presentation on October 25, at 10:45 am. McNair forwarded the invite to Bonilla on October 21 at 7:55 am.

On October 18, 2016, at 9:50 am, [REDACTED] sent an invite to McNair and [REDACTED] for a marketing firm's presentation on October 25, 2016 at 9:00 am. On October 20, at 8:14 am, McNair forwarded the invite to Bonilla. This was the presentation Bonilla reportedly attended.

On March 13, 2017, ASD personnel searched the records for emails which included the term "Timmerman".

On August 8, 2016, at 10:37 am, McNair received an email from Snowden. Snowden copied Zellers on the email. Snowden wrote:

Hey Yul,

I wanted to congratulate you on the new gig at MKE. Hopefully you can get Maria and family up there with you soon.

I talked with Izzy over the weekend, and he told me to reach out to you via email. I told him that Hanson was interested in the Timmerman master/business plan that might be coming out soon. I was hoping that we could get our Susan Zellers up there to meet with you and maybe [REDACTED] before the RFQ comes out. By way of introduction, Susan is our airport planning business line manager, and is also the lead investigator on our "guidebook for managing small airports" project that we are doing for ACRP. I was hoping you might be available to get together with her, sometime soon. She is in our Indy office.

Anyway, congrats again. Glad to see you back in the airport business!

All the best,

At 4:45 pm, McNair responded and asked Snowden when he was looking to come up [to Milwaukee]. A back and forth between McNair and Zellers followed in which they worked to arrange a date for Zellers to come to Milwaukee prior to RFQ publication. In

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an August 9, 2016 email, Zellers specifically told McNair that “[we] would like to meet with you at your earliest opportunity before a RFQ come out.”

On August 16, 2016, McNair and Zellers agreed upon August 24, 2016.

On August 22, 2016, Bonilla sent McNair invite “Trip to Timmerman with Hanson” for August 24, 2016 from 10:30 am to 1:00 pm.

On August 23, 2016, McNair forwarded the invite to [REDACTED].

On August 30, 2016, at 9:27 am, Zellers wrote:

Yul-

Thank you for arranging the visit for Chip and me to Timmerman Airport. It was very helpful to see the airport up close and talk with the FBO to have a better understanding of the challenges and opportunities at Timmerman. I appreciate the time you took to meet with us and also [REDACTED] perspective. Enjoy the Milwaukee area, I enjoyed growing up in the area and still enjoy coming back to the state to visit.

At 9:33 am, McNair sent an email to [REDACTED]. McNair copied Bonilla on the email. In summary, McNair wrote that a draft Timmerman RFQ was attached. He asked the recipients to review the draft and provide any input.

This message was the first and earliest email ASD could locate which concerned the Timmerman Airport business plan RFP document.

ASD reviewed the attached draft. McNair initially included himself in the RFQ as the contract administrator. In the final version, [REDACTED]

On September 7, 2016, McNair emailed [REDACTED]:

Attached please find the reviewed draft for the Timmerman Business Plan RFQ. Would you please get with [REDACTED] regarding getting a number assigned and getting this item advertised? I will let you know the selection committee members. [REDACTED], please get with [REDACTED] regarding understanding the process/protocol for getting numbers assigned.

On September 15, 2016, DAS Procurement personnel published the RFQ online.

On October 13, 2016, [REDACTED] emailed Bonilla. [REDACTED] copied McNair on the email. In summary, [REDACTED] wrote that [REDACTED], [REDACTED] met that day and selected Hanson as the Timmerman business plan consultant.

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f) *Bonilla Emails*

On June 7, 2017, ASD personnel received from GMIA copies of Bonilla's sent and received emails and attachments which included specific terms for the time period of August 1, 2016 to June 2, 2017. The terms were: Yul, ASUR and Snowden. On June 8, 2017, ASD personnel reviewed the received records.

The review noted emails between Bonilla, Snowden and Arellano. Arellano is the Chief Executive Officer of Aerostar and Bonilla's former boss. The review found emails from November 2016 to March 2017 in which Bonilla, Snowden and Arellano communicated about airport public-private partnership (P3) opportunities.

On January 10, 2017, Snowden emailed Arellano. In summary, Snowden wrote that he was talking with a group that was going to bid for the Westchester County, New York airport privatization. Before he supported the bid, Snowden checked to see if ASUR was going to bid as well. A few hours later, Arellano responded. Bonilla was copied on the email. In summary, Arellano wrote that Snowden could participate; ASUR was not going to bid. Arellano's email address domain was aerostarairports.com.

On February 20, 2017, Arellano sent an email to Snowden. He copied Bonilla. The subject line was "San Antonio Airport". Arellano wrote that he included Bonilla because he wanted to have a conference call about Aerostar starting "a more aggressive presence within usa airports [sic] authorities!!!"

On February 20 and 21, 2017, Bonilla exchanged emails with San Antonio-Aviation Senior Administrative Assistant Melisa Moreno. On February 20, at 3:29 pm, Bonilla wrote:

Hello Melissa,

Thank you so much for answering my call and forwarding me your e mail information. As we discussed over the phone I wanted to explore the possibility of talking with Gen. Handy concerning some interesting issues:

- First of all too welcome Russell as the new Airport Director at San Antonio!
- Secondly to discuss the current interest of a P3 for the operation of San Antonio. I was approach by Aerostar Airports Holdings a previous employer (I was their first COO at San Juan International Airport) with an invitation for Russell for a site visit to SJU in order for him to see and experience the airport. And of course to discuss the do's and don'ts of privatization of airports in the USA. This invitation comes directly from Aerostar CEO and they would love to host Russell and his team anytime this year.

If Russell so inclines I welcome the opportunity for a quick phone call this week to better clarify this invitation. My schedule is open and my work cell phone number is 414- [REDACTED] which of course I carry with me 24/7! Thanks again for trying to coordinate the phone call, and I look forward to my conversation with Russell. Cheers,

Izzy (USAF Ret)!!

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On February 21, at 11:28 am, Bonilla wrote:

No problems Melissa Im available when he wishes, he has my cell number if he has 15 minutes of time to call me and talk that's fine and if not then its not a problem. This conversation I wanted to have with him was to assist in any way possible, and there is no pressure on my part or from Aerostar in San Juan. Please convey this message to Russell and I look forward to talking with him at a future date. I thank you for assisting me with this, take care.

Izzy

Bonilla and Moreno exchanged additional emails to schedule time for a call. During this time, on February 22, 2017, Bonilla wrote to Snowden and Arellano:

I agree to that [waiting until one of the owners of Aerostar sold its share] and I would add that the decision makers at the airport is also the City Manager. Maybe she should be targeted to understand the process and the options available. Russell is too new to airport management I see him deferring a lot to downtown.

On February 27, Bonilla and Moreno finalized a time on April 21, 2017. 13 minutes after Moreno sent Bonilla the call invitation, Bonilla emailed Arellano and Snowden that "we" have a date and time in April and it would be good to send the San Antonio airport director PowerPoint slides in advance of the telephone call.

On January 25, 2017, at 10:44 am, Bonilla received an email from Manuel Martin Gutierrez Sola Aguilera, ASUR's Chief Commercial Officer. Sola was responding to an email from [REDACTED] about a January 31, 2017 Master Concessionaire RFP preproposal meeting at GMIA. Sola stated that his group would be present for the meeting. [REDACTED] sent the email to County personnel, including Bonilla, and blind copied the other recipients. Sola's response went to the visible County personnel; Sola copied two ASUR personnel and Parkinson.

Parkinson's email address domain was stellarsecuritygroup.com. Stellar Security Group, Incorporated was one of Parkinson's and McNair's Florida-based companies.

On June 21, 2017, ASD personnel received from GMIA a June 13, 2017 email exchange between Bonilla and Sola.

In summary, Sola emailed Bonilla to ask if it was true that the Master Concessionaire RFP had been canceled.⁶ Bonilla responded that the RFP was canceled and GMIA was looking to publish a revised RFP as soon as possible. Sola thanked Bonilla for his prompt response and hoped that GMIA resolved the RFP as soon as possible.

IV. ANALYSIS & CONCLUSIONS

⁶ The RFP cancellation was not at the request of ASD.

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Based upon the evidence and information gathered in the course of the investigation, ASD reasonably concludes that Bonilla and McNair used privileged information, which is information not yet available to the public, gained by cause of their positions as GMIA senior management in a way which may have resulted in financial gain for former co-workers and, for Bonilla, a current business associate. The privileged information, that which informs, was the access to Timmerman Airport and the airport's stakeholders.

ASD reasonably concludes that Hanson gained a competitive advantage from Bonilla and McNair arranging for Snowden and Zellers to take a site visit to Timmerman, speak to the FBO and speak with [REDACTED] prior to the publication of the business plan RFP. Snowden and Zellers visited Timmerman before the RFP was even finished.

Why else go? And why else insist that the visit had to be prior to the RFP publication?

ASD does not assert that Hanson won the bid solely due to the site visit. That said, Zellers herself wrote in a thank-you email that it was "very helpful" to see the airport and to talk to the FBO to better understand, to be better *informed*, of Timmerman's challenges and opportunities.

This information was not publicly available to other interested bidders because the other bidders did not have the chance to go to Timmerman, speak to the FBO or speak to [REDACTED]. A site visit was not included in the Timmerman RFP. The suggested counterargument is that the other bidders could have asked for a site visit, which [REDACTED] would have then had to offer to all bidders, and that none of them took the initiative. McNair stated that other GMIA RFPs included a provision and guidelines for scheduling a site visit in order to prepare the RFP response. The proposal McNair referenced had DAS Procurement's participation; the Timmerman RFP did not.

ASD is confident that McNair wrote the Timmerman RFP. In his interview, McNair denied writing the RFP. He also faulted [REDACTED] for not including the site visit provision in the RFP. However, the "paper trail" located in McNair's emails show that the first message with an attached draft RFP started with him.⁷ [REDACTED] offered comments, but the ownership belongs to McNair.

McNair admitted that it would be beneficial to have procurement training as part of his orientation; when asked, McNair did not know which County ordinances pertained to procurements. McNair previously displayed a lack of procurement procedural knowledge.

Concerning the fall 2016 marketing RFP, McNair had no reason to invite Bonilla to attend the marketing presentations. These presentations were after the RFP was

⁷ ASD personnel spoke to former GMIA personnel [REDACTED]. Both had positions in GMIA in which they could have written the RFP prior to [REDACTED] from County employment. Both denied writing the Timmerman Airport business plan RFP.

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published, the evaluation team-which did not include Bonilla- was in place and the bidders responded. Furthermore, Bonilla had no reason to attend any of the presentations. In his interview with ASD personnel, Bonilla made a point of distinguishing behavior which he considered was acceptable before and after a RFP publication. Bonilla should have known better than to attend the marketing presentations when he was not a member of the bid evaluation team.

[REDACTED] stated that [REDACTED] is not familiar with Chapters 32 and 56 and has not received any procurement training. Likewise, [REDACTED], [REDACTED], did not know how ordinance section 56.30 affected the RFP and was unfamiliar with the section.

ASD is concerned by the reviewed email messages between Bonilla, Snowden and Arellano. For example, Bonilla used his County email and position to assist a current department contractor (Snowden) and his old boss (Arellano) in getting “their foot in the door” with the San Antonio Airport for a possible P3 relationship. Bonilla even advised that the airport director was too new to make a decision and that the City Manager should be “targeted” as well. Bonilla’s old firm, Aerostar, is part owned by ASUR.⁸ At the time of the emails, ASUR was a prospective bidder for the GMIA Master Concessionaire RFP. ASUR’s bid response group included Parkinson.

Bonilla's communications with Arellano and Snowden are not organizational relationships as defined in MCGO § 9.02 (5) and (13) which would constitute a conflict of interest. Nor are Bonilla's and McNair's prior work experience with Snowden and Parkinson a conflict of interest as defined in chapter 9. The ordinance language is written in the present tense. It is for this reason that ASD did not find that Bonilla and McNair violated MCGO § 56.30.⁹ But the identified non-County interactions between County personnel and current and potential county contractors cannot be overlooked in context.

ASD submits these materials for review by the Milwaukee County Board of Ethics for review and appropriate action as to the alleged violation of the Milwaukee County Code of Ethics that Bonilla and McNair used privileged information in a way which may have financially benefitted former co-workers.

ASD further recommends to the Department of Transportation that:

- i. GMIA develop and implement internal policies which define appropriate and inappropriate contact prior to a RFP publication as well as real or apparent conflicts of interest and;

⁸ In February 2016, Bonilla traveled to Puerto Rico. He submitted receipts for reimbursement. Bonilla marked one receipt as being lunch with Aerostar. Another receipt was marked as being from a dinner with an ASUR Senior Executive.

⁹ Additionally, [REDACTED] stated that [REDACTED] was unaware of the disclosure requirement.

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- ii. GMIA personnel receive training from DAS Procurement on how to develop, issue and evaluate fair and transparent procurements and;
- iii. Take any additional action the department deems appropriate.