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A resolution by Supervisors Johnson Jr., Lipscomb, Sr., Nicholson, and Logsdon, requesting the Department of Administrative Services to provide a report on contract performance monitoring policies, including Disadvantaged Business Enterprise and Targeted Business Enterprise pledged goals and reporting, by recommending adoption of the following

A RESOLUTION

WHEREAS, Milwaukee County (the County) departments enter into numerous professional service agreements each year with vendors to provide services on behalf of County taxpayers; and

WHEREAS, based on past audits performed by the Audit Services Division, Office of the Comptroller, outside vendor contract performance is often poorly monitored, resulting in a few high-profile cases that have led to significant legal problems for the County; and

WHEREAS, in 1980, the United States Department of Transportation (DOT), under the authority of Title VI of the Civil Rights Act of 1964, created the Disadvantaged Business Enterprise (DBE) Program to counter and rectify contemporary and past discriminatory ills toward women and persons of color; and

WHEREAS, Code of Federal Regulations (CFR) Title 49, Part 23, establishes DBE Program regulation, and CFR 49, Title 26, provides regulation regarding recipients of Federal DOT funds and airport concessionaires, respectively, to fulfill the objectives of:

- Removing discrimination from the allocation of public contracts
- Allowing emerging DBE companies to gain a foothold in the economy, grow, and eventually compete with firms outside of the DBE Program

; and

WHEREAS, the County maintains a Diversity Management and Compliance System (B2GNow) managed by the Community Business Development Partners, Department of Administrative Services (DAS), which oversees the County’s DBEs and Targeted Business Enterprises (TBEs); and

WHEREAS, on May 30, 2017, policymakers requested the Director of Community Business Development Partners, DAS, to provide written bi-monthly reports to the Committees on Transportation, Public Works, and Transit (TPWT) and Economic and Community Development (ECD) on DBE participation and DBE participation waivers (File No. 17-403); and

47 WHEREAS, at its meeting of September 10, 2018, the Committee on ECD
48 reviewed File No. 18-674, in which the Director of Community Business Development
49 Partners, DAS, reported the Milwaukee County Transit System's contract with a
50 Milwaukee marketing firm was at-risk of not meeting its pledged DBE goals; and

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52 WHEREAS, specifically, the marketing firm is two and a half years into a three-
53 year contract and has only subcontracted 1.7 percent of its contract to the DBE firms in
54 its agreement while the pledged goal is 20 percent; and

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56 WHEREAS, the Committees on ECD and TPWT receive regular bi-monthly and
57 annual reports on DBE/TBE participation and submissions to the Federal Transit
58 Administration, but does not receive reconciliations on how well contractors perform in
59 fulfillment of their DBE/TBE goal pledges; and

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61 WHEREAS, the County has observed and been frustrated for years by prime
62 contractors who have not made good faith efforts to fulfill their contractual DBE/TBE
63 obligations with the County and DBE/TBE businesses who were led to believe they
64 would be included; and

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66 WHEREAS, the Committee on ECD, at its meeting of December 3, 2018,
67 recommended adoption of File No. 18-934 (vote 4-0); now, therefore,

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69 BE IT RESOLVED, Milwaukee County (the County) requests the Director of
70 Community Business Development Partners, Department of Administrative (DAS),
71 services to:

- 72
- 73 • Continue monitoring the Milwaukee County Transit System's contract with the
74 local marketing firm and provide monthly updates to the Committee on Economic
75 and Community Development (the Committee) on the firm's Disadvantaged
76 Business Enterprise (DBE) pledge
 - 77
78 • Meet with several other DBE/Targeted Business Enterprise (TBE)
79 subcontractors who have not been receiving the level of work promised by prime
80 contractors in their bids, to solicit feedback and generate ideas for improving the
81 County's DBE/TBE program
 - 82
83 • Study and present a written report to the Committee outlining recommendations
84 on how Milwaukee County might improve its DBE/TBE goal monitoring,
85 reporting, and options to best structure penalties for prime contractor
86 underperformance as an incentive to meet their DBE/TBE bid and contract
87 obligations

88
89 ; and
90

91 BE IT FURTHER RESOLVED, the County requests the Director, DAS, and the
92 Director of Community Business Development Partners, DAS, to study and provide a
93 written report to the Committee providing options to enhance and expand TBE/DBE
94 contract opportunities and utilization; and

95
96 BE IT FURTHER RESOLVED, the County requests the Director, DAS, to study
97 and provide a written report to the Committee on how departments monitor overall
98 contract performance and ensures that County taxpayers are receiving the services
99 they are paying for and expect as part of signed agreements.

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