

**COUNTY OF MILWAUKEE**  
**Interoffice Memorandum**

DATE: January 20, 2010

TO: Supervisor Lee Holloway, Chairman, Milwaukee County Board of Supervisors

FROM: Jerome J. Heer, Director of Audits  
Steve Cady, County Board Fiscal & Budget Analyst

SUBJECT: **REVISION OF CHAPTERS 32, 56 AND 42 OF THE MILWAUKEE COUNTY  
GENERAL ORDINANCES REGARDING APPROVAL OF PRIVATIZATION  
CONTRACTS**

**REQUEST**

During deliberation on the 2010 Budget, a number of County Board Supervisors expressed concern about the process of awarding contracts to service vendors as part of privatization initiatives. Specifically, Supervisors noted that, unlike professional service contracts, the privatization contracts did not require County Board approval. This report is in response to these concerns.

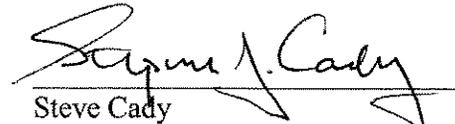
**ANALYSIS**

The attached revisions to the Milwaukee County Code of General Ordinances would modify the process for awarding contracts related to the privatization of County services so that County Board approval would be required under the same parameters defined for professional services contracts. In addition, the applicability of Ordinance language related to disadvantaged business development would be codified for these types of contracts.

As a matter of technical "clean-up" the revisions also update references to the Department of Administrative Services and removes references to both John L. Doyne Hospital and the obsolete procedure for central commodities supply.

**RECOMMENDATION**

Please refer this report to the Committee on Finance and Audit.

  
Jerome J. Heer  
Director of Audits  
Steve Cady  
County Board Fiscal and Budget Analyst

Attachments: Recommended Resolution/Ordinance

cc: Supervisor Elizabeth Coggs, Chairwoman, Committee on Finance and Audit  
County Executive Scott Walker  
Cynthia Archer, Director, DAS  
Freida Webb, Director, Community Business Development Partners  
Amos Owens, Purchasing Administrator, DAS-Procurement  
Dee Hervey, Chief Committee Clerk, County Board

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**A RESOLUTION/ORDINANCE**

To amend Chapters 32, 56 and 42 of the General Ordinances of Milwaukee County regarding the approval of privatization contracts

WHEREAS, during deliberation of the 2010 Budget, a number of County Board Supervisors expressed concern about the process of awarding contracts to service vendors as part of privatization initiatives; and

WHEREAS, specifically, unlike professional service contracts, the privatization contracts did not require County Board approval; and

WHEREAS, changes to the General Ordinances of Milwaukee County would be necessary to modify the process for awarding contracts related to the privatization of County services so that County Board approval would be required under the same parameters defined for professional service contracts; and

WHEREAS, in addition, the Ordinance language related to disadvantaged business development would be codified for these types of contracts; and

WHEREAS, the Ordinance revisions also updates the Purchasing Standardization Committee composition to reflect the replacement of outside citizen members with appointed committee members and, in addition, makes technical language clean-up to reflect current practices; now, therefore,

BE IT FURTHER RESOLVED, that the Milwaukee County Board of Supervisors hereby amends Chapters 32,56 and 42 of the Milwaukee County Code of General Ordinances by adopting the following:

**AN ORDINANCE**

The Milwaukee County Board of Supervisors ordains as follows:

SECTION 1. Section 32.20 of the General Ordinances of Milwaukee County as amended to and including \_\_\_\_\_ is hereby amended as follows:

46

47 32.20. Words and phrases defined.

48

49 In this subchapter, the following words and phrases have the designated meanings unless a  
50 different meaning is expressly provided or the context clearly indicates a different meaning:

51 (1) "Blanket contract" means a contract for purchases to be made as required over a  
52 specific period of time for a fixed price, but no guaranteed quantity.

53 (2) "Contractual service" means all services except utilities, professional services, chapter  
54 44 public works contracts, and repairs or alterations to buildings or structures.

55 (3) "Day" means the normal working day which excludes Saturdays, Sundays or major  
56 holidays.

57 (4) "Department head" means the chief executive officer of a principal administrative unit  
58 of county government who administratively reports directly to a board, commission, the  
59 county executive or is an elected official.

60 (5) "Lowest bidder" means a person or firm which has submitted the most advantageous  
61 price.

62 (6) "Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring any  
63 supplies, materials, equipment and contractual services. It also encompasses all functions  
64 that pertain to obtaining the above, including description of requirements, selection and  
65 solicitation of sources, preparation and award of contract and all phases of administration.

66 (7) "Professional service" carries the definition found in section 56.30(1)(a) of the Code.  
67 Departments contracting for professional services will follow the procedures set forth  
68 therein.

69 (8) "Qualified bidder" means a person or firm which has not been disqualified from  
70 selling to the county because of unsatisfactory performance.

71 (9) "Responsible bidder" means a person or firm which has the capacity in all respects to  
72 perform fully the contract requirements, and the integrity and reliability which will assume  
73 good faith performance.

74 (10) "Responsive bidder" means a person or firm which has submitted a bid which  
75 conforms in all material respects to the invitation to bid.

76 (11) "Specification" means any description of the physical or functional characteristics, or  
77 of the nature of a supply service or other item. It may include a description of any  
78 requirement for inspecting, testing or preparing a supply, service or other item for delivery.

79 (12) "Standard" means that which is set and established by authority, custom or general  
80 consent as the quality, quantity or method that is proper and adequate for a given purpose.

81 (13) "Supplies, materials and equipment" means all commodities and other tangible  
82 articles or things purchased from a county appropriation ~~except appropriations for John L.~~  
83 ~~Doyne Hospital.~~

84 (14) Computation of time limits expressed in hours or days shall exclude Saturdays,  
85 Sundays and legal holidays.

86 (15) "Negotiations" means contracting through the use of either competitive or other-than-  
87 competitive proposals and discussions. Any contract having an estimated aggregate value  
88 in excess of twenty thousand dollars (\$20,000.00) awarded without using sealed bidding  
89 procedures is a negotiated contract.

90 (16) "Competitive range" means all offerors that are determined to have a reasonable  
91 chance of being selected for award based on cost or price and other factors stated in the  
92 solicitation. This definition applies only to negotiated procurements as set forth in sections  
93 32.36 through 32.52.

94 (17) "Service Contract" means an agreement for services where an existing County  
95 position will be abolished or where an existing position will be unfunded or where a  
96 County employee will be subject to layoff or reduced work hours which are primarily  
97 related to staff services including, but not limited to, housekeeping, security, landscaping,  
98 maintenance and other non-professional services.

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101 SECTION 2. Section 32.21 of the General Ordinances of Milwaukee County is hereby  
102 amended as follows:

103

104 32.21. General administration.

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106 The procurement division shall be directly supervised by the purchasing administrator, and  
107 its general policies shall be subject to the review of the director of the department of  
108 administrati~~o~~ve services, except for those matters under the jurisdiction of the purchasing  
109 standardization committee.

110

111 SECTION 3. Section 32.22 of the General Ordinances of Milwaukee County is hereby  
112 amended as follows:

113

114 32.22. Department of administrati~~o~~ve services.

115

116 (1) The department of administrati~~o~~ve services through its procurement division shall  
117 have the following powers and perform the following duties:

118 (a) Adopt, promulgate, and from time to time amend rules, regulations and procedures  
119 and enforce the provisions of this chapter.

120 (b) Purchase or contract for all supplies, materials, equipment and contractual services.

121 (c) Prepare and maintain purchasing manuals setting forth the purchasing procedures,  
122 rules and regulations.

123 (d) The director of the department of administrati~~o~~ve services, or designee, shall sign  
124 contracts or issue purchase orders for supplies, materials, equipment or services when  
125 authorized under the provisions of this chapter.

126 (e) Develop and recommend standards for purchasing standardization committee  
127 approval. Enforce the use of standards and specifications established under the provisions  
128 of this chapter.

129 (f) Have charge of storage facilities established centrally for the use of all departments.

130 (g) Conduct public auctions and accept competitive bids for the sale of county property  
131 which has been declared surplus by the facilities management division of the department  
132 of public works.

133 (h) Prescribe the manner of inspecting supplies, materials and equipment and of  
134 determining compliance with specifications.

135 (i) Determine if bid deposits or performance bonds are necessary and prescribe the  
136 amount.

137 (j) Make use of the laboratory, engineering, facilities and technical staffs of the county and  
138 others as required.

139

140 SECTION 4. Section 32.23 of the General Ordinances of Milwaukee County is hereby  
141 amended as follows:

142

143 32.23. Purchasing standardization committee.

144

145 (1) There shall be a purchasing standardization committee composed of three (3) private  
146 citizens: a representative of: the department of human resources, department of parks,  
147 recreation and culture, department of public works and the sheriff's department. Each of  
148 the departmental representatives shall be selected by the department head. The private  
149 citizen members are to be appointed by the county executive for a term of four (4) years,  
150 subject to the confirmation of the county board, and shall be residents of the county who  
151 are knowledgeable in procurement. A representative of the corporation counsel's office,  
152 ~~the standards coordinator~~ and the purchasing administrator shall be technical advisers to  
153 the committee.

154 (2) The committee is empowered to do the following:

155 (a) Adopt operating rules and procedures, and shall elect a vice-chairperson, for a one-  
156 year term, and such other officers as may be required.

157 (b) Review supplies, materials and equipment commonly used for adoption of appropriate  
158 standards by all departments ~~except John L. Doyne Hospital~~.

159 (c) Adopt, revise and promulgate written standards which satisfy the requirements of the  
160 county. After adoption, they shall apply to every future purchase and contract for the  
161 commodity described, unless exempted by the committee.

162 (3) Establish technical subcommittees.

163 (4) Hear appeals as defined in section 32.26.

164

165 SECTION 5. Section 32.24 of the General Ordinances of Milwaukee County is hereby  
166 amended as follows:

167

168 32.24. Technical subcommittees.

169 ~~The standards coordinator~~ purchasing administrator shall coordinate the  
170 organization and work of technical subcommittees, and act as liaison between them and  
171 the purchasing standardization committee. Technical subcommittees shall be composed of  
172 the procurement division buyer responsible for those commodities, and other  
173 representatives having expertise therein.

174

175 SECTION 6. Section 32.25 of the General Ordinances of Milwaukee County is hereby  
176 amended as follows:

177

178 32.25. Purchasing and contracting procedure.

179

180 (1) Purchases of supplies, materials, equipment and contractual services shall be based on  
181 competitive bids. Bids may be rejected when it is determined by the purchasing  
182 administrator that to award a contract would not be in the best interest of the county. The  
183 method of evaluating bids and awarding contracts shall be stated in each bid document.  
184 Contracts shall be awarded to the lowest, qualified, responsive, responsible bidder. If equal  
185 low and responsive bids are received, the purchasing administrator shall break the tie by a  
186 lot drawing in the presence of a buyer and another member of the procurement division at  
187 a specific time and date. The tied bidders shall receive written advance notice.

188 (2) *Discretionary purchases.* Any procurement having an estimated aggregate value of ten  
189 thousand dollars (\$10,000.00) or less shall be made at the discretion of the buyer.

190 (3) *Open market purchase.* Any procurement having an estimated aggregate value in  
191 excess of ten thousand dollars (\$10,000.00) and less than twenty-five thousand dollars  
192 (\$25,000.00) shall be made by solicitation of three (3) quotations documented by the  
193 buyer.

194 (4) *Informal purchases.* Any procurement having an estimated aggregate value of twenty-  
195 five thousand dollars (\$25,000.00) and less than fifty thousand dollars (\$50,000.00) shall  
196 be solicited from all vendors of the item on the vendor's list maintained by the  
197 procurement division and the contract awarded by sealed bidding.

198 (5) *Formal purchases.* Any procurement having an estimated aggregate value of fifty  
199 thousand dollars (\$50,000.00) or more shall have sealed bids solicited by public notice  
200 inserted at least once on the official county web-site at least two (2) weeks before the bid  
201 opening date, and by posting official notice on the procurement board in the procurement  
202 division office for the same period. The procurement division shall solicit sealed bids by  
203 mail from all vendors of the item on the vendor list maintained by the procurement  
204 division.

205 (6) *Sealed bids.*

206 (a) All sealed bids shall be received in the office of the county clerk and transferred to the  
207 procurement division at the time of bid opening, which shall be conducted in public at a  
208 specified date, time and place.

209 (b) A summary of each bid, with the name of all bidders, shall be posted for public  
210 inspection in the office of the procurement division during regular county business hours  
211 for a period of not less than ten (10) days after award.

212 (c) A noncollusive statement requiring the signature of an authorized officer of the bidder  
213 shall be included in each sealed bid. The purchasing administrator shall report suspected  
214 collusive bids to the district attorney.

215 (7) *Exceptions.*

216 (a) Competitive bidding requirements of this chapter shall apply, except as follows:

217 (1) When, after soliciting sealed bids, it is determined by the purchasing administrator,  
218 and verified by the purchasing standardization committee, that no valid bids have been  
219 received, the purchasing standardization committee may authorize procurement without  
220 competition.

221 (2) Purchases from a single source which, by their nature, are not adapted to award by  
222 competitive bidding as determined by the purchasing administrator and approved by the  
223 purchasing standardization committee.

224 (3) Purchases from any federal, state or local governmental unit or agency of surplus  
225 materials, supplies, commodities or equipment, as approved by the committee on financial  
226 and audit of the county board, and otherwise when expressly authorized by the county  
227 board.

228 (4) Discretionary purchase of ~~five~~ ten thousand dollars (\$~~5~~10,000.00) or less as authorized  
229 in paragraph 32.25(2) of this section.

230 ~~(5) Purchases made by John L. Doyne Hospital.~~

231 ~~(6)~~ (65) Any contract for a public works construction project where the director of public  
232 works or his/her designee has recommended, and the purchasing administrator has agreed  
233 in writing, that the purchasing administrator shall negotiate for the purpose of services,  
234 supplies, materials or equipment needed for such project.

235 (b) Purchase of name brand items for resale may be awarded to other than the low bidder.

236 (c) Purchases required for immediate budgeted repairs, exclusive of inventory items.

237 (d) Notwithstanding any other provisions of this chapter to the contrary, the purchasing  
238 administrator shall have the authority, in any situation where a contract is to be let through  
239 the bidding process, to reserve such contract exclusively for vendors listed on the minority  
240 business enterprise and women business enterprise list. In such event, the bid  
241 announcements shall indicate such reservation, citing this subsection as authority therefor.  
242 Reservations by the purchasing administrator may be on a commodity basis or on an  
243 individual contract basis.

244 (e) Annually the county board shall adopt by resolution a recommended minimum  
245 percentage goal for the participation of minority business enterprise and women business  
246 enterprise vendors in contracts awarded pursuant to chapter 32. Such goals are not  
247 mandatory; however, the purchasing administrator shall make diligent efforts to achieve or  
248 exceed such annual participation goals. ~~The purchasing administrator shall have full  
249 discretion to select those contracts where minority and women business enterprise  
250 participation shall be required and may in each case, establish in the specifications and bid  
251 documents the level of required minority and women business enterprise, up to a limit of  
252 twenty five (25) percent for any contract. All written solicitations and notices for bids  
253 promulgated or published pursuant to this chapter shall contain language advising potential  
254 bidders of the provisions of this subsection. Minority business enterprise (MBE) and women  
255 business enterprise (WBE) shall have the same meanings as set forth in section 42.02.~~

256 (8) All contract formats recommended by the procurement division shall be reviewed for  
257 approval by the corporation counsel prior to use.

258

259 SECTION 7. Section 32.26 of the General Ordinances of Milwaukee County is hereby  
260 amended as follows:

261

262 32.26. Protest and appeal procedure.

263

264 Protests to any sealed bid, procurement or award recommended by the purchasing  
265 administrator may be made by any bidder and/or using department head as follows:

266 (1) *Prior to bid opening:*

- 267 (a) Protests to form and content of bid documents shall be received by the purchasing  
268 administrator not less than five (5) days prior to the time scheduled for bid opening. A  
269 protest shall be in writing and state the reason for it.
- 270 (b) The purchasing administrator shall review protests and, if modification is necessary,  
271 the bid opening date shall be extended and addenda containing the changes shall be sent  
272 to each bidder. If modification is rejected, the protestor shall be notified. The decision of  
273 the purchasing administrator is final.
- 274 (2) *After bid opening:*
- 275 (a) Protests concerning irregularities on sealed bid opening procedures, or compliance by  
276 bidders with bid documents, shall be received by the purchasing administrator within  
277 seventy-two (72) hours after time of bid opening.
- 278 (b) When a sealed bid is awarded to other than the low bidder, all bidders shall be  
279 notified in writing by certified mail, return receipt requested, or by fax machine  
280 transmission, of the proposed award. Protests to the award must be delivered to the  
281 purchasing administrator within seventy-two (72) hours after receipt of notice. The  
282 purchasing administrator's copy of the fax transmission cover sheet, or the department's fax  
283 log, shall be conclusive proof of the time and date of receipt by a bidder.
- 284 (c) A protest under either subsection (a) or (b) must be in writing and state the reason for  
285 it. The purchasing administrator shall review the protest and notify the protestor of a  
286 decision in writing by ~~certified mail, return receipt requested,~~ fax within five (5) days. No  
287 contract shall be awarded while a protest is pending. A protest which is untimely, fails to  
288 state the reason for it or shall have been made prior to bid opening is invalid. The decision  
289 of the purchasing administrator disqualifying the protest for these reasons is final and  
290 cannot be appealed.
- 291 (3) *Appeals to purchasing standardization committee:*
- 292 (a) Protests from decisions of the purchasing administrator shall be made to the  
293 purchasing standardization committee by delivering a written request for appeal hearing  
294 both to the procurement division and the committee within seventy-two (72) hours after  
295 receipt of the purchasing administrator's decision.
- 296 (b) The request shall state the grounds upon which the protest is based and shall request  
297 an appeal hearing. No contract shall be awarded until final disposition of the protest.
- 298 (c) The chairperson of the committee shall notify all interested persons of the time and  
299 place of the hearing.
- 300 (d) The committee shall affirm, reverse or modify the decision of the purchasing  
301 administrator and its decision shall be final.

302  
303 SECTION 8. Section 32.34 of the General Ordinances of Milwaukee County is hereby  
304 deleted as follows:

305  
306 ~~32.34. Service charge for handling stored commodities.~~

307  
308 ~~The procurement division shall annually allocate a service charge to be added to the~~  
309 ~~cost of items handled through storage facilities under the control of the procurement~~  
310 ~~division. The charge shall be based upon the cost of operating and maintaining such~~

311 facilities and shall be applied as a percentage of the dollar values of commodities delivered  
312 from such facilities.

313

314 SECTION 9. Section 32.40 of the General Ordinances of Milwaukee County is hereby  
315 amended as follows:

316

317 32.40. General.

318

319 (1) Requests for proposals (RFPs) are used in negotiated acquisitions to communicate  
320 county requirements to prospective vendors and to solicit proposals from them.  
321 Solicitations shall contain the information necessary to enable prospective vendors to  
322 prepare proposals properly. Solicitation provisions and contract clauses may be  
323 incorporated into the solicitations and contracts by reference.

324 (2) The purchasing administrator shall furnish identical information concerning a  
325 proposed acquisition to all prospective vendors.

326 (3) The purchasing administrator shall solicit proposals only when there is a definite  
327 intention to award a contract.

328 (4) A proposal received in response to an RFP is an offer that can be accepted by the  
329 county to create a binding contract.

330 (5) Letter RFPs should be as clear and concise as possible, exclude any unnecessary  
331 verbiage or notices; and, as a minimum, contain the following:

332 (a) RFP number and date.

333 (b) Name and address of contracting office.

334 (c) Type of contract contemplated.

335 (d) Quantity, description, and required delivery for the item.

336 (e) Applicable certifications and representations.

337 (f) Contract terms and conditions.

338 (g) Offer due date.

339 (h) Other relevant information; e.g., incentives, variations in delivery schedule, any  
340 peculiar or different requirements, cost proposal support and different data requirements.

341 (6) Solicitation for services affecting County employees as defined in section 32.20(17)  
342 shall be governed by section 56.30.

343

344 SECTION 10. Section 56.30 of the General Ordinances of Milwaukee County is hereby  
345 amended as follows:

346

347 56.30. Professional services.

348

349 (1) *Definitions.* The meanings of certain terms used in this section is as follows, unless  
350 the context otherwise provides:

351 (a) *Professional service* means services, the value of which is substantially measured by  
352 the professional competence of the person performing them and which are not susceptible  
353 to realistic competition by cost of services alone. The services provided must be materially  
354 enhanced by the specific expertise, abilities, qualifications and experience of the person  
355 that will provide the service. Professional services shall typically include services

356 customarily rendered by architects; engineers; surveyors; real estate appraisers; certified  
357 public accountants; attorneys; financial personnel; medical services, except when such  
358 services are delivered to clients of the general assistance-medical program or to county  
359 employes as part of a workers compensation claim and social services; system planning;  
360 management and other consultants; and services for promotional programs.  
361 (b) *Service* means the furnishing of labor, time or effect by a contractor, not involving the  
362 delivery of a specific end product other than usual reports and/or drawings which are  
363 incidental to the required performance.  
364 (c) *Request for proposal* means all documents, whether attached or incorporated by  
365 reference, used for soliciting proposals.  
366 (d) *Contractor* means a firm or individual who formally undertakes to do anything for  
367 another.  
368 (e) *Contract* means an agreement between two (2) or more persons to do or not to do  
369 something.  
370 (f) *Medical service* means services provided by a licensed or recognized health care  
371 professional, professional group, ambulance or medical transportation services operated by  
372 governmental units, medical laboratories or companies of medical supplies or equipment is  
373 provided to individuals who qualify for assistance under the general assistance-medical  
374 program or county employes whose injury is considered a workers compensation claim.  
375 Hospitals, community-based clinics, faculty physicians and surgeons or other physicians  
376 operating from Froedtert Memorial Lutheran Hospital, non-municipality operated  
377 ambulance and medical transportation providers are excluded from this definition.  
378 (g) Service contract as defined in section 32.20(17) means an agreement for services  
379 where an existing County position will be abolished or when an existing position will be  
380 unfunded or where a County employee will be subject to layoff or reduced work week  
381 hours which are primarily related to staff services including, but not limited to,  
382 housekeeping, security, landscaping, maintenance and other non-professional services

383  
384 (2) *Policy.*

385  
386 (a) *General policy statement.* All county departments and institution administrators are  
387 responsible for procuring professional services in accordance with the provisions of this  
388 section. However, the office of the county executive and the county board shall be exempt  
389 from the provisions contained herein as shall be the department of administration for the  
390 purpose of securing credit rating services related to debt issuance and administration.  
391 (b) *Disadvantaged business enterprise requirement.* All county departments and  
392 institutions administrators are required to notify the disadvantaged business development  
393 (DBD) division in writing prior to entering into ~~professional~~ services contracts. Annual  
394 percentage goals for DBE participation on ~~professional~~ services contracts will be  
395 established as set forth by county ordinance. The procedures to be followed by  
396 departments regarding DBE participation shall conform to provisions as contained in  
397 chapter 42. No ~~professional~~ services contract shall be issued without review and written  
398 approval by the DBD division that all provisions of chapter 42 regarding disadvantaged  
399 business participation have been met.

400 (c) *Fiscal constraint statement.* Notwithstanding any other provisions of section 56.30,  
401 during a period of fiscal constraint the county board may, by resolution, adopt a procedure  
402 which requires committee on finance and audit review and county board approval of all  
403 professional service expenditures prior to execution of said contracts.

404 (3) *Availability of appropriations.* It is the responsibility of the administrator who will sign  
405 a professional services contract to insure that monies are available in the appropriate  
406 budget account for the expenditures required by the contract.

407 (4) *Professional services procedures.* It shall be the responsibility of the administrator to  
408 conform with the following provisions when entering into a professional services contract  
409 and expending budgeted funds:

410 (a) *Professional services—Capital improvements.* The following conditions shall apply to  
411 all capital projects.

412 (1) During its annual budget process, departments shall provide a list to the county board  
413 of which capital projects contained in the recommended budget are intended to require the  
414 assistance of a professional service consultant. Departments are authorized to enter into  
415 contractual services or professional services agreements as may be required for specific  
416 capital improvement projects which have been approved by the county board through the  
417 budget process. Expenditures shall only be for those projects and professional services  
418 specifically identified in the budget write-up reviewed by the committee on finance and  
419 audit during the budget review process and approved by the county board, or for those  
420 projects approved by action of the county board. The budget write-up shall contain specific  
421 information as to the scope of the project, professional services required and estimated cost  
422 of the professional services work to be performed. The department of public works shall  
423 provide in February of each year to the committee on finance and audit and the committee  
424 on transportation, public works and transit an updated report on public works capital  
425 projects requiring the use of a professional services contract. Any professional service work  
426 costing more than twenty-thousand dollars (\$20,000.00) which is not identified in the  
427 February report shall require county board approval.

428 (2) All contracts in excess of twenty-thousand dollars (\$20,000.00) shall be solicited  
429 following a request for proposal process as outlined further in this ordinance.

430 (b) *Professional services—Non-Capital.*

431 (1) For professional services resulting in an expenditure of two thousand dollars  
432 (\$2,000.00) or less, a departmental purchase order or purchase card may be used for the  
433 purchase of professional services. County board approval is not required provided monies  
434 are available in the appropriate budget account.

435 (2) For a professional services contract with a value greater than two thousand dollars  
436 (\$2,000.00) and less than fifty thousand dollars (\$50,000.00), county board approval is not  
437 required provided monies are available in the appropriate budget account for the  
438 expenditures required by the contract.

439 (3) County board approval.

440 (a) If a professional services contract with a value greater than two thousand dollars  
441 (\$2,000.00) and less than fifty thousand dollars (\$50,000.00), entered into by a department  
442 administrator is to be extended or amended to provide additional reimbursement which  
443 extends the total reimbursement beyond fifty thousand dollars (\$50,000.00) to the same  
444 vendor, county board approval shall be required for each extension.

445 (b) For a ~~professional~~ services contract with a value of fifty thousand dollars (\$50,000.00)  
446 or more, approval by the county board is required. Such approval may take place as part of  
447 the county board's adoption of the annual county budget. If approval does not take place  
448 as part of the adopted budget, then review by the appropriate county board standing  
449 committee and approval by the county board is required. If immediate action is required to  
450 preserve property or protect life, health and welfare of persons, county board approval may  
451 be waived, provided such action shall be reported, in writing, within forty-eight (48) hours  
452 after initial emergency action, to the county board, the county executive and department of  
453 administration.

454

455 SECTION 11. Section 42.06 of the General Ordinances of Milwaukee County is hereby  
456 amended as follows:

457

458 Professional services and other non-professional service contracting.

459

460 All county departmental and institutional administrators are required to provide  
461 written notification to the CBDP office as further described herein prior to  
462 entering into professional services and other non-professional services contracts as defined  
463 in section 32.20(17) and 56.30 of this Code. Annual percentage goals for DBE and ACDBE  
464 participation on professional and non-professional services contracts either at the prime or  
465 sub-contracted level, will be established as set forth by county ordinance.

466

467 SECTION 12. This ordinance shall become effective upon passage and publication.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 1/19/10

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution/orinance to amend Chapters 32, 56 and 42 of the General Ordinances of Milwaukee County regarding the approval of privatization contracts

**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<br>(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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

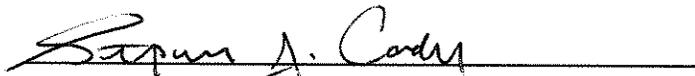
In the space below, you must provide the following information. Attach additional pages if necessary.

- 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.<sup>1</sup> 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.

Approval of this resolution/ordinance will require an expenditure of staff time to update the Code of General Ordinances but will not result in an expenditure of funds.

Department/Prepared By Steve Cady, Fiscal and Budget Analyst, County Board

Authorized Signature



Did DAS-Fiscal Staff Review?

Yes

No

<sup>1</sup> 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.