

COUNTY OF MILWAUKEE
Inter-Office Communication

1

DATE: February 8, 2012

TO: Supervisor Lynn DeBruin, Chairperson, Economic & Community Development Committee
Supervisor Theo Lipscomb, Vice Chairperson, Economic & Community Development Committee

FROM: Héctor Colón, Director, Department of Health and Human Services

SUBJECT: **Informational Report from the Director, Department of Health and Human Services, Regarding the 2012 Community Development Block Grant Allocation Process and Public Hearing**

Background

As part of the annual Community Development Block Grant (CDBG) process, all applicants are invited to attend a public hearing and present their proposals to the Economic and Community Development Committee. For 2011 funds, this was completed on September 20, 2010. The Department of Health and Human Services (DHHS), Housing Division has completed their review of all 2012 proposals and sent letters to the agencies notifying them of the public hearing (See Attachment A). The applicants will attend the March 5, 2012 Economic and Community Development Committee meeting to present a two-minute summary to Committee members (See Attachment B).

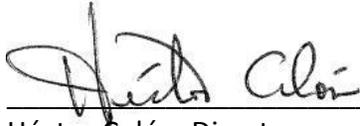
Issue

The Housing Division has reviewed all of the 2012 CDBG applications, including the proposed activities. Organizations have been directed to provide a short presentation to the Committee including information on how the proposed activity will benefit the residents of Milwaukee County's CDBG jurisdiction, and how the activity will primarily benefit low to moderate income people (per the National Objective standards established by HUD). The public hearing is a necessary and critical step toward approving the CDBG 2012 projects and related funding for the 2012 Annual Plan, which is due to HUD by April 30th.

Following the public hearing, the Milwaukee County CDBG/HOME Planning Team will review all proposals and make recommendations for funding to the Economic and Community Development Committee for approval by the Board of Supervisors and the County Executive. Once the Board approves the projects, the 2012 Annual Plan will be published for comment for 30-days, as required. Any public comments will then be incorporated into the final 2012 Annual Plan and the Plan will then be submitted to HUD for approval by April 30th.

Recommendation

This is an informational report. No action is necessary.



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office
Terrence Cooley, County Board
Patrick Farley, Director, DAS
Pam Bryant, Interim Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Antionette Thomas-Bailey, Fiscal & Management Analyst, DAS
Glenn Bultman, Analyst, County Board Staff



DEPARTMENT OF HEALTH & HUMAN SERVICES HOUSING DIVISION

Chris Abele,
County Executive

Lee Holloway,
Chairman, Board of
Supervisors

Hector Colon,
Director, Department of
Health and Human
Services

February 7th, 2012

Dear Applicant:

Your proposal for Milwaukee County 2012 Community Development Block Grant (CDBG) funding program will be reviewed by the Milwaukee County Board of Supervisors Economic and Community Development Committee on Monday, March 5th, 2012. The meeting will begin at 9:00 a.m. in Room 203-R of the Milwaukee County Courthouse.

To ensure that all applicants have sufficient time to present their project to the Committee, we are requesting that only one representative delivers the presentation. The representative will be limited to two minutes for the presentation, followed by one minute for possible questions from the Committee members. No handouts will be allowed. Committee members will have already received copies of the proposals well in advance of the meeting.

Also, your presentation should specifically address 1) how the proposed activity will benefit residents of the 16 municipalities of the Milwaukee County CDBG jurisdiction and 2) how your organization will document that low/moderate income residents of the Milwaukee County jurisdiction will be the primary beneficiary of the activity.

No funding recommendations will be made at this meeting.

Please find the estimated time of your presentation in the attached schedule. We suggest that you arrive 30 minutes prior to your scheduled time, just in case the Committee is ahead of schedule. We strongly encourage all applicants to honor the established time limit and the format for the presentations.

If you have any questions concerning this matter, please call Damon Dorsey at 278 - 4780.

Sincerely,

Damon M. Dorsey
CDBG Program Coordinator

Enclosure

SCHEUDLE OF PRESENTATION - 2012 CDBG PROPOSALS

| Project Number | Proposal Sponsor | Amount Requested | Presentation Time |
|---|--|-------------------------|--------------------------|
| Agape Community Center | Brad of Healing Free Clinic | \$27,500 | 9:00 AM |
| Center for Veterans Issues | VPC Renovation project Initiative | \$40,000 | 9:03 AM |
| Council for the Spanish Speaking | Hillview building's retaining wall | \$40,000 | 9:06 AM |
| Easter Seals Southeast Wisconsin | Burleigh bldg Roof Project | \$22,000 | 9:09 AM |
| Eisenhower Center, Inc. | Completion of restoration of Parking lot | \$40,000 | 9:12 AM |
| Granville Interfaith Program | Neighborhood Outreach Program | \$27,500 | 9:15 AM |
| Greendale Historical Society | re-adaption of original grounds bldgs and tower | \$40,000 | 9:18 AM |
| Journey House, Inc | Urban Careers Institute | \$40,000 | 9:21 AM |
| Lao Family Community, Inc | Employment Training | \$39,000 | 9:24 AM |
| Legal Aid Society of Milwaukee | Foreclosure Mediation Project | \$40,000 | 9:27 AM |
| Lightstreams Community Development Center | Housing Counseling Program | \$40,000 | 9:30 AM |
| Metropolitan Milwaukee Fair Housing | fair housing | \$25,000 | 9:33 AM |
| Milwaukee County DHHS-Housing Division | Residential Architectural Barrier Removal | \$60,000 | 9:36 AM |
| Milwaukee County DHHS-Housing Division | Emergency home repair | \$40,000 | 9:39 AM |
| Milwaukee Christian Center | Youth Development/Kosciuszko Comm Cntr | \$25,000 | 9:42 AM |
| Milwaukee County CDBP | Technical Assistance/Capacity | \$40,000 | 9:45 AM |
| Milwaukee County Department of Parks | Baseball Field Improvements at Zablocki park | \$40,000 | 9:48 AM |
| Milwaukee Urban League | Capacity Building Program | \$40,000 | 9:51 AM |
| My Home, Your Home | Facility Improvements , transitional housing for women | \$33,000 | 9:54 AM |
| National Alliance on Mental Illness | peer specialist training program | \$25,000 | 9:57 AM |
| Project Return | Ex-Offender Employment Program | \$40,000 | 10:00 AM |
| Rebuilding Together Greater Milwaukee | Revitalization project for vulnerable homeowners | \$40,000 | 10:03 AM |

| Project Number | Proposal Sponsor | Amount Requested | Presentation Time |
|---|--|-------------------------|--------------------------|
| St. Catherine Residence | Capital Needs | \$14,000 | 10:06 AM |
| United Community Center | UCC Olga Village Health Center | \$12,500 | 10:09 AM |
| Walker's Point Center for the Arts | Building and Sidewalk Renovation for accessibility | \$35,000 | 10:12 AM |
| Wisconsin Community Services, Inc | Center for Driver's License Recovery and Employability | \$40,000 | 10:15 AM |
| Wisconsin Women's Business Initiative Corp. | microenterprise development continuum | \$100,000 | 10:18 AM |
| Word of Hope Ministries | Employment Training and Placement | \$40,000 | 10:21 AM |
| Total | | \$1,045,000 | |

The following activities are already being funded by Milwaukee County from non-CDBG sources of funds

| | | | |
|-------------------|---|-----------|----------|
| Hunger Task Force | farm & fish hatchery infrastructure improvement | \$40,000 | 10:24 AM |
| Hunger Task Force | farm & fish hatchery - operational support | \$40,000 | 10:27 AM |
| WRTP | Employment Training & empl services | \$40,000 | 10:30 AM |
| WRTP | Industry Resource Center | \$40,000 | 10:33 AM |
| WRTP | skilled trades employment pathways | \$40,000 | 10:36 AM |
| Total | | \$200,000 | |

| | | | |
|--------------------|--|-------------|--|
| GRAND TOTAL | | \$1,245,000 | |
|--------------------|--|-------------|--|

Via Email

To: Economic & Community Development Committee of Milwaukee County

From: Park East Square, LLC

Date: February 15, 2012

Block One, located in the Park East Corridor, was purchased by Park East Square LLC ("Park East Square") from Milwaukee County in December 2007 for \$2,725,000. The development team was set to break ground on the proposed project when the economic downturn resulted in the project lender rescinding the loan commitment.

Since the closing on the land, Park East Square has worked diligently to modify the project in form and function to conform to the unprecedented financing environment we continue to experience. To further enhance the success of the project, we made the decision to expand the development team to include a strong local firm. We are very excited to advise the Committee that we have entered into a partnership with a local Milwaukee developer who is a very strong, well respected real estate development firm headquartered in Milwaukee with experience in almost all types of real estate including multifamily comprising the Park East Square project.

Due to this very positive development, we are requesting an opportunity to appear at the ECD meeting on March 5th to provide an informational briefing to introduce our partner and present a summary of the current project.

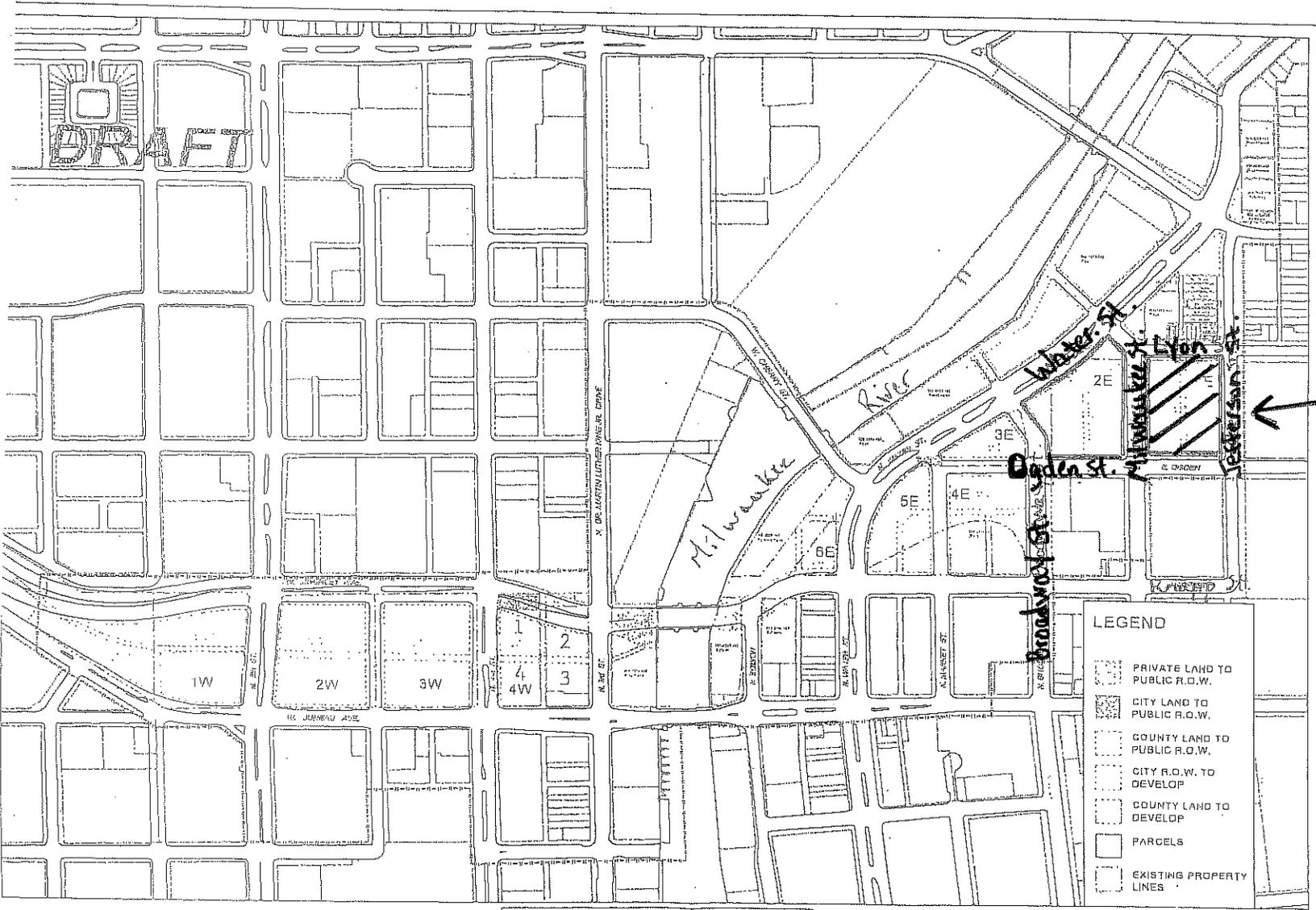
The strength of the expanded Park East Square project team will move Phase 1 of the project forward, which is designed to include 85 market rate apartment units, 14,600 square feet of retail and 246 parking spaces with a total development cost of approximately \$20 million.

The Milwaukee rental market is strong and is expected to continue the positive momentum based upon the market study and research reports related to the transition from the purchasing of condominiums to the very strong demand to rent quality market rate apartments.

The bank financing market for apartment construction loans has improved quite a bit over the last year and the project team is actively working with conventional lenders who have indicated a strong desire to underwrite the project.

Our architect is developing updated massing diagrams and elevations for the new proposed project and is working closely with the City to review and approve the modifications. We expect to receive approval to move forward with the hopes of starting construction by mid-year.

We sincerely appreciate Milwaukee County's patience and cooperation during the past, very difficult years, and look forward to sharing the benefits of our collective diligence to bring this project forward.



DRAFT



Subject Block 26 (aka Block One)

LEGEND

| | |
|--|-------------------------------|
| | PRIVATE LAND TO PUBLIC R.O.W. |
| | CITY LAND TO PUBLIC R.O.W. |
| | COUNTY LAND TO PUBLIC R.O.W. |
| | CITY R.O.W. TO DEVELOP |
| | COUNTY LAND TO DEVELOP |
| | PARCELS |
| | EXISTING PROPERTY LINES |

PLANNING AND DESIGN INSTITUTE, INC.
417 N. MILWAUKEE ST. MILWAUKEE, WI 53233-1000
414.224.1100

Park East Redevelopment
Land Ownership

0 10 20
August 27, 2003

February 21, 2012

Chairman Lee Holloway
Milwaukee County Board of Supervisors
901 N. 9th Street
Milwaukee, WI 53223

Dear Chairman Holloway,

The members of the Milwaukee County Apprenticeship Work Group have fulfilled their charge to research questions about how to improve access to apprenticeships.

Since its inception, the Work Group met regularly to address the research questions articulated in the enabling resolution. This report shares the result of that extensive inquiry. The Work Group compiled information about apprenticeship programs in the Milwaukee area and how best to increase their diversity. We hosted a number of speakers who have made presentations to the Work Group and the main points of their presentation. On behalf of the entire Work Group, we are pleased to present you with our findings and recommendations.

2007 was the peak year for apprenticeship positions in the Milwaukee area overall as well as the peak year for minority participation. The number of large public construction projects with apprenticeship utilization and local disadvantage worker hiring standards appear to have helped drive those positive results. Apprenticeships have since declined, part of the overall "jobless recovery." The recession has undone recent progress towards more diversity in apprenticeship employment in the Milwaukee area. As the spring construction season begins, it will be important to monitor access and to take steps to ensure that minority share of total apprenticeships rebounds.

In terms of Milwaukee County's role in fostering apprenticeship opportunity, the Work Group recommends that the Board of Supervisors adopt a policy that requires apprenticeship utilization on county projects. In the collective experience of Work Group members, rules that drive demand for diversity in the public contracting realm are important tools to achieving our desired goals.

Sincerely,

Pamela Fendt
Work Group chair

Milwaukee County Apprenticeship Work Group Report to County Board of Supervisors

February 2012

Purpose of the Milwaukee County Apprentice Workgroup

In 2007 Lee Holloway, Chairman of the Milwaukee County Board of Supervisors, spearheaded legislation to establish a Milwaukee County Apprenticeship Work Group. The Apprentice Work Group was created to monitor and recommend quality and continuous improvement measures relative to apprenticeship programs and standards within Milwaukee County.

The general charge of the work group was to enhance and improve apprenticeship standards, awareness, education, and recruitment methods *in order to increase diversity among apprenticeship components of Milwaukee County's labor force.*

The specific objectives of the Apprentice Work Group include:

- increase education and awareness of apprenticeship programs within Milwaukee;
- identify and target potential funding sources and grants to increase employer-driven paid training;
- collaborate with the City of Milwaukee, Milwaukee Public Schools, Milwaukee Area Technical College and the State of Wisconsin to support skills training to increase apprenticeship opportunities;
- work with the State to reform apprenticeship selection procedures to increase diversity, increase testing scores, and make apprentice trades more open to central city residents.

This report will:

- summarize the work and findings of the Apprentice Work Group
- report on progress that has been made in increasing apprentice diversity
- identify barriers in providing apprenticeship opportunities to disadvantaged individuals
- make recommendations for improvements in access to formal apprenticeships

The Apprentice Work Group is comprised of nine appointed members, all of whom have a significant experience in the area of apprentice programming from a variety of perspectives. A list of Work Group members is included at the back of this report. The knowledge and experience of the Work Group members form the core component of this report, along with statistical data on apprenticeships, information from additional Milwaukee area experts and stakeholders knowledgeable about apprenticeships, and research literature. In late 2010 the Work Group submitted a process report on the proceedings of the Work Group since its formation, with summary information provided by each of the invited speakers who appeared to present information about apprenticeship issues in the Milwaukee area.

Historical background on Apprenticeship

2011 marked the 100th anniversary of the apprenticeship system in our state. Wisconsin passed the nation's first apprenticeship law in 1911. In the same year, Wisconsin's vocational school system (the current Wisconsin Technical College System) was established to provide the complementary instruction for apprentices. Wisconsin's law became a model for other states and for the federal government.

Apprenticeships were widely available in Milwaukee up until approximately 20 years ago. Since then the number of apprenticeships has been on the decline. Manufacturing employment in Milwaukee has been declining for nearly 40 years. This is largely due to the trend of deindustrialization in the United States. Milwaukee has retained a larger share of its manufacturing base than most cities in the U.S. Still, assembly and manufacturing jobs have been downsized or outsourced thus leading to fewer employment and apprenticeship opportunities in Milwaukee. For example, a generation ago, manufacturing companies in the area had dozens of apprentices at any one time. But now, those numbers have greatly diminished. The decline of manufacturing apprenticeships has led to an increased focus on construction trades apprenticeship opportunities as a good-paying career that does not require a college degree.

What is Apprenticeship?

Among the general public, there is a lack of uniformity in the definition of what apprenticeship is. An apprentice is NOT a trainee and is NOT a junior worker.

Definitions of Apprenticeship

Wisconsin's Bureau of Apprenticeship Standards

"Apprenticeship is a structured system of training designed to prepare individuals for skilled occupations. It combines **on-the-job training** under the supervision of experienced journey workers with related **classroom instruction**. Apprentices who successfully complete the prescribed number of hours of training in an apprenticeship program become certified skilled workers." <http://dwd.wisconsin.gov/apprenticeship/>

U.S. Department of Labor, Employment and Training Administration,

"Registered Apprenticeship programs meet the skilled workforce needs of American industry, training millions of qualified individuals for lifelong careers since 1937. Registered Apprenticeship helps mobilize America's workforce with structured, on-the-job learning in traditional industries such as construction and manufacturing, as well as new emerging industries such as health care, information technology, energy, telecommunications and more. Registered Apprenticeship connects job seekers looking to learn new skills with employers looking for qualified workers, resulting in a workforce with industry-driven training and employers with a competitive edge." <http://www.doleta.gov/oa/faqs.cfm>

The classroom instruction received by the apprentices in the Milwaukee area is provided by approved training entities that can include union construction trade training programs, Milwaukee Area Technical College, Milwaukee Public Schools or other recognized educational institutions and companies.

In Wisconsin, the requirements for entry into an apprenticeship and the training provided are determined by the State of Wisconsin's Bureau of Apprenticeship Standards and state law.

With a chronic gap between the number of available jobs in the Milwaukee area and the number of jobseekers, it is easy to see why apprenticeship programming is a focus of attention. The “earn while you learn” aspect of apprenticeship, and the stepped, clear pathway to a career that a registered apprenticeship program offers are very attractive. Concerns about equitable access to apprenticeship opportunities have been raised on the local and state levels over the past several years. **One of the primary charges of this Work Group is examining information about barriers to diversity in local apprenticeship programs.**

Apprenticeship Programs in Wisconsin

Although the construction trades are often the focus of attention, apprenticeship programs can be pursued in the manufacturing/industrial and service trades too. The State Department of Workforce Development, Bureau of Apprenticeship Standards certifies and oversees all apprenticeship programs – the coursework and processes. Application procedures to become an apprentice vary from trade to trade, sector to sector. The table below lists the apprenticeship programs within each of the sectors.

| Construction Trades | Industrial Trades | Service Trades |
|---|---|-----------------------------------|
| Bricklayer | Electrical and Instrumentation Technician | Barber Cosmetologist |
| Carpenter | Industrial Maintenance Electrician | Child Care Development Specialist |
| Cement Mason/Concrete Finisher | Industrial Pipefitter | Cook/Chef |
| Construction Craft Laborer | Injection Molding Machine Setter | Correctional Officer |
| Electrician (Construction) | Machinist | Electric Line Worker |
| Environmental Service Technician/HVAC | Maintenance Mechanic | Fire Service |
| Installer-Technician | Metal Fabricator/Welder | Funeral Director |
| Glazier | Mold Maker | Metering Technician |
| Heat and Frost Insulator | Tool and Die Maker | |
| Ironworker | Printer | |
| Operating Engineer/Heavy Equipment Operator | | |
| Painter & Decorator | | |
| Plasterer | | |
| Plumber | | |
| Roofer | | |
| Sheet Metal Worker | | |
| Sprinkler-fitter | | |
| Steamfitter | | |
| Teledata Communications | | |

Source: Wisconsin Department of Workforce Development

As shown in the preceding table, there are numerous apprentice programs across sectors. The Milwaukee County Apprentice Workgroup largely focused on apprenticeships programs in the construction and industrial trades, because they account for the vast majority of apprenticeships in Wisconsin.

Industrial Sector

Industrial apprenticeships were much more plentiful in Milwaukee's past. Globalization's effect on local manufacturing employment has also naturally had an effect on apprenticeships as well. There are still positions available, though. Recently Miller/Coors Brewing and Caterpillar were actively seeking new apprentices at their facilities in the Milwaukee area. Other examples of employers offering industrial apprenticeship include Master Lock Co., Harley-Davidson Motor Co., ATI Ladish Forging, Bradley Corp., and WE Energies.

Applying for an apprenticeship in the manufacturing or industrial sector requires applying directly to the employer or company that sponsors the apprenticeship program. Sometimes you must be hired by the employer in another capacity before apprenticeship opportunities become available. The employer determines the criteria to place applicants into the program, either through collective bargaining agreements or other criteria.

Construction Sector

For construction trades, the application process is generally governed by a trade committee composed of equal representation of employee representatives and employers. Each committee develops its own policies and practices, which are approved by the Wisconsin Department of Workforce Development, Bureau of Apprenticeship Standards. Half of Wisconsin's apprentices are in the construction trades. Comprehensive information about the application process for each trade can be found at:
http://dwd.wisconsin.gov/apprenticeship/construction_trades.htm

How Do I Apply For Apprenticeship in the Construction Trades?

The application process for construction trades varies depending on the trade and the area of the state. Construction trade apprenticeships are sponsored by local trade committees comprised of skilled workers and employers who are advisory to the Bureau of Apprenticeship Standards. Committee members recommend approval of qualified applicants to the Bureau. Each committee develops its own policies and practices, with approval from the Bureau of Apprenticeship Standards, for operating its apprenticeship program and for selecting apprentices.

Each local committee takes applications. Each committee will determine the selection items required for the selection process. These may include an aptitude test, an interview with the committee, high school transcript, proof of graduation or equivalent, birth certificate, valid driver's license, etc. Once all application materials are on file and the applicant is deemed to be qualified, the committee will notify the applicant as to the next step in the procedure.

The construction trades use two methods for the actual placement of apprentices in jobs: the rank order list and the letter of introduction.

In the rank order list method, the committee creates a list of candidates in order of their accumulative scores on written and oral examinations. An employer seeking an apprentice will make a request to the appropriate apprenticeship committee. The committee will contact the next person on the list and ask him/her to report for acceptance into the apprenticeship program and to sign the contract.

In the letter of introduction method, applicants who meet the basic requirements are given a letter from the sponsoring committee stating they are eligible to be hired as apprentices. They must then find an employer to sponsor their apprenticeship. Frequently the committee will provide a list of participating employers.

(Source: http://dwd.wisconsin.gov/apprenticeship/construction_trades.htm)

An apprenticeship opportunity becomes available when an employer who is qualified as a “Trade Trainer” is performing the work. The state of Wisconsin outlines the guidelines that the employer must meet.

- Primary responsibility of a trainer is to provide the on-the-job training to the apprentice under the supervision of skilled workers.
- Pay the apprentice wages for work performed and for hours of related instruction required of the program as outlined in the apprentice contract.
- Release the apprentice from work to attend related instruction.

(Source: <http://dwd.wisconsin.gov/apprenticeship/faq/faq2.htm#q3>)

There are more than 3,000 employers who employ and train apprentices currently listed on the Department of Workforce Development list.

Milwaukee NAACP Activism on Access to Apprenticeships

In 2006 the NAACP of Milwaukee released “Report Card on Minority and Female Participation in Construction Trade Apprentices in the Milwaukee Area: Who’s in the Pipeline for Skilled Construction Trades” co-authored by Lois M. Quinn of the Employment and Training Institute at UW Milwaukee and Ruth Zubrensky, a long-time civil rights activist and member of the Milwaukee Branch of the NAACP. Statistics from the 2006 NAACP report were cited by Chairman Lee Holloway as supporting evidence for the establishment of this Work Group in the County Board resolution passed in late 2007. The Work Group membership was established the following year.

The NAACP has issued two follow up reports, in 2008 and 2010. Mrs. Zubrensky had long petitioned the Wisconsin Bureau of Apprenticeship Standards to do more to foster diversity in apprenticeship opportunities and for public release of data on progress towards more inclusive programs. Mrs. Zubrensky deserves much credit for helping to bring the issues and information to public attention.

In preparing recommendations based on the statistics, the NAACP stated:

The Bureau of Apprenticeships Standards and other public and private institutions have failed to get satisfactory results from joint apprenticeship training programs and have failed to put a dent in the need for jobs for central city residents. Looking at the last six years of apprenticeship hiring and retention, the Report Card shows little progress has been made. Unless a concerted effort is made by all parties to improve the record, we may never witness equal access to construction training/jobs for minorities and women. (<http://www4.uwm.edu/eti/construction/NAACPStatement.pdf>)

There are a number of recommendations for increasing minority presence in construction trades in the NAACP report. The NAACP reports can be accessed at www.uwm.edu/Dept/ETI.

In addressing the Work Group, Mrs. Zubrensky offered many suggestions, one specifically directed at Milwaukee County operations. "An idea I have had for a long time is that the County, itself, should become an apprentice trainer and hire a diverse complement of apprentices who can be trained by the skilled workers who are part of the County's workforce." This suggestion to examine how to train and prepare new workers for upcoming vacancies is being pursued in the County's *Ready to Work* initiative cosponsored by Supervisors Theo Lipscomb and Eyon Biddle.

Legislative Audit Bureau report on Apprenticeships

In 2010, the state of Wisconsin Legislative Audit Bureau released a report entitled "Evaluation of Minorities and Women in Construction Apprenticeships." This was the Bureau's third evaluation of apprenticeships. Previous evaluation (1984 and 1992) found low levels of minority and female participation in apprenticeships. This evaluation focused on:

- Determining minority and female participation in apprenticeships through FY2008-2009
- Review of the affirmative action plans/activities of local trade committees
- Review of DWD oversight of local trade committees
- Review of appeals filed by apprentices after cancellation
- Analysis of compliance of state agencies with Executive Order 108

Some of the key findings of the Legislative Audit Bureau report review of statewide data for 2009 included the documentation of a gap between the proportions of minority apprentice applications vs. active apprentice participation.

- Of total construction apprenticeship applicants, 26% of apprenticeship applicants were minorities and 4.5% were women
- Of those eligible for construction apprenticeship, 23% were minorities and 4.6% were those eligible were women
- Of those participating in construction apprenticeships, 8.3% were minorities and 2% were women.

Rank Order vs. Letter of Introduction: The Legislative Audit Bureau reported that 24 joint apprenticeship committees (JAC) used the rank order list. 70 JACs used the letter of introduction. LAB found different outcomes based on location of the JAC.

In the Milwaukee Area, the rank order method is associated with lower minority participation in apprenticeships. The Letter of Introduction is associated with higher minority participation. In the remainder of State, the rank order method has better outcomes than the letter of introduction.

The Legislative Audit Bureau found that Wisconsin's minority apprentice completion rates were

- higher than Michigan, Indiana, Iowa, Ohio
- lower than Illinois

The Legislative Audit Bureau recommended that the Wisconsin Department of Workforce Development track the race and gender of apprentice applicants and eligible apprentices and that DWD review JAC procedures for allegations of discrimination and provide stronger oversight of local trade committees.

LAB Report available at (<http://legis.wisconsin.gov/lab/reports/10-12full.pdf>)

Benefits to Economy as a Whole

The discussion of the value of an apprenticeship opportunity is largely looked at from the perspective of the opportunity for the individual worker. The Department of Workforce Development outlines benefits to participating employers.

The apprenticeship system offers not just a job, but a career. It **attracts better applicants** and improves employer-employee relationships. During the period of training, employers can instill values such as company loyalty, good work practices, and positive work attitudes. In addition, it **ensures training standards** of the trade are met while improving training standards in the industry.... With the promise of a future, apprentices become valuable, committed employees capable of advancing to more responsible positions within the company.

<http://dwd.wisconsin.gov/apprenticeship/> (emphasis in the original)

Additionally, there are broader economic benefits of the apprenticeship system. Northstar Economics Inc. studied the gains to the local economy that arise from apprenticeships programs and journeyworker employment. The highlights of the Northstar report issued in 2005 include:

- Southeastern Wisconsin construction apprentices generate \$3.3 million in state income and sales tax revenue
- The cost to the state to manage apprenticeship training programs is very low
- The cost to the state for apprenticeship training is much lower than the cost to the state for university education. Annual apprentice training costs \$10,343 less per person less than university student education
- Southeastern Wisconsin construction journeyworkers average annual earnings are \$42,582, which is 22% **more** than average Wisconsin worker earnings
- Gross payroll for southeastern Wisconsin construction journeyworkers is over \$1.3 billion
- The construction industry is one of the largest sectors in the state

<http://www.northstareconomics.com/CLMCRReport.pdf>

Apprenticeship Data for Milwaukee

As the administrative agency for registered apprenticeship programs in Wisconsin, the Bureau of Apprenticeship Standards is also the primary source of data on the racial, ethnic, and gender characteristics of apprentices. The BAS provides this data annually for active apprentice contracts, apprenticeship registrants, cancellation rates, and completion rates. Data is available from 1999 through the present.

As part of the inquiry conducted by the Work Group, information on the current status of apprenticeship applications and participation was gathered for this report. All data in the tables presented in this report is compiled by the Wisconsin Bureau of Apprenticeship Standards and available on their website. (http://dwd.wisconsin.gov/apprenticeship/statistics_data.htm)

Change in total active apprenticeships over last 10 years

| | 2001 | 2011 | % change (2001-2011) |
|--|--------|--------|----------------------|
| Wisconsin Apprenticeships | 15,558 | 10,002 | -36% |
| >> State non-Minority Apprenticeships | 14,329 | 8,674 | -39% |
| >> State Minority Apprenticeships | 1,229 | 1,328 | +8% |
| Milwaukee Area Apprenticeships | 2,880 | 1,869 | -35% |
| >> Milwaukee non-Minority Apprenticeships | 2,569 | 1,588 | -38% |
| >> Milwaukee Minority Apprenticeships | 311 | 281 | -10% |

The Great Recession and longer term trends: Economic activity in the U.S. peaked in December 2007 before falling into recession in 2008. While the recession officially ended in the summer of 2009, economic growth has been anemic and unemployment has remained stubbornly high. Apprenticeship numbers, which declined during the Great Recession, have not made up the lost ground. This is part of a longer trend of declining apprenticeships at the state level, although minority apprentices actually increased in Wisconsin. The opportunity to earn and learn as an apprentice was decreased by a third over the past decade in the Milwaukee area. One piece of positive news for Milwaukee is that the decline in minority apprenticeships (10%) was considerably smaller than the decline in non-minority apprenticeships (38%) in the metro area.

The construction industry has been especially hard-hit by the recession and the ongoing “jobless recovery.” Serious job creation action is needed to replace the losses. Historically, the construction sector accounted for the greatest share of apprenticeships, so any negative impact on construction has a disproportionate impact on total apprenticeships. In the period just before the recession (2007), when economic activity was at its peak, 60% of all apprenticeships were in the construction sector. In 2010, the proportion of state apprenticeships in the construction sector dropped to 52%. It remains to be seen whether the decline in construction share of apprenticeships is part of a longer-term trend.

Construction apprenticeship share of total state apprenticeships

| Year | Total Apprentice Contracts | Construction Apprentice Contracts | Construction Apprenticeships as % of Total Apprenticeships |
|------|----------------------------|-----------------------------------|--|
| 2007 | 12,843 | 7,729 | 60% |
| 2010 | 10,478 | 5,861 | 52% |

Characteristics of Active Apprenticeship Contracts

The tables below display total apprenticeships by gender and minority status for the past decade.

Wisconsin

| | TOTAL | Female | Male | Minority | Percent Minority |
|------|--------|--------|--------|----------|------------------|
| 2000 | 14,257 | 1,537 | 12,720 | 1,045 | 7% |
| 2001 | 15,558 | 1,924 | 13,634 | 1,229 | 8% |
| 2002 | 15,031 | 1,927 | 13,104 | 1,277 | 8% |
| 2003 | 14,121 | 2,007 | 12,114 | 1,307 | 9% |
| 2004 | 13,052 | 1,791 | 11,261 | 1,248 | 10% |
| 2005 | 12,606 | 1,748 | 10,858 | 1,315 | 10% |
| 2006 | 12,614 | 1,776 | 10,838 | 1,412 | 11% |
| 2007 | 12,839 | 1,723 | 11,116 | 1,450 | 11% |
| 2008 | 12,459 | 1,629 | 10,830 | 1,472 | 12% |
| 2009 | 11,256 | 1,431 | 9,825 | 1,314 | 12% |
| 2010 | 10,464 | 1,322 | 9,142 | 1,288 | 12% |
| 2011 | 10,002 | 1,228 | 8,774 | 1,328 | 13% |

While total apprenticeship numbers statewide have fallen from their peak in 2001, the number of minority apprenticeships has increased during the past ten years on a statewide basis. The proportion of minority apprentices stayed relatively stable. Women's participation peaked in 2003 with 2,007 female apprentices (14%), and has since dropped.

Milwaukee Region

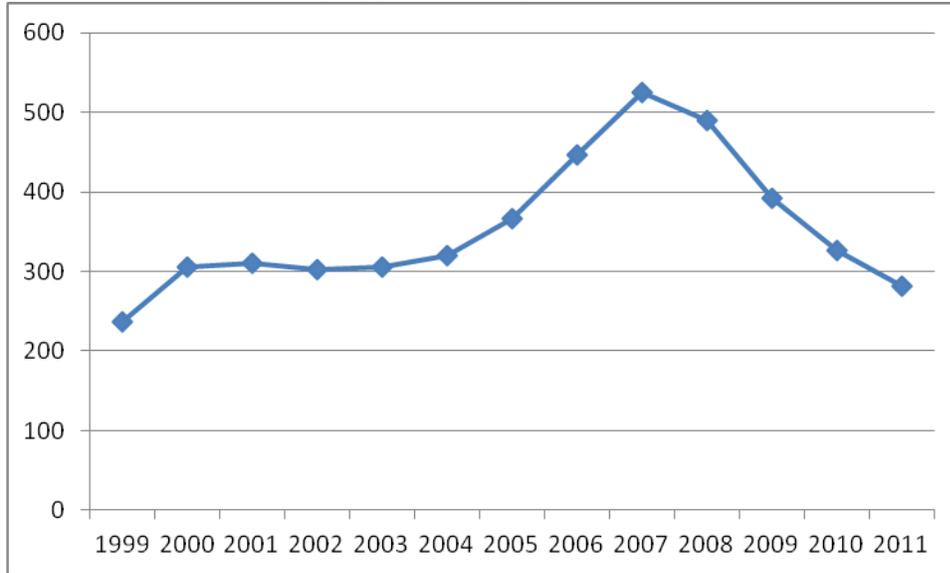
| | TOTAL | Female | Male | Minority | Percent Minority |
|------|-------|--------|-------|----------|------------------|
| 2000 | 2,658 | 105 | 2,553 | 305 | 11% |
| 2001 | 2,880 | 111 | 2,769 | 311 | 11% |
| 2002 | 2,878 | 95 | 2,783 | 303 | 11% |
| 2003 | 2,818 | 90 | 2,728 | 305 | 11% |
| 2004 | 2,722 | 78 | 2,644 | 320 | 12% |
| 2005 | 2,718 | 75 | 2,643 | 366 | 13% |
| 2006 | 2,871 | 85 | 2,786 | 446 | 16% |
| 2007 | 3,124 | 94 | 3,030 | 525 | 17% |
| 2008 | 2,900 | 83 | 2,817 | 490 | 17% |
| 2009 | 2,405 | 68 | 2,337 | 392 | 16% |
| 2010 | 2,125 | 64 | 2,061 | 327 | 15% |
| 2011 | 1,869 | 59 | 1,810 | 281 | 15% |

Milwaukee area apprenticeships have consistently been about one-fifth of total state apprenticeships, although the proportion reached 24% in 2007, the peak year for apprenticeship positions in the Milwaukee area. Apprenticeships have since dropped off, part of the overall downturn in the construction industry. Female participation in apprenticeships in the Milwaukee area is a fraction of

that in the state as a whole, and has declined significantly in the past decade. The number and proportion of minority apprentices in the Milwaukee area has fallen in the past five years.

The recession has undone recent progress towards more diversity in apprenticeship employment in the Milwaukee area. Although the number of minority apprentices did not decline as steeply as non-minority, the current 15% share of apprenticeship positions is too low. As the economy recovers, it will be important to monitor access and to take steps to ensure that minority share of total apprenticeships rebounds and continues to increase.

Milwaukee Area Minority Apprenticeship Trendline



Possible explanations for the growth in minority apprenticeships between 2004 and 2007 are the overall good economic conditions of the time (the rising tide was lifting all boats), and several large public works projects (including the Marquette Interchange and City Hall restoration projects) that had apprenticeship utilization requirements combined with local or minority hiring goals.

Breakout of minority detail: The table below shows minority detail, by breaking out African American and Hispanic share of minority apprenticeships. Of total statewide minority apprenticeship contracts, 57% were held by African Americans and 32% were held by Hispanics. In the Milwaukee region, 47% of total minority apprentice contracts were held by African Americans and 44% were held by Hispanics. In the non-union Associated Builders and Contractors of WI-Waukesha (construction) apprenticeships, the Hispanic share of minority apprenticeship contracts reaches 65%.

| 2011 | Total Minority Apprentices | African-American Apprentices | African-American share of minority apprenticeships | Hispanic Apprentices | Hispanic share of minority apprenticeships |
|----------------------|----------------------------|------------------------------|--|----------------------|--|
| State | 1,328 | 763 | 57% | 427 | 32% |
| Milwaukee Area | 281 | 132 | 47% | 123 | 44% |
| ABC of WI - Waukesha | 43 | 15 | 35% | 28 | 65% |

Minority share of apprenticeships in relation to minority share of population and employment:

By placing apprenticeship data in the context of population trends, we can also examine progress towards diversity and inclusion of minorities. The state workforce is becoming more diverse, so are apprenticeships. Minority share of total population and total employment has increased over the decade, but minority share of total apprenticeships increased at an even faster pace. The table below shows. Minorities are represented in apprenticeship positions proportionally to their share of population and employment.

State Minority share of Employment and Apprenticeships

| | 2000 | 2010 | % increase in minority share (2000-2010) |
|--------------------------------------|------|------|--|
| Wisconsin | | | |
| Population, 16 years and older | 9% | 11% | 18% |
| Employed Persons, 16 years and older | 9% | 13% | 40% |
| Apprenticeships | 7% | 12% | 69% |

In 2010, minorities held 15% of all apprentice contracts in the Milwaukee area. Minorities accounted for 24% of all employed persons in 2010. Minorities represented 29% of the metro area's total population aged 16 years and above in. In looking at the table below, if racial disparities did not exist, we would expect equal percentages. Because the percentages differ, we know that racial disparities do exist. There is a disparity between minority representation in the working age population and the employed population, and there is a disparity between minority representation in the working age population and in apprenticeships.

Milwaukee Area Minority share of Employment and Apprenticeships

| | 2000 | 2010 | % increase in minority share (2000-2010) |
|--------------------------------------|------|------|--|
| Milwaukee Metro Area | | | |
| Population, 16 years and older | 22% | 29% | 32% |
| Employed Persons, 16 years and older | 18% | 24% | 33% |
| Apprenticeships | 11% | 15% | 36% |

One positive note is that the rate of increase in minority share of apprenticeships outpaced minority share of employment and population in metro Milwaukee, indicating a trend in the desired direction for diversity in apprenticeships over the past decade. This has not ameliorated the gap between minority availability for work and access to apprenticeships, however, and the Work Group calls on apprenticeship stakeholders to pay close attention to the data on minority representation in apprenticeship positions as the spring construction season begins.

There were eight Milwaukee area apprenticeship programs that had higher than area average representation of minority workers in active apprenticeship positions: Laborers (48%), Bricklayers (41%), Roofers (34%), Cement Masons (23%), Carpenters (19%), Ironworkers (18%), Painters (17%), and the non-union ABC program (16%).

Completion Rates

Entry into an apprenticeship is the first step in the process. While the length of an apprenticeship varies from trade to trade, the hours of work experience most apprentices need to complete their apprenticeships can be logged within 4 years of starting. Completion rates also differ by race. Generally speaking, completion rates for white apprentices fall in the 50-70% range, while minority completion rates fall in the 30-55% range. Interestingly, completion rates for both minorities and non-minorities are higher in the Milwaukee region than at the state level.

Cancellation Rates

The table below presents information on the number and percentage of first year apprentices whose contracts were cancelled in 2010. While apprentice contracts can be cancelled in any year of the apprenticeship, the probability of cancellation decreases in each subsequent year. Minority apprenticeships are cancelled at a higher rate than total apprenticeships. In Milwaukee area, 26% of apprenticeships held by minorities were cancelled in the first year, compared to a rate of 17% for all apprentices.

Cancellation rates for all apprentices (2010)

| | All Apprentice Cancellation Rate | | | Minority Apprentice Cancellation Rate | | |
|-----------------------|----------------------------------|-------------|-------------|---------------------------------------|-------------|-------------|
| | # registrations | # cancelled | % cancelled | # registrations | # cancelled | % cancelled |
| State | 2,109 | 329 | 16% | 393 | 86 | 22% |
| Milwaukee Area | 282 | 49 | 17% | 34 | 9 | 26% |

The data compiled by the Wisconsin Bureau of Apprenticeship Standards is an important tool for evaluating progress toward the inclusion of minorities and women in apprenticeship programs. The call to make this information easily available to the public was led by the NAACP. From the information presented in this report, the community can see that there is work to be done to create additional opportunity for people of color in apprenticeable occupations. The final section of this report includes Work Group recommendations for changes to policies and procedures to help achieve this goal. As the 2012 construction season gets underway, concerted cooperation by stakeholders to work together to pursue diversity in hiring and placement is needed.

Structure and Examples of Apprenticeship Programs

The apprenticeship programs available in the various sectors of our local economy fall under one of the three categories of governance structure: Joint Apprenticeship Committee, Employer Association Apprenticeship Committees, or independent employer. Whatever route is pursued, there are two common elements to any apprentice program: academic training and work-based training, and all programming is approved by DWD Bureau of Apprenticeship Standards.

1. Joint Apprenticeship Committees (JAC) – employer/employee representatives

Joint apprenticeship committees are organized jointly by groups representing both the employer and employees in a trade to oversee training for that trade. JAC committees can approve apprenticeship candidates and remove apprentices from the programs. The Wisconsin Department of Workforce Development oversees the JACs. Often the employee representative on a JAC is a labor union, but this is not always the case. The following Unions made presentations about their apprenticeship training programs to the Work Group.

Local UAW Apprenticeship

Industrial apprenticeship opportunities are available through employers associated with UAW Joint Apprenticeship Committees. One local example is the Masterlock Corporation. Masterlock currently has 4 industrial apprentices. This is a slower pace than a decade ago. There are a variety of apprenticeship opportunities available in an industrial setting. UAW Masterlock opportunities include tool and die maker, electrical, metal trades, and machine repair. Upon completion of a UAW apprenticeship program, an apprentice may be placed in the next available full-time opening in the job class. According to local UAW regulations, 20% of the UAW apprentices must be minority or female.

Southeast Wisconsin Carpentry Training Center

Applications for admissions into the SEWCTC are accepted six times annually. Applicants must have High School transcripts or GED or HSED equivalencies prior to applications. Applicants must complete a qualifying math test and then proceed to MATC to do the AccuPlacer testing. The AccuPlacer testing includes reading, arithmetic, writing, spatial and mechanical aptitude. Performances of the testing and previous experiences are then evaluated and eligibility is gained. A Letter of Introduction at this point is administered to where applicants are free to solicit employment with approved contractors. Any contractor interested in hiring an applicant must sign a letter of Intent to Hire before the process can begin. All Letters of Introduction are valid for six months from the day they are issued and renewed for a maximum of 24 months. If a person has not been selected within this 24 month period the application is void and process must begin from anew. As a means to promote apprenticeships, the Carpenters Union includes in their contracts language notifying signatory contractors that they are expected to be a trades trainer in that craft.

Construction Craft Laborers

Like all apprenticeships, the apprenticeship program for Construction Craft Laborers combines classroom training with on-the-job training. The classroom portion includes substantial hand-on training. The Laborers' have a training center near Madison, where 35 training courses are offered on site. The training emphasizes particular skills depending on the type of work a Laborer will be doing (heavy highway, sewer and water, weatherization, hazardous materials, etc) as well as a full complement of general construction and safety training to make sure the worker is protected in their job. The apprenticeship process starts with a passing score on the AccuPlacer test that is administered April through September at local union offices.

With a passing score, a candidate is issued a six month letter of introduction that allows them to seek employment with a contractor that is certified to train apprentices within the state. A list of candidates for referral to signatory contractors that request apprentices is also kept by the Apprenticeship coordinator. Most Laborers' training takes place at the training center outside of Madison.

2. Employer Association Apprenticeship Committees

The most well-known example of an Employer Association Apprenticeship Committee is the Associated Builders and Contractors (ABC) Apprentice Program. The main distinguishing feature of such apprenticeship committees is that they work with non-union contractors.

Associated Builders and Contractors Inc (ABC)

Associated Builders and Contractors (ABC) is a national trade association for the construction industry which actively promotes the "merit shop" form of construction. The Associated Builders and Contractors of Wisconsin promote non-union based apprenticeship training in Wisconsin. In order to be admitted into an ABC Apprenticeship Training, a candidate needs to have a high school diploma or equivalent, including one year of algebra. ABC candidates must take the Accuplacer apprenticeship application test and receive the minimum allowable score for their chosen field. ABC apprenticeship contracts can be signed at any time. Many employers prefer that potential apprentice applicants begin their employment at least 6 months before starting the apprentice program.

ABC has Apprenticeship Programs in the following fields: bricklaying, carpentry, data communications installer, concrete finishing, electrical, glazing, heavy equipment operations, HVAC (heating, ventilating and air conditioning), insulating, ironworking, plumbing, roofing, sheet metal and sprinkler fitting. The apprenticeship programs run for 3-5 years, depending on the field chosen. While in the apprenticeship program, the apprentice works full-time for an ABC contractor while also taking classes at a Wisconsin Technical College campus.

The ABC sponsoring employer must fulfill the same requirements as any trades trainer approved by the Wisconsin Bureau of Apprenticeship Standards. Second, the employer must be reviewed by the ABC Wisconsin Area Committee to determine their eligibility and ability to properly train and supervise apprentices. The employer must agree to train apprentices according to the state and ABC Wisconsin Apprenticeship standards. Employers do not have to be ABC members to train apprentices in the program.

3. Independent employer

If an individual wishes to become an apprentice with an independent, employer, s/he must first apply directly to the employer or company. In some cases, the individual must be hired by the employer in another capacity *before* seeking to become an apprentice. The employer determines the criteria to place applicants into an apprenticeship program, either through collective bargaining agreements or other criteria. The employer must apply to the Bureau of Apprenticeship Standards in order to create the apprenticeship. Northwestern Mutual and Cost Cutters are both examples of independent employers who utilize the apprenticeship model.

Pathways to Apprenticeship

In order to enter most apprenticeship programs, an individual generally must have the following pre-requisites: High School Diploma, GED or High School Equivalency Diploma (HSED). Secondly, some apprenticeship programs require an applicant to pass an Apprentice Test. Most trades require apprentices to have a minimum of 8th grade math and reading skills, mechanical aptitude and manual dexterity. In Milwaukee County, there are several educational and organizational institutions which provide a pathway to apprenticeship, by helping individuals to upgrade their skills in these areas and to prepare for apprenticeship entrance exams. The Milwaukee County Apprentice Work Group hosted presentations from representatives of many of these organizations, including: the Coordinator of MPS Career and Technical Education, the CEO of WRTP/Big Step, the Apprenticeship Coordinator for MATC.

According to presenters hosted by the Apprentice Work Group, the most important skill for an aspiring apprentice is math ability. This mathematical ability may come from the regular or advanced high school coursework or from specific pre-apprenticeship preparation. The programs listed below are focused on preparing individuals to take the apprentice test which in turn enables them to enter apprenticeship programs. These programs prepare the individual to take the apprentice test, but it is possible for an individual to take the apprentice test without participating in one of these programs.

The apprentice test assesses individual ability in the following areas: math, reading, science, spatial ability, manual dexterity and other areas relevant to the trade or occupation. An individual must obtain the minimum score for the selected field in order to pass the test and be considered for entry into an apprenticeship program. The content of the apprentice test differs depending on the trade that one wishes to enter.

Pre-Apprenticeship Preparation

An individual *may* begin to prepare to become an apprentice by participating in one of the programs below. Each of these programs provides good early preparation to enter an apprenticeship program. In pursuing one of these “pre-apprenticeship” programs, individuals are preparing to enter an apprenticeship program. However, participation in one of these programs does not guarantee NOR obligate an individual placement in an apprenticeship program.

1. Milwaukee Public Schools

a. Project Lead the Way

Project Lead the Way is a nationally-established middle and high school pre-engineering and technical education program created to prepare the future workforce for high tech jobs. Project Lead the Way offers a middle school “Gateway to Technology” curriculum and a 5-course high school curriculum. 28 MPS schools participate in Project Lead The Way. More than 5,500 MPS students are engaged in Project Lead The Way (PLTW). Individuals that take part in PLTW receive technical education that is good preparation for the apprentice test and entrance into an apprenticeship program. However, not all participants in PLTW choose to pursue apprenticeship training. The program does offer fertile grounds for recruitment of non-traditional students into the apprenticeship trades. Students in PLTW programming have higher standardized test scores, and better high school attendance and graduation rates. 85% of the students in PLTW in Milwaukee Public Schools are minority and 45% are female.

b. STEM

STEM is an acronym for science, technology, engineering, and mathematics. STEM education seeks to integrate the disciplines into a more cohesive approach to teaching and learning. The PLTW program is a national best practice in STEM education. Other STEM programs include robotics courses, after school competitions in robotics or construction, classes in other high technology fields like computer science or alternative energy technology. These high school programs all expose students to hands on technical skills and lay the foundation for apprenticeship opportunities. STEM courses have grown up in high schools where traditional “shop” classes had been long shuttered.

c. Construction Programs in MPS

Bay View, Bradley Tech, and the new School for Career and Technical Education (in the former Custer High School building) each offer specially-designed coursework that prepares high school students for careers in the construction trades. This training is good preparation for the apprentice test and for apprenticeship training. Students get a basic introduction to construction trades, important safety training, and preparation for apprenticeship application.

d. Bradley Tech High School

The Lynde & Harry Bradley Technology and Trade School was established as a partnership between business, education and government. It attracts students who want to pursue careers in the construction, communications or manufacturing industries. It aims to graduate more students who will continue in their career preparation via technical colleges and apprenticeships. More than 80% of graduates move on to jobs, apprenticeships or college. The Jane Bradley Pettit Foundation provided the \$20 million seed money to build the high school and a further \$13 million in private donations and \$23.6 million in public funding paid for the project.

e. Urban Skilled Trades Connection (USTC)

Urban Skilled Trades Connection is a collaboration between Milwaukee Public Schools and WRTP/BIG STEP that targets high school and middle school students enrolled in MPS. WRTP/BIG STEP is working with administrators, teachers, parents, students and construction/skilled trades professionals to engage MPS students in career preparation for construction or other skilled trades. The goal is to assist interested graduating seniors in earning apprenticeships after high school and to form a unique partnership between industry, the community and MPS. USTC currently works with Bradley Tech, Bay View, Hamilton, and the School for Career and Technical Education.

The program includes:

- Tutoring
- Career fairs
- Parent nights
- Outreach
- Guest speakers
- Job shadowing
- JATC training schools

f. Youth Apprenticeship Opportunities

Youth Apprenticeship Opportunities are one or two-year programs that are available to MPS juniors and seniors. They include paid, work-based learning and classroom instruction. Upon completion, the student receives a state-issued skill certificate. Students gain exposure to multiple aspects of the industry and can select from the following areas of specialization: auto technician, drafting & design, financial services, graphic arts/printing, health services, hospitality/tourism, information technology and manufacturing.

2. Wisconsin Regional Training Partnership/Big Step

In 1976, a consortium of representatives of the building trades founded Building Industry Group Skilled Trades Employment Program (BIG STEP), evolving from the efforts started in 1967 with Vince Toran and Project Leap. BIG STEP was formed in an attempt to increase the number of women, minorities, and younger workers employed in the building trades. In 1992, the formation of Wisconsin Regional Training Partnership (WRTP) was announced after the Commission on a Quality Workforce recommended the development of partnerships between business, labor, and government to renew the industrial base in the Milwaukee area. Today, WRTP/BIG STEP serves as a workforce intermediary to connect interested community residents to the appropriate resources for training and employment in a variety of fields, primarily construction and manufacturing.

BIG STEP is often the first point of contact for candidates interested in an apprenticeship. Through formal relationships with local trade unions, BIG STEP is contractually bound to perform the referral, tutoring, and other services they offer to connect local residents to construction careers. In addition, as part of a voluntary negotiated settlement to an EEOC complaint about minority access to apprenticeships the Wisconsin Department of Workforce Development Bureau of Apprenticeship Standards named BIG STEP programming as a remedy that they would increasingly utilize to achieve desired inclusion. While BIG STEP is one of several community partners to Milwaukee's Department of Public Works for certifying eligibility for the City's Residents Preference Program, this legal standing of BIG STEP places a special emphasis on using its programming as a means for connecting people of color to apprenticeship opportunities.

The partnership has achieved national recognition for its intermediary role within utilizing a sector-based approach. Workforce intermediaries are private, non-profit initiatives that bring together employers, unions, employees, job seekers, resources, community partners and trainers to improve the economy of the area by providing employers with a diverse pool of qualified candidates to fill their openings. WRTP/BIG STEP assists both union and non-union contractors in finding qualified workers. WRTP/BIG STEP explains their process in their most recent annual report:

After an initial assessment, WRTP/BIG STEP offers at least one of four possible options for community residents: (1) entrance to the BIG STEP apprenticeship preparation program, (2) an array of hands-on training certificate programs, (3) referral to immediate employment opportunities, or (4) referral to community partners for job-readiness services, such as driver's license recovery, basic skills remediation, and GED preparation.

WRTP/BIG STEP's model for collaboration with local community-based organizations that provide employment assistance services brings participants of those programs to the "finishing point" immediately before employment, and is the "beginning point" into the industry.

WRTP/BIG STEP Outcomes in 2010

- facilitated 224 employment placements into jobs
- 54% of placed individuals were minorities
- average placement wage of \$18.46 per hour
- 107 individuals passed at least one construction apprenticeship exam
- placements were made with 129 different employers throughout the region

3. Wisconsin Technical College System

The Technical Colleges in Wisconsin are connected to apprenticeship programs in a number of ways. They offer High School Diploma, GED or High School Equivalency Diploma (HSED) as the entry-level step. They offer math refresher courses to help individuals prepare for the Apprentice Tests.

Locally, Milwaukee Area Technical College serves as an information referral services, basic skills, and MATC has also provided information on the basic steps required in order to enter apprenticeship. According to MATC, the procedures vary slightly from trade to trade. Basically, an individual takes the following steps in order to enter an apprenticeship.

1. Individual selects a trade or occupation
2. Individual applies to an employer or to a Joint Apprenticeship Committee (JAC). The following trades have specific requirements in order to enter their apprenticeship programs: building and construction trades, manufacturing and service trades
3. Individual seeks additional support and preparation, if necessary

MATC offers related instruction, which includes classroom instruction as well as hands-on training, for the following Apprenticeship programs:

Barber/Cosmetologist, Bricklayer and Mason, Cement Mason, Childcare Development Specialist, Construction Electrician, Culinary (Cook), Drywall Taper and Finisher, Glazier, Industrial Electrician (Maintenance Electrician), Industrial Pipe Fitter, Machine Repair, Machine Tool (Machinist), Painter and Decorator, Patternmaker, Plumber, Printer, Refrigeration and Air Conditioning, Roofer, Sheet Metal Worker, Sprinkler Fitter, Steamfitter, Steel Foundry and Molder (Foundry/Metal Casting), Telecommunications (DVD) Installer/Technician, Tool and Die Maker, Tool Maker

Each year MATC hosts an Apprenticeship Banquet where that year's apprenticeship graduates are honored. For more information about apprenticeship training at MATC, please see <http://www.matc.edu/student/offersings/apprenticeships/general.html>

4. State or Local Government policies

The City of Milwaukee Department of Public Works and the Metropolitan Milwaukee Sewerage District have apprenticeship utilization requirements as part of their operations and contracts. The MORE ordinance passed by the Milwaukee Common Council extended the use of apprentices to projects that receive public financial assistance, such as tax incremental financing. The MORE Ordinance requirements are triggered by City financial assistance of \$1 million or more.

The City of Milwaukee DPW policy states that for all projects in excess of \$100,000 contractors will employ apprentices in accordance with the maximum ratio of apprentices to journeymen as established by the state. In 2010, there were 71 apprentices reported by DPW, and 42% were non-white.

The MMSD policy applies to construction contracts over \$1 million for projects with an expected duration of 6 months or more. In 2011 there were 10 projects with apprenticeship requirements based on their policy and 23 apprentices worked on those projects.

Under a policy known as Executive Order 108 enacted in 2006, the State of Wisconsin required contractors with 5 or more craft workers on public projects to be a trades trainer and to sponsor apprentices. In 2009, the Milwaukee County Apprenticeship Work Group wrote to then Governor Jim Doyle to suggest that Executive Order 108 be extended to state projects funded with American Recovery and Reinvestment Act dollars, as estimates indicated that Wisconsin would receive \$3.5 billion in federal stimulus funding. In addition, the MCAWG recommended to Governor Doyle that equal employment opportunity goals language be applied to Executive Order 108 in order to increase the employment of minority apprentices.

“The effect of EO 108 has been significant. Since its enactment, nearly 200 new employers have been added as trainers of apprentices and 953 apprenticeships were created as a result of EO 108. Even during the downturn in the national economy, 70 new Wisconsin employers added apprentices in 2009. This growth in apprenticeship under EO 108 offers expanded opportunities for women and minorities in Wisconsin.” (excerpt from letter by former DWD Secretary Roberta Gassman, to Leg. Audit Bureau, September 2010).

In 2011 Governor Walker rescinded Executive Order 108. The MATC apprenticeship program reports that since this policy change, they receive noticeably fewer requests for assistance in finding apprentices for companies formerly subject to the requirement. This disappointing development indicates that the existence of utilization policies do affect the employment of apprentices.

The MCAWG believes that policies that promote the use of apprentices are effective means of creating a pipeline of skilled workers for area businesses and strongly supports the reinstatement of this policy at the state level and the use of similar policies at local levels of government.

Identification of Barriers to Apprenticeship

Over the course of the work of the Apprenticeship Work Group, we compiled the data on apprenticeship trends and interviewed many knowledgeable stakeholders about the issues that are creating barriers to apprenticeship opportunities for minority workers.

Overall Economy

The primary barrier facing minority apprenticeship applicants right now is the state of the economy and the ongoing downturn in the construction industry. Many journey-level workers and existing apprenticeship are currently unemployed. Work for those already in the pipeline must pick up before new entry-level workers will be called up for projects.

Employer Motivation

An apprenticeship is a 3 party contract, between the state, the employer, and the employee. The Joint Apprenticeship Committee for the trade is the state-approved implementer of the training portion of the program, and the employer provides the on-the-job experience portion. The actual hiring is dependent on an employer. Barriers to apprenticeships can happen if there is a lack of employers that wish to host apprentices, who don't wish to be trades trainers. Barriers to apprenticeships for minority workers can happen if the employer is racially-biased in his or her hiring process.

Waiting Lists (Rank List vs. Letter of Introduction)

For some trades, once an individual has passed the apprentice test for their chosen field, they are put on a ranked waiting list. As noted in the data review, there is a disparity between the proportion of minorities found eligible for apprenticeships and the proportion that are in apprenticeship placements. One of the problems related to waiting lists is that applicants may not move up a rank-order list as fast as they can be bumped down it. Applicants that receive higher test scores are continually added to the list after each test date. While rank-order lists were originally instituted to focus on objective criteria for the placement of apprentices rather than subjective criteria, the Legislative Audit Bureau report found that Joint Apprenticeship Committees that use a ranked list have lower minority representation.

Another means of entry into apprenticeship is the Letter of Introduction. Once entrance criteria have been met, potential apprentices are issued a letter from the JAC indicating they meet basic requirements for the trade. Apprentices are then free to contact the employer of their choice to apply for employment, using this "letter as a reference. Any contractor interested in hiring an applicant must sign the letter of introduction, stating his intention to hire the person. No applicant may begin work for any contractor in an apprenticeship position without first contacting the BAS apprenticeship office. The Letter of Introduction is usually valid for 6 months and generally there is a process for renewing it if necessary.

In southeastern Wisconsin, Carpenters and Laborers use Letter of Introduction. The Sheet Metal Trade switched to the Letter of Introduction in 2011, and many of their waiting apprentices found employment since that change was made. Given all the evidence reviewed by the Work Group, the letter of introduction appears to work better as a means for minority workers to enter apprenticeship. The Wisconsin Bureau of Apprenticeship Standards Director Karen Morgan believes that Rank Lists could be improved if federal regulation would allow the "closing" of the list. Currently federal regulations require that lists be constantly open, therefore applications are taken on a constant basis. This means that individuals do not maintain their rank on the list, but rather are can be moved up or down the list when new scores are added.

Co-credentialing

There is a lack of connection between high school programs and apprenticeship programs. For example, MATC does not accept Bradley Tech High School coursework for credit. Also, the employers and trade unions need an incentive in order to recognize training done at the high school level.

Cancellations during Apprenticeship Probationary Period

The probationary period for apprentices is set by federal regulation. According to the BAS, up to twenty percent of Wisconsin apprentices have their apprenticeship cancelled during the probationary period (Either party can terminate during the probationary period without cause). A review of this annual data indicates that minorities experience cancelled apprenticeships at a higher rate than whites and that more than 1/3 of the all cancelled apprenticeships are held by minorities (while 12% of apprenticeships are held by minorities). More information is needed on why cancellation is so high. The following possible explanations were identified: transportation difficulties, lack of child care, discrimination, difficult coursework.

Waivers granted to Employers

State Representative Barbara Toles and Skilled Trades Collaborative pushed for a state inquiry into the practice of issuing waivers to employers, which allows employer to forgo use of apprentices. The Legislative Audit Bureau found that BAS granted 6,716 exemptions to apprentice utilization policies between 2006 and 2009. Policies to use apprentices must be enforced.

Monitoring/Oversight is insufficient

Because of continuing racial and gender disparities in several factors related to apprenticeships, the Legislative Audit Bureau recommended that the Bureau of Apprenticeship Standards track the race and gender of apprentice applicants and eligible apprentices, and step up other enforcement activities. The BAS has had to reduce its staff due to budgetary challenges. It is difficult for existing staff to gather all the needed information and adequately monitor all apprenticeship programs in order to enforce program standards.

Mentoring and Support for Retention

The Skilled Trades Collaborative, BIG STEP, the Coalition of Black Trade Unionists, Women in the Trades, and the Milwaukee NAACP construction committee have all been active in the arena of providing support to those who enter into apprenticeships. These groups offer support to minorities and women on the job, and work to trouble-shoot issues that might arise with particular projects or contractors. At regular meetings and through formal programming, these groups offer a support base for the trades, particularly to underrepresented groups and minorities. Currently The Skilled Trades Collaborative and BIG STEP are conducting a mentoring and retention project with funds provided by the state Department of Workforce Development.

Representatives of these groups advise a clear timeline for the apprenticeship process so that candidates have clear expectations and understanding of their responsibilities as well. The need to make sure apprentices understand their rights and responsibilities within their apprenticeship structure applies to successful apprentices as well as those facing difficulties on the jobsite or in their training classes. For union-based programs it is important to make sure that apprentices know they can be assisted by a union representative in their meetings with the Joint Apprenticeship Committee for their trade. Often a minority apprentice may be the only person of color on a job-site, and therefore feel alone and unsure of where to get assistance if a problem arises. An opportunity to have a mentor work

with those struggling in their apprenticeship, and an advocate in their interactions with the JACs and their employers, could improve outcomes. Finally, the Work Group recommends exit interview with the apprentices from under-represented groups who quit or whose apprenticeships are cancelled. The objective of such exit interviews would be to gather information that will help programs make quality improvements.

High School Drop-out Rate

Each year, the high school drop-out rate for youth in the city of Milwaukee is amongst the highest in the nation. The drop-out rate is one of the most pressing social and employment problems in the Milwaukee area. Some members of the MCAWG expressed that once someone has dropped out of high school, it may be too late to consider an apprenticeship. The student may lack the math and reading skills to qualify for an apprenticeship.

Outreach to Young People and the broader public

There are a number of organizations seeking to connect young people, especially those from under-represented populations, to apprenticeship programs. Programs we surveyed in the course of the Work Group's efforts, such as MPS Career and Technical Education, WRTP/BIG STEP, Career Day presentations by MATC apprenticeship program staff, and high school presentations by apprenticeship coordinators from various trades are all playing an important role. Cooperation among the entities promoting the apprenticeship model could be improved. An example shared was that the coordinator of the MATC apprenticeship program gets invited to make presentations at specific suburban high schools and would like to receive more invitations from Milwaukee high schools.

Another area for improvement noted by Work Group members is that schools traditionally do not raise construction trades apprenticeships as a potential pathway until a student is in trouble academically. This "path of last resort" attitude, or a bias toward four year college degrees, among those guiding high school students' next steps undermines entrance into the construction and other apprenticeable occupations in our local economy. Parents, school administrators, many teachers, counselors and others reflect the values commonly held in our society that the four year college education is the "one way to win." Much can be done to help educate school personnel on the value of apprenticeships in a range of occupations. But, the broader context makes this challenge a vexing one. Until policy makers and community leaders speak out on the value of these careers for our young people, our families and our economy, we continue to swim against the tide.

Work Group members call for additional public support and funding to expand technical education in more high schools. Lack of any hands-on experience deters some students from considering trades opportunities. The story of the young man who picked up a hammer by the claw end instead of the handle is an often-repeated one in Milwaukee apprenticeship circles. Consideration of a future in construction won't happen if students don't have more exposure to tools and how to use them.

It was noted that data on occupations usually compares earnings for those with a High School diploma to those with a four year college degree. Adding information on average earnings of apprentices and journeypersons for various trades could provide an important incentive.

Along with the overall need for positive messaging about careers in skilled trades, it was recommended that specific messages be developed for different age groups. The information shared with 15 year olds would be different from that shared with 25 year olds. Proactive outreach with age-appropriate talking

points is key to recruitment. One suggestion raised is an “apprenticeship fair” along the science fair model for students in MPS.

A final issue discussed by the Work Group is that of math skills. Earlier exposure to the practical uses of math and math tutoring can help to prepare students for trade specific math applications are also recommended recruitment strategies.

Members of the Work Group feel there needed to be a “culture change” in the appreciation of skilled trades work and the opportunities those programs represent for a long-term career. Available workforce development data help make the case for this shift in thinking:

- A 2009 report by The Workforce Alliance projected that 2/3 of job openings in Wisconsin through 2016 are “middle skill jobs” requiring less than a 4 year degree, and apprenticeship opportunities fall within those majority of upcoming job openings. More recently, Harvard Graduate School of Education noted the dominance of careers requiring more than a high school diploma but less than a four year degree in their report “Pathways to Prosperity.”
- Last year, the Wisconsin Technical College System saw over 38,000 four- year college graduates enroll in their programs. MATC alone enrolled 4,800 students who already had four year college degrees, making it the largest “graduate school” in the region.

Better alignment of information and messages about the job market should be embraced by relevant stakeholders. Better coordination and information sharing among the entities working to promote apprenticeships is one recommendation to create this change.

Recommendations of the Milwaukee County Apprenticeship Work Group

After extensive review of the state of apprenticeship opportunities for minority workers, the Milwaukee County Apprenticeship Work Group makes the following recommendations.

Public Perception of Apprenticeship and Outreach to Youth

Some parents and educators view apprenticeships as a “path of last resort” for young people who do not have the aptitude to enter college. There are stereotypes especially that construction apprenticeships are unskilled positions. Many parents and education officials stress four year degrees as the only means to good employment. Recommended strategies for changing these opinions and improving recruitment strategies for young people include:

- The Wisconsin Department of Public Instruction should create a designated fund to improve funding for technical education (“shop”) classes.
- The Wisconsin Department of Workforce Development should create a promotional campaign highlighting the wages and career opportunities in apprenticeable occupations and disseminate to school districts and youth-serving community-based organizations.
- The Wisconsin Bureau of Apprenticeship Standards and the Wisconsin Department of Public Instruction should work together to create educational programs for dissemination to schools districts aimed at parents, administrators, teachers and counselors to improve advocacy for skilled trades.
- The Wisconsin Bureau of Apprenticeship Standards and the Wisconsin Department of Public Instruction should work together with secondary teachers to create math lessons featuring skilled trades that can be promoted through statewide mathematics teacher organizations
- The Wisconsin Department of Public Instruction should work with state and local trades organizations to help craft and promote age appropriate messages about careers in the trades and opportunities for “hands on” experiences.

Joint Apprenticeship Committees Role

Work Group members have the following recommendations for the labor and management members of trade joint apprenticeship committees:

- Research the Effectiveness of Letter of Introduction vs. Rank-order List in terms of promoting diversity in apprenticeship outcomes
- Increase the diversity on the Joint Apprenticeship Committees on a trade-by-trade basis
- Sponsor Diversity or Cultural Competence training for JAC members
- Perform exit interviews with apprentices who do not complete their program to guide improvements that could be made to programming to increase retention

Wisconsin Bureau of Apprenticeship Standards Changes

Work Group members have the following recommendations for the role BAS can play:

- Increase compliance reviews on projects that are supposed to take on apprentices
- Decrease number of waivers granted on projects so that maximum apprenticeship usage is being supported by the state
- Provide diversity or cultural competence training for Employers and Joint Apprenticeship Committee members
- Remember that diversity applies to race/ethnicity, gender, and the disabled community and monitor for compliance on all levels
- Host apprenticeship orientation sessions, presenting information as the 3rd party in the apprenticeship agreement and as the oversight entity in the process would be a positive role to play
- Assist the JAC's in researching the effectiveness of Letter of Introduction vs. Rank-order List in terms of promoting diversity in apprenticeship outcomes, and help craft policy to promote the method that is most effective
- Continue to provide financial and organizational support for mentoring and retention initiatives

State Policy Change

The Work Group recommends that the Governor restore Executive Order 108 (promotion of apprenticeship usage) with attention to equal opportunity goals on all covered state projects. Absent action by the Governor, the State Legislature should enact legislation to implement an apprenticeship utilization policy for state projects, with attention to equal opportunity goals.

Apprenticeship Policy for Milwaukee County

One of the charges of the Work Group was to consider whether Milwaukee County should institute an apprenticeship utilization policy that would set expectations for the number of apprentices on projects of varying dollar values. The City of Milwaukee has an apprenticeship utilization policy for public works projects and for TIF projects under the MORE ordinance. MMSD has an apprenticeship utilization policy. The State of Wisconsin previously had an apprenticeship utilization policy under Executive Order 108. These policies all produced results and created opportunity. Hiring standards have been important tools for driving demand for local or disadvantaged workers.

For this reason, the Work Group recommends that the Milwaukee County Board of Supervisors adopt a policy that requires apprenticeship utilization on county projects. In the collective experience of Work Group members, rules that drive demand for diversity in the public contracting realm are important tools to achieving our desired goals.

Milwaukee County Apprenticeship Work Group Members:

The following individuals were appointed by County Board Chairman Lee Holloway

Pam Fendt (Chair)
Laborers' Union Great Lakes Region Organizing
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6310 W. Appleton Avenue
Milwaukee, WI 53210

Supervisor Willie Johnson, Jr.
Milwaukee County Board
901 N. 9th Street, Room 201
Milwaukee, WI 53233

Lauren Baker
MPS Career and Technical Education
5225 West Vliet Street
Milwaukee, WI 53208

Nacarci Feaster
Laborers' Union Local 113
6310 W. Appleton Avenue
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Freida Webb
Milwaukee County Community Business
Development Partners
2711 W. Wells Street
Milwaukee, WI 53208

Don Natzke
Milwaukee County Department of
Administrative Services: Office for Persons with
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Courthouse, Room 307-B
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Anthony Rainey
United Auto Workers Local 469
7435 S. Howell Avenue
Oak Creek, WI 53154

Joe Weisling
S.E. WI Carpentry Training Center
N25 W23055 Paul Road, Suite 3
Pewaukee, WI 53072

Nick Triscari
Apprenticeship Program
Milwaukee Area Technical College
6665 S. Howell Avenue
Oak Creek, WI 53154

Devon Turner (for Tim Sheehy)
Metropolitan Milwaukee Association of
Commerce
756 N. Milwaukee Street
Milwaukee, WI 53202

Invaluable assistance in preparing this report was provided to the Work Group by:

Martin Weddle, Research Analyst, Milwaukee County Board of Supervisors

Lisa Heuler Williams, Policy Analyst, UW Milwaukee Center for Economic Development

December 29, 2010

The Honorable Lee Holloway
Acting Milwaukee County Executive
901 N. 9th Street
Milwaukee, WI 53223

Dear County Executive Holloway,

Enclosed is a progress report from the Milwaukee County Apprenticeship Working Group that you sponsored and established in 2008. The Working Group has been meeting regularly to address the research questions articulated in the enabling resolution. This report documents the process that the Working Group has undertaken to gather the information about apprenticeship programs in the Milwaukee area and how best to increase their diversity. We documented the speakers who have made presentations to the Work Group and the main points of their presentation.

Early next year, as Wisconsin celebrates the 100th year of the apprenticeship system in our state, the Work Group will provide a full report of our findings and recommendations.

With all best regards,

Pamela Fendt, Work Group chair

**Milwaukee County Apprenticeship Work Group Report
December 2010**

Purpose of the Milwaukee County Apprentice Workgroup

In April 2008 Chairman Lee Holloway and the Milwaukee County Board of Supervisors established the Milwaukee County Apprenticeship Work Group. The Apprenticeship Work Group was created with the general charge “to enhance and improve apprenticeship standards, awareness, education, and recruitment methods to increase diversity among apprenticeship components of Milwaukee County’s labor force.” The members of the Work Group include a cross-section of stakeholder groups who were selected to provide different perspectives on the issues related to the apprenticeship system.

Pamela Fendt (Chair)

Wisconsin Laborers' Union (formerly Good Jobs and Livable Neighborhoods Coalition)

Supervisor Willie Johnson, Jr.

Milwaukee County Board of Supervisors

Lauren Baker

Milwaukee Public Schools Career and Technical Education

Nacarci Feaster

Laborers' Union Local 113

Freida Webb

Milwaukee County Community Business Development Partners

Don Natzke

Milwaukee County Office for Persons with Disabilities

Anthony Rainey

United Auto Workers Local 469

Joe Weisling

Southeastern Wisconsin Carpentry Training Center

Nick Triscari

Milwaukee Area Technical College Apprenticeship Instruction Program

Devon Turner

Metropolitan Milwaukee Association of Commerce

The Work Group has been supported by Martin Weddle, Milwaukee County Board staff and Lisa Heuler-Williams, policy analyst with the UWM Center for Economic Development.

The specific objectives of the Apprentice Work Group include:

- increase education and awareness of apprenticeship programs and opportunities within Milwaukee;
- identify and target potential funding sources and grants to increase employer-driven paid training;
- collaborate with City of Milwaukee, MPS, MATC and State of Wisconsin to support skills training to increase apprenticeship opportunities;
- work with the State to reform apprenticeship selection formulas to increase diversity, increase testing scores, and make apprentice trades more open to central city residents;
- Explore policies that increase the number and diversity of apprentices in Milwaukee County.

The current members of Apprentice Work Group will continue their appointments through April 2011. This report on the progress of the Work Group is being provided to the County Board in 2010 and a full report of our proceedings will be provided in early 2011, as Wisconsin celebrates the 100th year of the apprenticeship system in the state.

2010 Report on Research Process

The Milwaukee County Apprenticeship Work Group (MCAWG) has met almost monthly since being seated, undertaking an extensive research approach to the questions posed by the County Board of Supervisors in establishing the body. For the past several months we have been working on assembling the information gathered into a report.

The process of the Work Group included soliciting suggestions for presenters that we believed could provide information and insight to the issues we were asked to study. This report presents a summary of the research process the Work Group pursued in order to better understand the apprenticeship system as well as the barriers to participation for populations under-represented in the apprenticeship ranks.

The invited presenters and the primary points of their presentations are listed below. A more complete analysis of the information presented to the Work Group, along with recommendations for improvements, will be published and presented in early 2011.

Presenters to the Milwaukee County Apprenticeship Work Group:

June 16, 2008

Terry Cooley

Chief of Staff for Chairman Lee Holloway

Key Points:

1. Introduction of all members of the committee.
2. Discussion of the charge of the Milwaukee County Apprenticeship Work Group as outlined in the enabling resolution.
3. The primary objective of the MCAWG should be outlining barriers and recommending improvements to increase inclusion of disadvantaged individuals in apprenticeship programs.

July 28, 2008

Nick Triscari

MATC Apprenticeship Instruction Program

Key Points:

1. MATC offers instruction in a number of apprenticeable occupations including: Barber/Cosmetologist, Bricklayer and Mason, Cement Mason, Construction Electrician, Culinary (Cook), Glazier, Heat and Frost Insulator, Industrial Electrician (Maintenance Electrician), Industrial Pipe Fitter, Machine Repair, Machine Tool (Machinist), Painter and Decorator, Patternmaker, Plumber, Refrigeration and Air Conditioning, Roofer, Sheet Metal Worker, Sprinkler Fitter, Steamfitter, Steel Foundry and Molder (Foundry/Metal Casting), Telecommunications (DVD) Installer/Technician, Tool and Die Maker, Childcare Development Specialist, Drywall Taper and Finisher, Telecommunications (DVD) Installer/Technician.
2. Individuals can not apply directly to become an apprentice at MATC, but rather are given referrals.
3. Manufacturing and service trade apprentices must find a sponsoring employer.
4. Construction trade apprentices usually receive help in identifying an employer.
5. Waiting lists for entry into an apprenticeship program can run from 50 to several hundred depending on the trade and market demand.
6. Each apprenticeship committee determines its own methods for admitting apprentices. Some use letter of introduction and some use a ranked list.
7. MATC currently has more apprentices in the area of barber/cosmetology than it does in the manufacturing trades. MATC culinary arts have exhibited diversity in apprenticeship opportunities.
8. The primary difference between apprenticeships and internships is paid training.
9. There is a need to expand apprenticeship opportunities into new trades. The state has started a pilot nursing apprenticeship program.

September 15, 2008

Discussion among MCAWG Members

Key Points:

1. A major problem in apprenticeship application is low scores due to poor math, grammar, reading, soft skills.
2. 39% of all apprentice applicants in the Milwaukee area get assistance from Big Step to address remedial skills.
3. One of the objectives of the MCAWG is to inform youth of positive opportunities that arise from pursuit of math and sciences.
4. Emphasis on skilled trades should begin in middle school and should not be limited to shop and industrial arts classes.
5. Younger populations should be targeted in raising awareness of apprenticeship opportunities.
6. Recommended use of social media to attract individuals to apprenticeships.
7. Recommended that the State standardize apprenticeship selection formulas. At present, such standards vary from trade to trade. This causes confusion amongst hopeful apprentices.
8. Opening pathways to apprenticeship should not mean that requirements and standards are watered down, but rather that fundamental principles and skills are strengthened.
9. It is important to educate employers about the benefits of apprenticeship to increase more participation.

October 20, 2008

Joe Weisling

Southeastern Wisconsin Carpentry Training Center

Key Points:

1. Mr Weisling reported on the apprenticeship process and training standards that have been approved by the BAS for the Carpenters' Union apprenticeship program.
2. The math test for the Carpenters' program is significant. Too often, guidance counselors suggest trades training to high schoolers when they are doing poorly, but many trades require good math skills.
3. Mr. Weisling indicated that the top barriers to participation in the apprenticeship process are childcare and transportation. They can work on skills shortages with apprenticeship candidates, but other issues that interfere with a worker's ability to get to the job can be hard to overcome.
4. Work Group member concurred that construction was a very mobile industry, and commented that when MPS removed driver's education programming, it had a snowball effect on employment and transportation issues for Milwaukee youth.
5. Average starting age for carpentry apprentices is 28 years of age, MCAWG feels that younger populations should be targeted.

November 24, 2008

Lauren Baker

Milwaukee Public Schools, Career and Technical Education Coordinator

Key Points:

1. Ms. Baker works to create new and innovative pathways for students to become involved in the trades and technical careers.
2. Ms. Baker places emphasis on middle school programs in the areas of general technology, STEM and hands-on project based programming.
3. Ms. Baker informed the group that Project Lead the Way is now running in 27 MPS schools.
4. WKCE test scores, high school attendance and graduation rates are all documented advancements students make in Project Lead The Way and other trades focused Career and Technical Education (CTE) programs
5. 90% of the students in Project Lead the Way are minority and 44% are female.
6. MPS teachers are teaching construction education programs in three schools.
7. MPS construction education teachers have been through Occupational Safety and Health Administration trainings (OSHA 500), so they are able to prepare the youth to become OSHA-certified prior to subsequent enrollment in apprenticeship programs and employment.
8. Summer employment linkage is vital component of success of these programs.
9. More than 500 students have attended trade fairs at Bradley Tech and through local apprenticeship fairs in the past year and have been exposed to opportunities in the trades. 18% of the attendees were minorities and 19% were female.
10. This meeting included a tour of Bradley Tech High School and the impressive programming that is taking place there.

Earl Buford

WRTP/Big Step

Key Points:

1. Mr. Buford discussed collaborations between Big Step and Bradley Tech. The 2002 pilot at Bradley Tech led to 4 new journeymen in the construction trades.
2. Through 3 years of partnership with MPS funded by the Bader Foundation, they have exposed 500 students to technical trades possibilities. 63 took the accuplacer test and 39 qualified for at least one trade.
3. There is an idea being considered to turn the Bradley Tech program into the Associated General Contractors training academy as a feeder system.
4. The MPS Dept of Diversity has helped some high school students gain their OSHA 10 certification. OSHA 10 is a basic requirement for construction employment.
5. Overall, Big Step was originally created in 1966 order to increase diversity in the construction trades. Big Step assists individuals in preparing for apprenticeship tests, including tutoring in specific skill sets.

December 15, 2008

Joe Weisling

Tour of Southeastern Wisconsin Carpentry Training Center

Key Points:

1. Tour of Southeastern Wisconsin Carpentry Training Center, which provides classroom and hand-on training to carpentry students.
2. Mr. Weisling reported that U.S. Department of Labor established new rules to modernize the National Apprenticeship System. The rule took effect December 29, 2008 and State Apprenticeship agencies have two years to implement necessary changes.

February 16, 2009

MCAWG members

Key Points:

1. Discussion of federal stimulus bill and implications for job creation and apprenticeships in Milwaukee County.
2. Discussion of Governor Doyle's Executive Order 108 requiring apprenticeship usage on state projects where a contractor employs 5 or more craft workers.
3. Composition of MCAWG letter to Governor Doyle requesting extension of Executive Order 108 on apprentice usage to cover stimulus-funded projects in Wisconsin. Additionally, Work Group recommends applying State equal opportunity goals in hiring on stimulus-funded projects.

April 27, 2009

Anthony Rainey

UAW-Local 469

Key Points:

1. The types of apprenticeship opportunities available at Master Lock include Machining, Tool and Die, Industrial Electrician, Machine Repair.
2. The most important qualification to become a UAW apprentice is math skill. It is important that high school students do not wait until their senior year to pursue math. By the time someone drops out of high school, it may be too late to consider apprenticeship.
3. 15-20 years ago Master Lock prepared 20 apprentices a year. Now it is 6 or fewer due to changes in the economy. The total ratio cannot exceed one apprentice for every six journeymen.
4. Similar industrial/manufacturing apprenticeships are available GE and Harley. Ms. Baker commented that many people associate apprenticeships with the construction industry, not manufacturing.
5. In order to promote diversity, every 5th apprentice in the United Auto Worker Apprenticeship Program must be a woman or minority.

June 22, 2009

Adam Holmes, International Union of Painters and Allied Trades, District Council 7

Key Points:

1. Mr. Holmes is the training coordinator for painting and allied trades in Wisconsin.
2. In addition to painting, other crafts within this field include drywall taping and finishing, and glazing. The union has more than 2,400 members.
3. The IUPAT has a new facility in Vernon, WI. This is where their apprenticeship training classes are held.
4. Painters utilize a letter of introduction model for their apprentice candidates and referrals are also made to contractors.
5. The overall economic downturn has lowered the number of apprentices for painters and allied trades that are able to be employed

August 17, 2009

MCAWG members

Key Points:

1. Discussion of the federal American Recovery and Reinvestment Act and its potential for job creation.
2. One aspect of stimulus investment was in increased funding for weatherization. Weatherization programs do not include long periods of training, in Laborers' program this training can lead or be part of the formal apprenticeship program covering weatherization and additional construction skills.
3. In addition, there was increased dollars for road construction. The state TRANS program did increase minority construction employment in Wisconsin on the Marquette interchange project. Big Step in Milwaukee and First Choice in Racine have provided TRANS trainings.
4. There is a difference in how apprenticeship programs are handled trade by trade and whether the contractor is signatory to a union or not.
5. A letter of intent must be presented to the Bureau of Apprenticeship Standards in order to be able to sign on apprentices and work program participants.

September 21, 2009

Nacarci Feaster

Laborers Local 113

Key points:

1. Mr. Feaster is a third-generation construction worker. He shared perspectives based on his history of 33 years with the Laborers.
2. Despite various efforts, Mr. Feaster said there are still not enough minorities in the building trades.
3. Mr. Feaster explained that there is no funding to monitor, enforce or regulate hiring practices.
4. Mr. Feaster said that waivers issued to employers excusing them of state apprenticeship requirements are a major concern.

5. He and others recommend that new apprentices should attend the Skilled Trades Collaborative, which meets at Big Step. The STC seeks to support minorities in the construction trades and help foster retention. Efforts at mentoring can help make strides in support of a more diverse workforce.

Paul Blackman

Retired, President Steelworkers Federal Union No. 19806 (AO Smith)

Key points:

1. Mr. Blackman stated that large private contractors have not increased minority apprenticeships.
2. Mr. Blackman stated that Wisconsin Bureau of Apprenticeship Standards has been lax in monitoring apprenticeship programs. They should force employers to comply with existing laws.
3. Mr. Blackman maintained that systemic racism is still entrenched, particularly in the construction trades. The BAS should admonish or decertify Joint Apprenticeship Committees that are not in compliance.
4. There is a need for more monitoring and for enforcement of existing laws, and increased oversight by the federal Department of Labor.
5. Mr. Blackman has requested that the US DOL investigate the Wisconsin Bureau of Apprenticeship Standards itself.

October 21, 2009

Lois Quinn and Ruth Zubrensky

NAACP/UWM Employment and Training Institute Study

Key points:

1. In introducing the speakers, Ms. Fendt stated that the data in the 2006 NAACP/ETI study of minority participation in apprenticeship programs led to the convening of the MCAWG.
2. Members of the NAACP have been working on the issue of opening construction trades to minorities for years. There have been a number of reports, audits and plans, but many don't see enough improvement.
3. Increased usage of the Big Step program as a conduit for entrance into the trades was part of a 2002 voluntary agreement the BAS made in response to an EEOC complaint filed in the late nineties.
4. The NAACP has raised the idea that the County Board could become a certified apprentice trainer.
5. Ms. Zubrensky stated that Milwaukee County could establish a County Apprenticeship Ordinance whereby contractors would be required to train diverse apprentices. The City of Milwaukee and MMSD have apprenticeship utilization policies.

6. County should adopt stronger language on apprentices than exists in the city ordinance. County should accurately define what an apprentice is and should restrict instances in which an employer can get a waiver.
7. State enforcement of apprenticeship and affirmation action plans is not being monitored.
8. The NAACP recommends revisions to the Wisconsin BAS as they don't take strong enough position.
9. Their 2008 report noted "very little improvement" over the representation of minorities in apprentices over 2006.

December 21, 2009

MCAWG members

Discussion of work to date, other requested presenters

Key points:

1. Would like to hear the perspective of contractors. Mike Fabishak of Associated General Contractors of Greater Milwaukee was invited to present, but was not able to attend this meeting.
2. State Representative Barbara Toles pushed for the state inquiry into apprenticeship waivers, saying that such waivers work against minorities. She would be another good speaker.
3. Clarification is need in regards to waivers. There are apprentices who are ready, willing and able, therefore, waivers should not be given. Suggestion to invite Wisconsin Bureau of Apprenticeship Standards to present.
4. Sheet metal trades is going to move to Letter of Introduction; this is viewed as an improvement in the process to move candidates off the waiting list into apprenticeships.

January 25, 2010

Karen Morgan

Department of Workforce Development, Bureau of Apprenticeship Standards (BAS)

Key points:

1. Apprenticeships is 90% on the job training and 10% classroom training, training takes place through the Wisconsin Technical College System, and through the trades training departments.
2. BAS receives \$1.7million to oversee apprenticeship programs
3. Construction Trades Unions provide \$17 million, as Apprenticeship Sponsors, to support apprenticeships.
4. The alternative to apprenticeship is that trades/industry hire directly from technical college graduate pool.
5. Trends: industrial apprenticeships are declining; service and construction apprenticeships are increasing (as a share of total apprenticeships). Construction accounts for half of all apprenticeships.

6. 20% of all apprentices get cancelled during the probationary period. BAS needs to find out why. Is it due to: transport, child care, discrimination, difficult coursework? BAS can provide data on the gender and race of those that have been cancelled.
7. Due process – all apprentices that appear before committee and are allowed to bring an advocate.
8. Retention and diversity – minority and female apprentices are cancelled at a higher rate than white apprentices. There is a new mentoring and tutoring pilot program which seeks to improve retention. Secretary Gassman hopes to expand this pilot.
9. New BAS Apprenticeship Orientation process will be ready in Spring 2010. It will include information on what do in case of discrimination. All new apprentices will be required to complete the orientation. It will supplement the orientation already given by some trades and/or Wisconsin Technical Colleges.
10. Legislative Audit Bureau is conducting a statewide analysis of women and minorities in apprenticeships.
11. More outreach is being done but not necessarily in places where they are likely to find women and minorities.
12. Best practices – owners of projects should be require to meet workforce utilization thresholds (similar to those that get federal transportation dollars)

The rest of 2010 meeting were devoted to working on drafting our report and compiling the Work Group recommendations.

1 By Supervisors Holloway, MAYO and Johnson
2
3

4 **A RESOLUTION**

5 Endorsing the principles and recommendations of the Milwaukee County
6 Apprenticeship Work Group (MCAWG).
7

8 WHEREAS, in April 2008, the Milwaukee County Board of Supervisors
9 established the Milwaukee County Apprenticeship Work Group (MCAWG); and
10

11 WHEREAS, MCAWG was created to monitor and recommend quality and
12 continuous improvement measures relative to apprenticeship programs and
13 standards within Milwaukee County; and
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15 WHEREAS, the general charge of the work group was to enhance and
16 improve apprenticeship standards, awareness, education, and recruitment
17 methods in order to increase diversity among apprenticeship components of
18 Milwaukee County's labor force; and
19

20 WHEREAS, the work group's objectives included but were not limited to
21 the following:
22

- 23 1. Increase education and awareness of apprenticeship programs and
24 opportunities within Milwaukee County.
25
- 26 2. Identify and target potential funding sources and grants to increase
27 employer-driven paid training.
28
- 29 3. Collaborate with City of Milwaukee, Milwaukee Public Schools,
30 Milwaukee Area Technical College and State of Wisconsin to support
31 skills training to increase apprenticeship opportunities.
32
- 33 4. Work with the State to reform apprenticeship selection formulas to
34 increase testing scores, and make apprentice trades more open and
35 available to central city residents.
36

37 ; and
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39 WHEREAS, MCAWG was made up of nine appointed members
40 who have experience regarding apprenticeship programming and
41 standards from an array of backgrounds; and
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43 WHEREAS, MCAWG has compiled a comprehensive report (see
44 attached) which includes data, information from numerous presenters, and
45 other related areas of apprenticeship programs and standards, and
46 research literature; and

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WHEREAS, after an extensive, thorough, multi-year review of the state of apprenticeship opportunities and challenges facing minorities, the Milwaukee County Apprenticeship Work Group submits its recommendations and findings for County Board approval in order to be implemented, now, therefore

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby endorses the principles and recommendations as outlined by the Milwaukee County Apprenticeship Work Group’s final report; and

BE IT FURTHER RESOLVED, the Milwaukee County Board of Supervisors requests the Governor, State of Wisconsin, to restore Executive Order 108, which would require employers awarded state construction contracts to participate in Wisconsin’s apprenticeship program; and

BE IT FURTHER RESOLVED, the Milwaukee County Board of Supervisors authorizes and directs the Director, Department of Transportation and the Director, DAS-Facilities Management, to develop an apprenticeship utilization plan and report back on findings and recommendations of this plan to the Committee on Transportation, Public Works, and Transit in the September 2012 committee meeting cycle; and

BE IT FURTHER RESOLVED, the Milwaukee County Board of Supervisors authorizes and directs the Milwaukee County Clerk to send the MCAWG report to the Superintendent of the WI Department of Public Instruction (DPI) and the Superintendent of Milwaukee Public Schools (MPS) and the Director of MPS Career and Technical program requesting that they work together to develop and coordinate appropriate programs and opportunities that address the recommendations outlined in the report; and

BE IT FURTHER RESOLVED, upon adoption of this resolution the Milwaukee County Clerk is authorized and directed to send copies of this resolution and attached report to the Governor, State of Wisconsin, the Director of the State Bureau of Apprenticeship Standards and the Director of the Department of Public Instruction.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 2-20-2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution endorsing the principles and recommendations of the Milwaukee County Apprenticeship Work Group (MCAWG).

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | 0 | |
| | Revenue | 0 | |
| | Net Cost | 0 | |
| 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.
 - A. This resolution endorses the principles and recommendations of the Milwaukee County Apprenticeship Work Group (MCAWG).
 - B. N/A
 - C. N/A
 - D. No assumptions made.

Department/Prepared By CB/ M. Weddle

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

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.

**MILWAUKEE COUNTY
INTER-OFFICE COMMUNICATION**

DATE: February 22, 2012

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

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by Jean Wolfgang, Housing & Program Coordinator, Housing Division

SUBJECT: Report from the Director, Department of Health and Human Services, Requesting Approval to Allocate Year 2012 HOME Funding for the Housing Division

Issue

The HOME program was born out of the National Affordable Housing Act of 1990 and was a spin-off of the Community Development Block Grant program to address housing needs only. Milwaukee County, as a designated Urban County, is part of a Home Consortia with West Allis and Wauwatosa. Along with the HOME regulations in 24 CFR 92 and the Home Consortia Agreement, the funds are budgeted to meet the requirements of both. County Board approval of the recommendations for the 2012 HOME funding, a total of \$709,241, is required to complete the 2012 Annual Action Plan, which is due to HUD by April 30, 2012. Therefore, the Director, Department of Health and Human Services, is requesting approval of the 2012 HOME funding allocations.

Background

Based on the Consolidated plan, established agreements and HUD regulations, the recommend use of HOME funds for the 2012 Program Year takes into account the following:

1. Congress has passed a HUD appropriation bill with a 38% cut to the HOME program, therefore the funding of \$907,297 is based upon a 38% cut from 2011
2. The priorities and objectives of the 5-year Consolidated Plan
3. All Milwaukee County HOME funds must be spent outside the City of Milwaukee
4. The Wauwatosa and West Allis Consortium member share are set aside based upon their "hold harmless" amounts of 5.6% and 22.8% respectively
5. The HOME program requires that 15% of the participating jurisdiction's fund be reserved for housing development by a Community Housing Development Organization (CHDO)
6. The Suburban Home Repair Program, which offers secured 0% and 3% interest loans and Lead Hazard Reduction grants to income eligible homeowners for necessary repairs, is continued
7. The Deferred Home Repair Loan Program, which provides deferred loans and Lead Hazard Reduction grants to the lowest income homeowners and defers repayment until the sale of the home, is continued

8. The Homebuyer Assistance program, which provides down payment and closing cost assistance to first-time homebuyers, is continued

The funding allocation is based on the same formula as has been used in prior years. The approved use of funds for the 2012 HOME Program will be included, along with the 2012 allocation for the Community Development Block Grant Program, in the 2012 Annual Action Plan. HUD requires that the Action Plan be approved for participation in these programs.

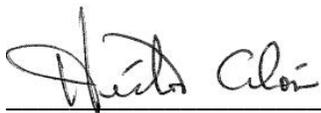
Recommendation

The Director, Department of Health and Human Services, recommends that the County Board of Supervisors allow the Housing Division to allocate the 2012 HOME funds as indicated below, as outlined in the attached resolution:

| | |
|--|------------------|
| CHDO set-aside | \$136,095 |
| Wauwatosa | \$45,728 |
| West Allis | \$186,177 |
| Home Buyer Assistance | \$49,999 |
| Home Repair, deferred loans, 0% loans, 3% loans, lead grants | \$398,568 |
| Total Program Funds | \$816,567 |
| Total Administrative Funds | \$90,730 |
| Total Allocation | \$907,297 |

Fiscal Impact

2012 HOME funds and related expenses were included in the 2012 Housing Budget. The HUD reduction is greater than originally anticipated in the 2012 budget but the related expenditures will be reduced by the same amount resulting in no net tax levy impact. A fiscal note form is attached.



Héctor Colón, Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office

Terrence Cooley, County Board
Patrick Farley, Director, DAS
Pam Bryant, Interim Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Antionette Thomas-Bailey, Fiscal & Management Analyst, DAS
Glenn Bultman, Analyst, County Board Staff
Janelle Jensen, Committee Clerk

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(ITEM) From the Director, Department of Health and Human Services, Requesting Approval to Allocate Year 2012 HOME Funding, by adoption of the following:

A RESOLUTION

WHEREAS, the Milwaukee County Home Consortium, consisting of the Cities of Wauwatosa, West Allis, and the balance of County suburban communities as represented by the County, have entered into a cooperation agreement to apply for and receive annual funding through the federal HOME Investment Partnerships Program; and

WHEREAS, HOME funds are designated for use in affordable housing development programs; and

WHEREAS, Milwaukee County has been allocated \$907,297 in Federal Housing and Urban Development (HUD) HOME Program grant dollars; and

WHEREAS, in no case will program expenditures exceed available revenue; now, therefore,

BE IT RESOLVED, that the projected year 2012 HOME funds be allocated as indicated below:

| | <u>2011</u> |
|--|---------------|
| Wauwatosa (Consortium share) | \$ 45,728 |
| West Allis (Consortium share) | 186,177 |
| CHDO Production Set-aside | 136,095 |
| Home Repair, deferred loans, 0% loans, 3% loans, lead grants | 398,568 |
| Homebuyer Assistance | 49,999 |
| Program Administration | <u>90,730</u> |
| | \$ 907,297 |

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 22, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Director, Department of Health and Human Services (DHHS), Requesting Approval to Allocate Year 2012 HOME Funding

FISCAL EFFECT:

- No Direct County Fiscal Impact
- Existing Staff Time Required
- Increase Operating Expenditures
(If checked, check one of two boxes below)
- Absorbed Within Agency's Budget
- Not Absorbed Within Agency's Budget
- Decrease Operating Expenditures
- Increase Operating Revenues
- Decrease Operating Revenues
- Increase Capital Expenditures
- Decrease Capital Expenditures
- Increase Capital Revenues
- Decrease Capital Revenues
- Use of contingent funds

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 | (443,454) | 0 |
| | Revenue | (443,454) | 0 |
| | Net Cost | 0 | 0 |
| 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.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to allocate \$907,297 in HOME Program funding for 2012.

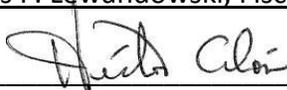
B. Milwaukee County has annually received approximately \$1.25 million in Federal Housing and Urban Development (HUD) HOME Program grant dollars. However, Congress has passed a HUD appropriation bill with a 38% cut to the HOME program. Some communities did not participate so the allocation for 2012 is \$907,297. This revenue is 100% offset by HOME Program expenditures and associated administrative costs.

C. While recognizing that future Federal allocations of grant awards are always uncertain, the Federal Department of Housing and Urban Development (HUD) will provide \$907,297 in grant revenue in 2012. In no case will program expenditures exceed available revenue. As a result, there is no tax levy impact associated with approval of this request.

D. No further assumptions are made.

Department/Prepared By Thomas F. Lewandowski, Fiscal & Management Analyst

Authorized Signature _____



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.

Did DAS-Fiscal Staff Review?

Yes

No

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

DATE: February 7, 2012

TO: Supervisor Lee Holloway, Chairperson, County Board of Supervisors

FROM: William Shaw, MCAMLIS Program Manager, Department of Administrative Services

SUBJECT: **2012 Milwaukee County Ortho/Oblique Imagery Acquisition**

POLICY

The Director of the Department of Administrative Services (DAS) requests authority to execute the 2nd flight phase of a 6-year License Agreement and enter into a professional services contract providing for the acquisition of countywide high-resolution digital Orthophotographic and Oblique imagery.

BACKGROUND

The Milwaukee County Automated Mapping and Land Information System (MCAMLIS) Steering Committee approved a project at its 12/9/2011 meeting authorizing the 2nd flight of a three (3) flight agreement to acquire “AccuPlus” Aerial Image data utilizing technology developed by the Pictometry International Corporation of Rochester, New York.

An RFP was drafted, released and evaluated based on multiple technical and cost criteria in 2010. The RFP received an insufficient number of responses having received valid proposals from only 2 vendors. Of the two responses one vendor was rejected due to not meeting the County’s schedule requiring Spring 2010 Leaf- Off conditions. One vendor was determined to have the capacity to meet the specific technical and scheduling requirements of this project. A technical and cost review of this response was conducted and found that Pictometry International Corporation of Rochester New York met all the criteria as specified in the RFP with regard to the project and budget.

In March 2010 Milwaukee County entered into a 6 year License Agreement with Pictometry International Corporation specifying 3 separate flights and resultant data to be collected on subsequent 2 year intervals with the 1st flight and data delivery to be conducted in the Spring of 2010. Future flights and deliveries under this agreement are specified as contingent on approved funding. The 1st of three flights was conducted and the results delivered in September 2010. As specified in the agreement subsequent flights are contingent on the availability and approval of funding of future flights. The 2nd flight was approved by the MCAMLIS Steering Committee on 9/13/2011 and received final funding approval at the Committee meeting held on 12/9/2011¹.

¹ In adopting the 2012 Budget the Milwaukee County Board of Supervisors authorized expenditures for MCAMLIS to be used for GIS data acquisition, of which this activity is included.

In December of 2010, the County entered into a cost sharing agreement with the Southeastern Regional Planning Commission (SEWRPC) whereby the County paid 20% of the 1st flight cost of \$118,944 for a total cost to the county of \$23,789. SEWRPC paid the remaining 80% totaling \$95,155. The 2nd flight of the six-year agreement with Pictometry International, if approved will be paid entirely by Milwaukee County. The cost of this flight is \$134,495 and approval for this amount is requested herein.

Pictometry International, Inc. has performed its work well and has been responsive in addressing any and all technical and data quality issues over multiple image acquisitions for the county dating back to 2006. In addition, Pictometry has requested and received certification of their image products by both SEWRPC and United States Geological Survey. Per the request of DAS, Pictometry International has placed the 2012 flight on their spring flight calendar and is prepared to perform this work and deliver the products as specified in the 2010 1st flight agreement.

Included is an approved DBE Participation Waiver.

RECOMMENDATION

The Director of DAS recommends and requests that he be authorized to enter into a professional services contract with Pictometry International, Inc for the acquisition of digital Orthophotographic and Oblique image products as specified in the License Agreement entered into on 3/25/2010. The cost of the 2nd flight contract will be \$134,495 or less.

Prepared by: William Shaw, MCAMLIS Project Manager

Approved by:

Brian Taffora, Director
DAS-ECD

cc: County Executive Chris Abele
Amber Moreen, Chief of Staff, County Executive's Office

**COUNTY OF MILWAUKEE
DBE Participation Recommendation Form
Professional Services**

County Contract/Project Manager: William Shaw Date: 1/27/2012

Building: City Campus Room No. 426 Phone: 278-2176

Fund: _____ Agency: 119 Org No. 1199 Project No. 1199-12001

Project Name: 2012 Milwaukee County Ortho/Oblique Imagery

Work/Project Description (Scope): This project will complete years 3 & 4 of a 6 year License Agreement for purposes of acquiring high resolution (6") color ortho and oblique digital aerial photography to be used for purposes of planning, navigation, mapping and engineering throughout Milwaukee County. The work entails the aero collection of digital images through means of a highly accurate and calibrated system utilizing specialized and proprietary technologies and experience. Image capture will be conducted in 2012 during leaf-off and cloudless conditions. Final delivery will be made in digital format within 120 days post flight operations. No work will be performed on-site as part of this contract by vendor staff. All work will be performed at vendor facilities or as part of the in-flight operations carried out as part of this contract.

Government Funding (State, Federal)? N If Yes, Type/Dept. _____
[State or Federal (i.e. UMTA, DOT, FAA, etc.)]

Is Project/Contract: New X Existing _____ Amendment _____ Continuing _____ Extension _____ Non-Profit Y/N _____
If Non-profit, please provide confirmation of Non-Profit Agency

| | |
|-------------------------|--|
| <u>Estimated Amount</u> | <u>Recommended DBE Participation (*)</u> |
| <u>\$ 134,494.62</u> | <u>0 %</u> |

Subcontracting Opportunities (List SIC/NAICS codes - see DBD-012PS A form)

RFP will be used (Yes/No) Y Advertising Date: 2/26/2010 Proposal Due Date: 3/12/2010

County Board Approval X County Board Committee: DPW

(*) A Zero (0%) percent total requires a WAIVER. If a Waiver is requested, please provide a detailed explanation and the completed Waiver Request Form, and have the Department/Division Head sign below.

There are virtually no opportunities for DBE participation due to the specialization of the work to be performed and the type of equipment employed. There are few firms in Wisconsin that produce this type of product and none of them are able to simultaneously capture both types of digital imagery (Orthographic & Oblique).

The original Project #5084-10002 conducted in the spring of 2010 was granted a DBE waiver. The current project #1199-12001 is a continuation of the original excepting that it is being conducted in 2012 and uses the same specifications and License Agreement. Contracting for the current project will continue to use the original RFP and specification only substituting the award amount to include a 2nd flight. Similarly, a DBE Waive was recently granted Project# 5040-08323 for '2011 Orthophoto Imaging' specifically for GMIA. The GMIA project makes use of similar technology and work experience

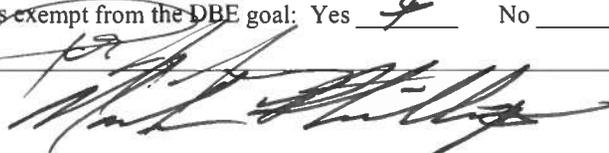


Department/Division Administrator

(CBDP OFFICE USE ONLY) Indicate Determination and Return Copy to Writer

Concur with Recommendation: Y, or provide the following goal: _____ %

The contract is exempt from the DBE goal: Yes Y No _____

Approved:  Date: 2-3-12
02/06/12

COMMUNITY BUSINESS DEVELOPMENT PARTNERS (CBDP)

WAIVER REQUEST FORM

Pursuant to the May 2007 communication to all Milwaukee County department heads from County Board Chairman Lee Holloway stating his commitment to advancing Disadvantaged Business Enterprise (DBE) participation on Milwaukee County contracts, **completion of this form is required before a request for a DBE waiver can be approved.** Authority to grant DBE waivers are vested in the CBDP office, in accordance with Federal regulations, 49 CFR Part 26, and Milwaukee County Ordinances, Chapters 42 and 56.30. Upon completion, please return to DBE Liaison Officer, Freida Webb, fwebb@milwcnty.com THANKS.

Please complete the following information:

Department Requesting Waiver: Department of Administrative Services

Department Contact Person & Phone Number: William Shaw ph: 278-2176

Type of Contract Service (Service being provided & name of vendor/provider):

Countywide Digital Aerial imagery to include certified digital orthophotography and oblique image data. The selected vendor is Pictometry International Inc. Rochester New York

Contract Amount and Term: \$134,494.62 through 2013

Rationale for Waiver Request (Why you are recommending no DBE participation?):

This current contract is for years 3 & 4 of a 6 year License Agreement beginning in 2010 with Pictometry International whereby a flight to acquire digital photo images was/will be conducted in the spring of 2010, 2012 and 2015. There are virtually no opportunities for DBE participation due to the specialization of the work to be performed and the type of equipment employed. There are few firms in Wisconsin that produce this type of product and none of them are able to simultaneously capture both types of images (ortho & Oblique).

The original Project #5084-10002 conducted in the spring of 2010 was granted a DBE waiver. The current project #1199-12001 is a continuation of the original excepting that it is being conducted in 2012 and uses the same specifications and License Agreement. Contracting for the current project will continue to use the original RFP and specification only substituting the award amount to include a 2nd flight.

Similarly, a DBE Waive was recently granted Project# 5040-08323 for '2011 Orthophoto Imaging' specifically for GMIA. This project makes use of similar technology and work experience.

Request for additional information:

- A) **What do you recommend directly or indirectly to include DBE participation?** Contracting with qualified DBE firms was deemed cost prohibitive in 2010. A Certificate of Good Faith Efforts submitted by the vendor details research in this regard. (DBD-001PS attached)

- B) **If DBE participation is not possible, is there a way to improve equal employment opportunities?** Perhaps through further discussion with CBDP management aimed at identifying opportunities outside of this contract and its extensions regarding future flights.

- C) **Can DBE participation be included for the contractor in other areas related or unrelated to this project?** Unfortunately not at this time.

1 From the Committee on

3 File No. *
4 (Journal, *)

6 (ITEM NO.) From the Director of Administrative Services requesting authority to
7 execute the 2nd flight phase of a 6-year License Agreement and enter into a
8 professional services contract providing for the acquisition of countywide high-
9 resolution digital Orthophotographic and Oblique imagery.

11 A RESOLUTION

13 WHEREAS, by resolution adopted on November 8, 1990, the Milwaukee
14 County Board of Supervisors, working in cooperation with the utilities concerned,
15 created a public-private partnership to implement the Milwaukee County automated
16 mapping and land information system, including creation of a Steering Committee to
17 provide oversight in the implementation of the system recommended in SEWRPC
18 Community Assistance Planning Report No. 177; and

20 WHEREAS, the aforereferenced Milwaukee County resolution adopted on
21 November 8, 1990, further authorized the execution of a Cooperative Agreement
22 between Milwaukee County and the public and private utilities serving Milwaukee
23 County, whereby the County and such utilities agreed to jointly fund the development
24 of the Milwaukee County automated mapping and land information system), such
25 Agreement delegating to the aforereferenced Steering Committee full responsibility
26 for all policy matters relating to the conduct of the work program, including proposed
27 contracts and specifications and the selection of contractors; and

29 WHEREAS, The Milwaukee County Automated Mapping and Land Information
30 System (MCAMLIS) Steering Committee has approved a project at its 12/9/2011
31 meeting authorizing the 2nd flight of a three (3) flight agreement to acquire "AccuPlus"
32 Aerial Image data utilizing technology developed by the Pictometry International
33 Corporation of Rochester, New York; and

35 WHEREAS, in January of 2010, Milwaukee County selected Pictometry
36 International Corporation through the Request for Proposal process having been the
37 only vendor evaluated as capable of meeting specific technical and delivery
38 specifications; and

40 WHEREAS, In March 2010 Milwaukee County entered into a 6 year License
41 Agreement with Pictometry International Corporation specifying 3 separate flights and
42 resultant data to be collected on subsequent 2 year intervals with the 1st flight and
43 data delivery to be conducted in the Spring of 2010, whereby the 1st of three flights
44 was conducted and the results delivered in September 2010; and

46 WHEREAS, Future flights and deliveries under this agreement are contingent
47 upon funding approval; whereby, the 2nd flight funding was approved by the
48 MCAMLIS Steering at its Committee meeting held on 12/9/2011; and
49

50 BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby
51 authorizes the Director of Administrative Services to enter into a professional services
52 contract with Pictometry International, Inc for the acquisition of digital
53 Orthophotographic and Oblique image products as specified in the License
54 Agreement entered into on 3/25/2010, whereby the cost of the 2nd flight contract will
55 be \$134,495 or less.
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70 O:\WPDOC\GIS\WCSDOC\MCAMLIS\Projects\2012 Ortho

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 2/7/12

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: 2012 Milwaukee County Ortho/Oblique Imagery Acquisition

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input checked="" type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input checked="" type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | \$134,495 | 0 |
| | Revenue | 0 | 0 |
| | Net Cost | \$134,495 | 0 |
| Capital Improvement Budget | Expenditure | 0 | |
| | Revenue | 0 | |
| | Net Cost | 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. 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.
-
- A. The Director of the Department of Administrative Services (DAS) requests authority to execute the 2nd flight phase of a 6-year License Agreement and enter into a professional services contract providing for the acquisition of countywide high-resolution digital Orthophotographic and Oblique imagery.
 - B. The cost of this flight is \$134,495 and funds are included for this purpose in the 2012 adopted MCAMLIS budget.
 - C. In adopting the 2012 Budget the Milwaukee County Board of Supervisors authorized expenditures for MCAMLIS to be used for GIS data acquisition, of which this activity is included. Sufficient budget allocation is in low org: 1199 Acct# 6148 totaling \$235,208.
 - D. Authorization is granted with sufficient time to physically collect the data within 2012 spring leaf-off weather conditions – a window between 3/15 and 4/15/2012

Department/Prepared By DAS/ECD MCAMLIS - William Shaw

Approved by:

Brian Taffora, Director
ECD

Did DAS-Fiscal Staff Review?

Yes

No

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.

COUNTY OF MILWAUKEE

Referred
FEB 20 2012
County Board
Chairman

INTER-OFFICE COMMUNICATION

DATE : February 6, 2012

FILE NO. 12-212

TO : Lee Holloway, County Board Chairman

FROM : Craig C. Dillmann, Manager of Real Estate Services
Department of Administrative Services

SUBJECT : From the Manager of Real Estate Services requesting an amendment to the Professional Service Contract Agreement with the law firm of Lichtsinn & Haensel, S.C. for legal services subsequent to the UWM Innovation Park, LLC land closing.

POLICY:

Section 56.30, Milwaukee County Ordinances ("Section 56.30") provides that a professional service contract to be extended or amended that provides additional reimbursement to the same vendor and extends the total reimbursement beyond fifty-thousand dollars (\$50,000) to the same vendor requires County Board approval.

BACKGROUND:

In November 2007 the office of Milwaukee County Corporation Counsel entered into a Professional Services Agreement ("Agreement"), in the amount of \$30,000, with the law firm of Lichtsinn & Haensel, S.C. (Attorney Michael D. Orgeman). The Agreement was to provide the County legal assistance for the sale of County-owned land in the Northeast Quadrant of the County Grounds to UWM Innovation Park, LLC for the development of UWM Innovation Park.

The subject Agreement was amended in December 2009 and March 2011 increasing the Agreement amount to a not to exceed amount of \$65,000, since the \$50,000 limit under Section 56.30 was insufficient to compensate Lichtsinn & Haensel, S.C to close the sale on February 15, 2011 and provide the County post-closing legal maintenance and contract oversight. Ongoing legal representation is warranted since the County holds an \$8.55 million first mortgage as part of the \$13.55 million sale.

The installation of the infrastructure in Innovation Park and the construction of the first UWM Innovation Park building are advancing. A Federal Economic Development Administration grant (EDA grant) is being used to fund the construction of the building so additional legal document review/preparation is necessary to protect the County's

interests as the mortgagee. Therefore, staff is proposing to amend the Agreement with Lichtsinn & Haensel, S.C., by adding funds in the amount of \$20,000, thus increasing the \$65,000 cap stated in the Agreement to a not to exceed amount of \$85,000.

Staff will also be increasing the professional service contract agreement with Attorney Roy Bradford Evans by \$3,500 to a not to exceed amount of \$19,550. Attorney Evans continues as co-counsel for the UWM Innovation Park project in addition to providing legal services for other County Grounds initiatives. Attorney Evans is a Disadvantaged Business Enterprise (DBE), as certified by Milwaukee County Community Business Development Partners. To date, 18% DBE participation has been achieved.

RECOMMENDATION:

Staff recommends amending the Agreement with Lichtsinn & Haensel, S.C. (Attorney Michael D. Orgeman), by increasing the existing Agreement by \$20,000, thus increasing the \$65,000 cap stated in the Agreement to a not to exceed amount of \$85,000.

FISCAL NOTE:

The necessary funds to increase the Lichtsinn & Haensel, S.C. (Attorney Michael D. Orgeman) Agreement by \$20,000 and to increase the Attorney Roy Bradford Evans professional service agreement by \$3,500 are available in the DAS-Real Estate Section operating budget (Agency 119, Org. Unit 1191 and Object No. 6149).


Craig C. Dillmann, Manager
Real Estate Services

ECD Committee meeting: March 5, 2012

Attachments

cc: Chris Abele, County Executive
Lee Holloway, County Board Chairman
Supervisor James Schmitt, District 19
Kimberly Walker, Corporation Counsel
Patrick Farley, Director, Department of Administrative Services (DAS)
Brian Taffora, Director, Economic & Community Development-DAS
Freida Webb, Director, Community Business Development Partners
Vince Masterson, Fiscal Mgt Analyst-DAS

AMENDMENT TO AGREEMENT

THIS IS AN AMENDMENT to an Agreement between Milwaukee County and Attorney Michael D. Orgeman of the law firm of Lichtsinn & Haensel, S.C. dated December, 2007.

WHEREAS, the above parties had entered into an Agreement in November, 2007 which stated that the County would pay Orgeman and/or his associates up to \$30,000 for professional services, and

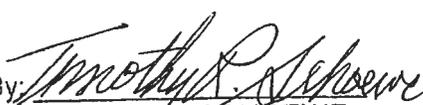
WHEREAS, the same Agreement provided that the parties were to discuss an amendment to the Agreement when the said \$30,000 was insufficient to compensate Orgeman and/or his associates to complete the requested professional services, and

WHEREAS, an amendment was entered into in December, 2009 which stated that the County would add an additional \$19,500 to the Agreement to compensate Orgeman and/or his associates to complete the requested professional services, and

WHEREAS the professional services provided by Orgeman and/or his associates have not been completed, and

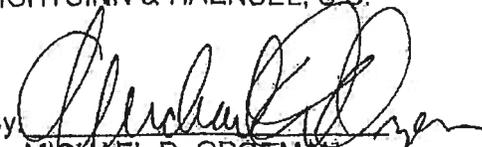
IT IS HEREBY AGREED, between the parties that the cap of \$49,500 stated in the aforementioned agreement and amendment is hereby amended to indicate a not to exceed amount of \$65,000. For our internal purposes, the costs related to these professional services will be assigned to Agency 580, Org. Unit 5804 and Object No. 6149.

MILWAUKEE COUNTY

By: 
TIMOTHY R. SCHOEWE
Acting Corporation Counsel

Dated: 3-30-11

LICHTSINN & HAENSEL, S.C.

By: 
MICHAEL D. ORGEMAN

Dated: 3/30/11

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(ITEM) From the Manager of Real Estate Services , DAS, requesting authorization to amend the Professional Service Contract Agreement ("Agreement") with the law firm of Lichtsinn & Haensel, S.C., by increasing the Agreement by \$20,000 thus increasing the \$65,000 cap stated in the Agreement to a not to exceed amount of \$85,000 for legal services required subsequent to the UWM Innovation Park, LLC land sale in the Northeast Quadrant of the County Grounds, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Section 56.30, Milwaukee County Ordinances (Section 56.30") provides that a professional service contract to be extended or amended that provides additional reimbursement to the same vendor and extends the total reimbursement beyond fifty thousand dollars (\$50,000) to the same vendor requires County Board approval; and,

WHEREAS, in November 2007 the office of Milwaukee County Corporation Counsel entered into a Professional Services Agreement (Agreement), in the amount of \$30,000, with the law firm of Lichtsinn & Haensel, S.C. (Attorney Michael D. Orgeman); and

WHEREAS, the Agreement provided the County with legal assistance for the sale of County-owned land in the Northeast Quadrant of the County Grounds to UWM Innovation Park, LLC; and

WHEREAS, the Agreement was amended in December 2009 and March 2011, increasing the Agreement amount to a not to exceed amount of \$65,000, since the \$50,000 limit under Section 56.30 was insufficient to compensate Lichtsinn & Haensel, S.C. for the legal services to close the sale on February 15, 2011 and to provide the County post-closing legal maintenance and contract oversight. Ongoing legal representation is warranted since the County holds an \$8.55 million first mortgage as part of the \$13.55 million sale; and

WHEREAS, the installation of the infrastructure in Innovation Park and the construction of the first building are advancing. A Federal Economic Development Administration grant (EDA grant) is being used to fund the construction of the building so additional legal document review/preparation is necessary to protect the County's interests as the mortgagee; and

WHEREAS, staff proposes to amend the Agreement with Lichtsinn & Haensel, S.C., by adding funds in the amount of \$20,000 to the existing

45 Agreement, thus increasing the \$65,000 cap stated in the Agreement to a not to
46 exceed amount of \$85,000; and

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48 WHEREAS, staff will also be increasing the professional service contract
49 agreement with Attorney Roy Bradford Evans by \$3,500 to a not to exceed
50 amount of \$19,550, since Attorney Evans continues as co-counsel for the UWM
51 Innovation Park project in addition to providing legal services for other County
52 Grounds initiatives.. Attorney Evans is a Disadvantage Business Enterprise (DBE),
53 as certified by Milwaukee County's Community Business Development Partners
54 and to date 18% DBE participation has been achieved; and

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56 WHEREAS, the Committee on Economic and Community Development, at
57 its meeting on March 5, 2012, recommended amending the Agreement with
58 Lichtsinn & Haensel, S.C. by adding funds in the amount of \$20,000 to the
59 Agreement, thus increasing the \$65,000 cap stated in the Agreement to a not to
60 exceed amount of \$85,000 ; now, therefore,

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62 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby
63 approves amending the Agreement with Lichtsinn & Haensel, S.C. (Attorney
64 Michael D. Orgeman), by increasing the Agreement by \$20,000, thus increasing
65 the \$65,000 cap stated in the Agreement to a not to exceed amount of \$85,000.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 6, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Manager of Real Estate Services requesting an amendment to the Professional Service Agreement with the law firm of Lichtsinn & Haensel, S.C. for legal services subsequent to the UWM Innovation Park, LLC land closing.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact <input type="checkbox"/> Existing Staff Time Required <input checked="" type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input checked="" type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | \$23,500 | 0 |
| | Revenue | 0 | 0 |
| | Net Cost | \$23,500 | 0 |
| 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.

The necessary funds to increase the Lichtsinn & Haensel, S.C. (Attorney Michael D. Orgeman) Agreement by \$20,000 and to increase the professional service agreement for Attorney Roy Bradford Evans by \$3,500 are available in the Real Estate Division's operating budget (Agency 119, Org.Unit 1191 and Object No. 6149).

Department/Prepared By Craig C. Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

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.

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

DATE: February 24, 2012

TO: Lee Holloway, County Board Chairman

FROM: Craig C. Dillmann, Manager, Real Estate Services

SUBJECT: From the Manager of Real Estate Services recommending a disposition plan for County-owned properties obtained through foreclosure action by the County Treasurer.

POLICY ISSUE:

Chapter 6.03 of the Milwaukee County Ordinances authorizes the Real Estate Section of the Economic Development Division of the Department of Administrative Services, to recommend a disposition plan for County-owned property obtained through foreclosure action by the County Treasurer.

BACKGROUND:

The Real Estate Section of the Economic Development Division of the Department of Administration has received property from the County Treasurer by foreclosure action. In accordance with Chapter 6 of the County Ordinances staff has notified the appropriate County departments of the availability of the listed properties for County use prior to recommending a disposition plan. The attached response is from the Director of the Department of Parks, Recreation, and Culture (Parks) requesting the transfer of the following properties to their jurisdiction:

Tax Key No. 920-9996
9880 South Pennsylvania Avenue, Oak Creek

Tax Key No. 954-9984-002
715 West Oakwood Road, Oak Creek

These two properties are long narrow strips of vacant land with little to no market value. Parks acquisition of these two parcels would help protect/conservate natural resources in the area and provide an opportunity for expanding recreational connectivity.

The attached disposition plan recommends disposition of the remaining properties in accordance to Chapter 6 of the County ordinances.

RECOMMENDATION:

Staff respectfully requests that the Committee on Economic and Community Development recommend to the County Board of Supervisors that the two above described properties be transferred to the Parks jurisdiction and the attached list of foreclosed properties be declared excess to County needs and offered at fair market value to the general public.

FISCAL NOTE:

The net proceeds from the sale of excess properties will be deposited in the Sale of Capital Assets Account 1191-4905.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: March 5, 2012
Attachment

cc: Chris Abele, County Executive
Theo Lipscomb, District 1
Gerry Broderick, District 3
Joseph Rice, District 6
Patricia Jurzik, District 9
Paul Cesarz, District 9
John Weishan, Jr., District 16
Jim Schmitt, Supervisor, District 19
Patrick Farley, Director of Administrative Services
Brian Taffora, Director of Economic Development
Vince Masterson, Fiscal Management Analyst

(ITEM)From the Manager of Real Estate Services recommending a disposition plan for County-owned properties obtained through foreclosure action by the County Treasurer.

A RESOLUTION

WHEREAS, Chapter 6.03 of the Milwaukee County Ordinances authorizes the Real Estate Section of the Economic Development Division of the Department of Administrative Services, to recommend a disposition plan for County-owned property obtained through foreclosure action by the County Treasurer; and,

WHEREAS, the Real Estate Section of the Economic Development Division of the Department of Administration has received property from the County Treasurer by foreclosure action. In accordance with Chapter 6 of the County Ordinances staff has notified the appropriate County departments of the availability of the listed properties for County use prior to recommending a disposition plan; and

WHEREAS, the Director of the Department of Parks, Recreation, and Culture (Parks) requested the transfer of the following properties to their jurisdiction

- 9880 South Pennsylvania Avenue, Oak Creek
- 715 West Oakwood Road, Oak Creek

; and

WHEREAS, these two properties are long narrow strips of vacant land with little to no market value. Parks acquisition of these two parcels would help protect/conserv natural resources in the area and provide an opportunity for expanding recreational connectivity; and

WHEREAS, the Real Estate staff recommends the transfer of the above two properties to Parks and the following disposition plan of the remaining properties in accordance to Chapter 6 of the County ordinances:

- | | |
|--|-------------------|
| 120 West Mount Royal Road, Glendale | Offer for Sale |
| 6212 North Willow Glen Lane, Glendale | Offer for Sale |
| 6213-15 North Willow Glen Lane, Glendale | Offer for Sale |
| 2018 East Beverly Road, Shorewood | Offer for Sale |
| 1301 South 58 th Street, West Allis | Offer for Sale |
| 6215 West National Avenue, West Allis | Offer for Sale |
| 2254 South 75 th Street, West Allis | Offer for Sale |
| 4043 South Kansas Avenue, St. Francis | Offer for Sale |
| Rear of 11327 W. Ryan Rd., Franklin | Offer to Abutters |

; and

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WHEREAS, the Committee on Economic and Community Development at their meeting on March 5, 2012 recommended to the County Board of Supervisors, the transfer of the two properties to Parks and the disposition plan recommended by the Real Estate staff on the remaining properties; now, therefore,

BE IT RESOLVED, that the two properties located at 9880 South Pennsylvania Avenue, Oak Creek and 715 West Oakwood Road, Oak Creek be transferred to the Parks jurisdiction; and

BE IT FURTHER RESOLVED, that the following properties acquired by tax foreclosure proceedings by the County Treasurer and made a part of this file are declared excess to County needs and are to be offered for sale at fair market value in accordance to the disposition plan:

| | |
|--|-------------------|
| 120 West Mount Royal Road, Glendale | Offer for Sale |
| 6212 North Willow Glen Lane, Glendale | Offer for Sale |
| 6213-15 North Willow Glen Lane, Glendale | Offer for Sale |
| 2018 East Beverly Road, Shorewood | Offer for Sale |
| 1301 South 58 th Street, West Allis | Offer for Sale |
| 6215 West National Avenue, West Allis | Offer for Sale |
| 2254 South 75 th Street, West Allis | Offer for Sale |
| 4043 South Kansas Avenue, St. Francis | Offer for Sale |
| Rear of 11327 W. Ryan Rd., Franklin | Offer to Abutters |

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 10, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Manager of Real Estate Services recommending a disposition plan for County-owned properties obtained through foreclosure action by the County Treasurer.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input checked="" type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input checked="" type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input checked="" type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | Indeterminate | |
| | Revenue | Indeterminate | |
| | Net Cost | Indeterminate | |
| 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.

Expenditures and revenues are indeterminate at this time but expected to be within budgeted amounts. The net proceeds from the sale of excess properties will be deposited into the Capital Sales Account 1191-4905.

Department/Prepared By Craig C. Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

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.

LANDS UNDER COUNTY CONTROL WITH AN UNDESIGNATED USE

| ADDRESS | CITY | TAX KEY | SUPRV. DISTRICT | AREA SQ.FT. | ASSESSED VALUE * | DESCRIPTION | RECOMMENDED DISPOSITION |
|------------------------------|-------------|----------------|----------------------------|------------------------|-----------------------------|---------------------|------------------------------------|
| 120 W. Mount Royal Rd. | Glendale | 132-1007 | 01 | 17,900 | 257,000 | Single Family House | Offer for Sale |
| 6212 N. Willow Glen Ln | Glendale | 161-0028 | 06 | 5,355 | 147,000 | Single Family House | Offer for Sale |
| 6213 N. Willow Glen Ln | Glendale | 161-0033 | 06 | 5,228 | 145,000 | Two Family House | Offer for Sale |
| 2018 E. Beverly Rd | Shorewood | 276-0394 | 03 | 5,850 | 240,400 | Single Family House | Offer for Sale |
| 1301 S 58 th St | West Allis | 438-0294 | 19 | 3,150 | 100,200 | Single Family House | Offer for Sale |
| 6215 W. National Ave. | West Allis | 454-0073-001 | 16 | 10,638 | 63,600 | Vacant Comm. Land | Offer for Sale |
| 2254 S. 75 th St. | West Allis | 476-0630 | 16 | 1,800 | 81,300 | Single Family | Offer for Sale |
| 4043 S. Kansas Ave | St. Francis | 583-8914 | 08 | 6,143 | 180,700 | Single Family House | Offer for Sale |
| Rear of 11327 W. Ryan Rd. | Franklin | 892-9993 | 09 | 46,174 | 5,300 | Landlocked Land | Offer to Abutters |

* Assessed value does not reflect market value.

Jb\sales\txd\11-1\dspstnlst



CHRIS ABELE, MILWAUKEE COUNTY EXECUTIVE
SUE BLACK, DIRECTOR OF PARKS, RECREATION AND CULTURE

DRAFT

Date: January 16, 2012

To: Gerald A. Baker, Real Estate Services, City Campus Building, Room 337

From: Sue Black, Director, Department of Parks, Recreation and Culture

Subject: Notification of Availability of County-Owned Real Estate

The Parks Department is interested in acquiring the following two parcels from the list provided in your January 3, 2012 email regarding available IN REM tax foreclosure properties:

- 920-9996
- 954-9984-002

These parcels will help us protect/conservate natural resources in the southern part of the County and provide an opportunity for expanding recreational connectivity. The acquisition of both parcels by the Parks Department is consistent with recommendations contained in our land acquisition plan (draft).

In the past, such jurisdictional transfers did not require the expenditure of Park funds. Please let me know before formal action is taken if these transfers will be treated any differently.

Thank you for your assistance in this matter.

cc: Name, Title, Division/Department [Delete if not applicable]

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE: February 9, 2012

TO: Committee on Economic and Community Development

FROM: Craig C. Dillmann, Manager, Real Estate Services

SUBJECT: Status of 2012 excess property sales (**INFORMATION ONLY**)

The Real Estate Services Section of the Economic Development Division of the Department of Administrative Services reports to the Committee, on a monthly basis, the status of excess property sales. Attached is the monthly report for period ending February 29, 2012.

Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: March 5, 2012

cc. Chris Abele, County Executive
Lee Holloway, County Board Chairman
Patrick Farley, Director of Administrative Services
Brian Taffora, Director of Economic Development
Vince Masterson, Fiscal Management Analyst

REAL ESTATE SERVICES SECTIONREVENUE STATUS REPORT
Period ending February 29, 2012**CLOSED PROPERTIES**

| Property | Committee Date | Closed | Gross Sale Proceeds |
|--------------------|----------------|--------------|----------------------|
| | | | |
| | | | |
| | | | |
| | | TOTAL | |
| 2012 Budget | | | \$ 400,000.00 |

PENDING PROPERTY CLOSINGS

| Property | Committee Date | Pending Closing | Purchase Price |
|--|------------------|------------------------------|------------------------------|
| Block 6E, Park East Development | April 3, 2006 | 3 rd quarter 2012 | \$ 406,000.00 ¹ |
| Blocks 3E, 4E, 5E Park East (MSOE) | January 23, 2012 | 2 nd quarter 2012 | \$ 1,543,265.00 ² |
| Adj. 4407 West Brown Deer Road, Brown Deer | January 23, 2012 | 1 st quarter 2012 | \$ -0- |
| | | | |
| | | TOTAL | \$ 1,949,265.00 |

GENERAL PROPERTY STATUS

| Property | Committee Date | Status | Asking Price |
|---|----------------|--------------------|----------------------------|
| 5414-22 South Packard Avenue, Cudahy | | Available for sale | \$ 35,000.00 |
| 3618 East Grange, Cudahy | | Available for sale | \$ 4,900.00 |
| 3749 East Squire, Cudahy | | Available for sale | \$ 25,000.00 |
| 8450 West Beatrice Ct., Milwaukee | | Available for sale | \$ 375,000.00 ³ |
| 3802 East Cudahy Avenue, Cudahy | | Available for sale | \$ 38,900.00 |
| 1904 S. 94 th Street, West Allis | | Available for sale | \$ 11,900.00 |

1. County's share of \$ 700,000 sales price.
2. County's share of \$ 2,660,802 net proceeds
3. Net proceeds to Federal Transportation Administration

REAL ESTATE SERVICES SECTION

SUMMARY DETAIL OF PENDING PROPERTY CLOSINGS

| PROPERTY | BUYER | CLOSING | COMMENTS |
|------------------------------------|----------------------------|---------------------------------|---|
| Block 6E, Park East | Rainier Properties II, LLC | 3 rd quarter 2012 | Option extension granted until June 30, 2012. If Buyer exercises option closing to occur within 30 days. |
| Blocks 3E, 4E, and 6E Park East | MSOE | 2 nd quarter 2012 | Tri-party agreement approved by the County Board provides for a closing on or before April 30, 2012. |
| NE Quadrant County Grounds | UWM, Innovation Park, LLC | February 15 2011 | <p>Initial \$5 million paid February 15, 2011.</p> <p>County Board extended each of the purchase price installment payment dates after closing by twenty-four (24) months as follows:</p> <ul style="list-style-type: none"> • Second \$5 million payable on February 15, 2014 • \$887,500 payable on February 15, 2015 • \$887,500 payable on February 15, 2016 • \$887,500 payable on February 15, 2017 • \$887,500 payable on February 15, 2018 |



Community Business Development Partners

MILWAUKEE COUNTY

LEE HOLLOWAY • Chairman, Milwaukee County Board of Supervisors
 FREIDA WEBB • Director, Community Business Development Partners

INTER-OFFICE COMMUNICATION

DATE: February 21, 2012

TO: Lee Holloway, Chairman, County Board of Supervisors

FROM: Freida Webb, Director, Community Business Development Partners (CBDP)

SUBJECT: Required Disadvantaged Business Enterprise (DBE) Program Ordinance Amendments

Background

Milwaukee County Code of General Ordinances contains various provisions that relate to the DBE Program, and its design, implementation and enforcement. These provisions require modification in order to maintain compliance with corresponding modifications to Title 49 of the Code of Federal Regulations (49 CFR) Part 26. Federal funding is contingent upon continued compliance with 49 CFR Part 26. Adoption of ordinance changes must have County Board approval, and it is the approval of these Code changes that will ensure compliance and continued funding.

Issue

By Milwaukee County Code the DBE Program is structured to “comply with Title 49 of the Code of Federal Regulations (49 CFR), Parts 23 and 26, as amended from time to time, and all other appropriate federal laws and regulations, as applicable, now in effect or to take effect in the future.”

Since the creation of 49 CFR Part 26, governing the DBE Program, in February 1999, there have been three major updates published. Each of the major revisions has occurred at four-year intervals, June 2003, April 2007 and January 2011. During the past year, Community Business Development Partners (CBDP) has done much internally, with departments, and externally, with contractors, to redress these changes procedurally. CBDP has conferred with representatives of the County Board; Departments of Administrative Services – Facilities Management, Administrative Services – Procurement, Audit, Controller, Corporation Counsel and Transportation; and several key contractors including Milwaukee Transport Services, Inc. to work through the necessary Program updates and their implications. The results of this dialogue, exchange and feedback have been included in these Ordinance modifications.

With procedural remedies nearly exhausted and federally imposed deadlines looming, the remaining updates must be accomplished through Ordinance modification and revision.

Recommendation

Therefore, CBDP requests adoption of the proposed amendments to various sections of Chapters 32, 42, 44 and 56 of the Milwaukee County Code of General Ordinances as they relate to the DBE Program. The amendments are necessary to effectuate the changes mandated by the Federal regulation updates of 49 CFR Part 26.

This matter is also being referred to the following Standing Committees as a means of bringing these necessary updates to the attention of Supervisors in anticipation of their presentation to the County Board



Community Business Development Partners
MILWAUKEE COUNTY

LEE HOLLOWAY • Chairman, Milwaukee County Board of Supervisors
FREIDA WEBB • Director, Community Business Development Partners

during its March Committee Cycle: the Committee on Economic & Community Development, the Committee on Transportation, Public Works & Transit, and the Committee on Finance & Audit.

Freida Webb, Director

Community Business Development Partners

Cc (w/att.): County Executive, Chris Abele
Supervisor Michael Mayo, Transportation, Public Works & Transit
Supervisor Lynne De Bruin, Economic & Community Development, and Finance & Audit
Terry Cooley, County Board Chief of Staff
Jodi Mapp, Committee Clerk
Carol Mueller, Committee Clerk
, Committee Clerk
Kimberly Walker, Corporation Counsel
Jerome Heer, Director of Audit
Scott Manske, County Controller
Patrick Farley, Director of Administrative Services
Frank Busalacchi, Director of Transportation

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(ITEM) From the Director, Community Business Development Partners (CBDP), requesting adoption of the proposed amendments to various sections of Chapters 32, 42, 44 and 56 of the Milwaukee County Code of General Ordinances necessary to effectuate changes mandated by the updates to Title 49 of the Code of Federal Regulation (49 CFR), Part 26, published January 28, 2011, as they relate to the Disadvantaged Business Enterprise (DBE) Program of Milwaukee County, by recommending adoption of the following:

A RESOLUTION/ORDINANCE

WHEREAS, on November 5, 1992, the Milwaukee County Board of Supervisors adopted File No. 92-474, which established that Federal Certification guidelines as established in Title 49 of the Code of Federal Regulations (49 CFR) Part 23 be implemented for all County DBE certification programs; and

WHEREAS, on April 22, 1999, following the direction of the United States Department of Transportation (USDOT), the Milwaukee County Board of Supervisors adopted File No. 99-216(b), which adopted the definitions of 49 CFR Part 26 replacing those of the deleted 49 CFR Part 23; and

WHEREAS, the Milwaukee County Code of General Ordinances directs that the DBE Program “shall comply with Title 49 of the Code of Federal Regulations, Parts 23 and 26, as amended from time to time, and all other appropriate federal laws and regulations, as applicable, now in effect or to take effect in the future”; and

WHEREAS, USDOT requires mandatory DBE Program updates from all recipients of USDOT financial assistance by February 28, 2012, per 49 CFR Part 26; and

WHEREAS, the Milwaukee County Code of General Ordinances directs that CBDP “will be the enforcing office” of the DBE Program responsible for these mandatory Program updates; and

WHEREAS, following the directives prescribed in 49 CFR Part 26, CBDP has completed the necessary updates to Milwaukee County’s DBE Program in order to maintain compliance with this Federal requirement; and

WHEREAS, subsequent USDOT approval of Milwaukee County’s updated DBE Program is a condition of eligibility for continued FAA and FTA financial assistance; and

WHEREAS, CBDP has conferred with representatives of the County Board, the Departments of Administrative Services, DAS – Facilities Management, Audit, Controller, Corporation Counsel, Procurement and Transportation, and key contractors including Milwaukee Transport Services, Inc. to work through DBE Program updates

47 and their implications on County contracting procedures and the Milwaukee County
48 Code of General Ordinances; and

49
50 WHEREAS, CDBP has included the recommendations of these representatives
51 that resulted from extensive dialogue, exchange and feedback in these Milwaukee
52 County Code of General Ordinances modifications; and

53
54 WHEREAS, CDBP has included Milwaukee County Code of General Ordinances
55 modifications which will establish a small business enterprise utilization element to the
56 County's DBE Program that will afford increased opportunities for, and participation of,
57 small businesses seeking and conducting business with the County; and

58
59 WHEREAS, CDBP has modified, to the greatest extent possible, the existing
60 Milwaukee County Code of General Ordinances to coordinate verbatim with the
61 language of 49 CFR Part 26; now, therefore,

62
63 BE IT RESOLVED, that, as requested by CDBP, the Milwaukee County
64 Disadvantaged Business Enterprise (DBE) Program and the Milwaukee County Code of
65 General Ordinances, as it relates to the operation and administration of the DBE
66 Program, be hereby amended to comply with the laws governing participation by such
67 firms on projects assisted with County and Federal funds required by recent federal
68 regulatory changes and to clarify its operation and administration.

69
70 BE IT FURTHER RESOLVED, that to ensure the above-noted revisions are
71 properly codified, the County Board of Supervisors does hereby adopt the following:

72
73 **An Ordinance**

74
75 To amend Chapter 32, 42, 44 and 56 of the General Ordinances of Milwaukee
76 County as appropriate to comply with federal legislative and regulatory changes related
77 to Title 49 of the Code of Federal Regulations, Part 26, that impact the Disadvantaged
78 Business Enterprise Program of Milwaukee County and to clarify the operation and
79 administration of the Disadvantaged Business Enterprise Program of Milwaukee
80 County.

81
82 The County Board of Supervisors of the County of Milwaukee County does
83 ordain as follows:

84
85 **SECTION 1.** Sections 32.20(6), 32.23(4), 32.25(7)(d), 32.25(7)(e), 32.40(6), of
86 the General Ordinances of Milwaukee County are hereby amended as follows:

87
88 **32.20(6). - Words and phrases defined**

89
90 32.20(6) "Procurement" means buying, purchasing renting, leasing, or otherwise
91 acquiring any supplies, materials, equipment and contractual services. It also
92 encompasses all functions that pertain to obtaining the above including

93 description of requirements, selection and solicitation of sources, preparation and
94 award of contract and all phases of administration; including disadvantaged
95 business enterprise administration as defined in chapter 42, where applicable.
96

97 **32.23(4). - Purchasing standardization committee**
98

99 32.34(4) Hear appeals as defined in section 32.26 and 32.51.
100

101 **32.25(7)(d). - Purchasing and contracting procedure**
102

103 Notwithstanding any other provisions of this chapter to the contrary, where
104 adequate competition exists, the purchasing administrator shall have the
105 authority, in any situation where a contract is to be let through the bidding
106 process, to reserve such contract exclusively for vendors listed ~~on the minority~~
107 ~~business enterprise and women~~ as small business enterprises as defined in
108 chapter 42.02(k). In such event, the bid announcements shall indicate such
109 reservation, citing this subsection as authority therefor. Reservations by the
110 purchasing administrator may be on a commodity basis or on an individual
111 contract basis.
112

113 **32.25(7)(e). - Purchasing and contracting procedure**
114

115 Annually the county board shall adopt by resolution a recommended minimum
116 percentage goal for the participation of disadvantaged business enterprise
117 vendors in contracts awarded pursuant to chapter 32. Such goals are not
118 mandatory; however, the purchasing administrator shall make diligent efforts to
119 achieve or exceed such annual participation goals. All written solicitations and
120 notices for bids promulgated or published pursuant to this chapter shall contain
121 language advising potential bidders of the provisions of this subsection
122

123 **32.40. - General**
124

125 32.40(6) Solicitation for services ~~affecting county employees~~ as defined in
126 section 32.20(2) and (17) shall be governed by section 56.30 with an aggregate
127 value in excess of fifty thousand dollars (\$50,000) shall be approved by the
128 county board prior to award. Approval shall not be requested until after
129 completion of the protest and appeal process outlined in 32.50 and 32.51 of this
130 section.
131

132 **SECTION 2.** Section 32.40(7) of the General Ordinances of Milwaukee County
133 is added as follows:
134

135 (7) Notwithstanding any other provisions of this chapter to the contrary, where
136 adequate competition exists, the purchasing administrator shall have the
137 authority, in any situation where a contract is to be let through the negotiated
138 acquisition process, to reserve such contract exclusively for vendors listed as

139 small business enterprises as defined in chapter 42.02(k). In such event, the
140 solicitation announcements shall indicate such reservation, citing this subsection
141 as authority therefore. Reservations by the purchasing administrator may be on
142 a commodity basis or on an individual contract basis.
143

144 **SECTION 3.** Title of Chapter 42 of the General Ordinances of Milwaukee County
145 is amended as follows:

146
147 **Chapter 42. - Title**
148

149 Chapter 42 - DISADVANTAGED BUSINESS ENTERPRISE AND AIRPORT
150 CONCESSION DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION
151 IN PROFESSIONAL SERVICES, TIME AND MATERIAL, AND PUBLIC WORKS
152 COUNTY CONTRACTING
153

154 **SECTION 4.** Sections 42.01, 42.02(1)(a), 42.02(1)(b), 42.02(1)(c), 42.02(1)(e),
155 42.02(1)(f), 42.02(1)(g), 42.02(1)(k), 42.03, 42.04, 42.04(1), 42.04(2), 42.04(3),
156 42.04(4), 42.04(5), 42.04(7), 42.04(8), 42.04(9), 42.04(10), 42.04(11), 42.04(12),
157 42.05, 42.05(1), 42.05(2), 42.05(3), 42.05(4), 42.06, 42.06(1), 42.06(2), 42.06(3),
158 42.06(4), 42.06(5), 42.06(5)(a), 42.06(5)(b), 42.06(5)(c), 42.06(5)(d), 42.06(5)(e),
159 42.07(1), 42.07(2), 42.07(3), 42.07(4), 42.07(5), 42.07(6), 42.07(7), 42.08(1),
160 42.08(2), 42.08(3), and 42.08(4) of the General Ordinances of Milwaukee County
161 are amended as follows:

162 **42.01. - Policy.**

163 Based upon the findings contained in county board file no. 92-474 and all other
164 documents and reports contained therein, it is the county's policy to comply with
165 all federal requirements relating to the Disadvantaged Business Enterprise (DBE)
166 Program and the Airport Concession Disadvantaged Business Enterprise
167 (ACDBE) Program ~~identified in section 42.02(2)(a) and to require opportunities~~
168 ~~for participation by Disadvantaged Business Enterprises (DBE) and Airport~~
169 ~~Concession Disadvantaged Business Enterprises (ACDBE) DBE and ACDBE~~
170 ~~firms in county professional services, time and material, and public works~~
171 ~~contracting. The provisions of this chapter will apply to both county and federally~~
172 ~~funded projects.~~

173 Disadvantaged Business Enterprises Program and Airport Concession
174 Disadvantaged Business Enterprises Program for all projects funded with federal
175 money, including but not limited to the Federal Transit Administration (FTA),
176 Federal Aviation Administration (FAA) and Federal Highway Administration
177 (FHWA) shall comply with Title 49 of the Code of Federal Regulations, Parts 23
178 and 26, as amended from time to time, and all other appropriate federal laws and
179 regulations, as applicable, now in effect or to take effect in the future.

180 **42.02. - Definitions.**

181 (1) For all projects subject to this chapter funded with federal and county

182 money and those funded only by county money, the following definitions shall
183 apply;

184 (a) *Airport concession disadvantaged business enterprise (ACDBE)*
185 means a concession that is a for-profit small business concern (1) that is at
186 least fifty-one (51) percent owned by one (1) or more individuals who are
187 both socially and economically disadvantaged, or in the case of a
188 corporation, in which fifty-one (51) percent of the stock is owned by one (1)
189 or more such individuals; and (2) and whose management and daily
190 operations are controlled by one (1) or more socially and economically
191 disadvantaged individuals who own it.

192 (b) *Commercially useful function.* ~~In addition to the herein described~~
193 ~~definitions, various standard and criteria, as developed by the director of~~
194 ~~transportation and public works, and approved by the county board, will be~~
195 ~~implemented in conjunction with and by the Community Business~~
196 ~~Development Partners Office or such other process as recommended by the~~
197 ~~Director of the Community Business Development Partners Office and~~
198 ~~approved by the county board in order to determine eligibility and~~
199 ~~certification of a disadvantaged business enterprise or an airport concession~~
200 ~~disadvantaged business enterprise. A DBE performs a commercially useful~~
201 ~~function when it is responsible for execution of the work of the contract and~~
202 ~~is carrying out its responsibilities by actually performing, managing, and~~
203 ~~supervising the work involved. To perform a commercially useful function,~~
204 ~~the DBE must also be responsible, with respect to materials and supplies~~
205 ~~used on the contract, for negotiating price, determining quality and quantity,~~
206 ~~ordering the material, and installing (where applicable) and paying for the~~
207 ~~material itself. To determine whether a DBE is performing a commercially~~
208 ~~useful function, all facts and circumstances are considered including, but not~~
209 ~~limited to, the amount of work subcontracted, industry practices, whether the~~
210 ~~amount the firm is to be paid under the contract is commensurate with the~~
211 ~~work it is actually performing and the DBE credit claimed for its performance~~
212 ~~of the work, and other relevant factors.~~

213 (c) *Concession* means one (1) or more of the types of for-profit businesses
214 defined in 49 CFR Part 23, Section 23.3 under the definition listed in
215 paragraphs (1) or (2) of this definition:

216 (1) A business, located on an airport that is engaged in the sale of
217 consumer goods or services to the public under an agreement with
218 Milwaukee County, another concessionaire, or the owner or lessee of a
219 terminal, if other than Milwaukee County; or

220 (2) A business conducting one (1) or more of the following covered
221 activities, even if it does not maintain an office, store, or other business
222 location on an airport, as long as the activities take place on the airport:
223 management contracts and subcontracts, a web-based or other
224 electronic business in a terminal or which passengers can access at the

225 terminal, an advertising business that provides advertising displays or
226 messages to the public on the airport, or a business that provides
227 goods and services to concessionaires.

228 (e) ~~Disadvantaged business enterprise (DBE) means a for-profit small~~
229 ~~business concern which is at least fifty-one (51) percent owned by one (1) or~~
230 ~~more individuals who are both socially and economically disadvantaged or,~~
231 ~~in the case of a corporation in which fifty-one (51) percent of the stock is~~
232 ~~owned by socially and economically disadvantaged individuals who own it.~~
233 Contract means a legally binding relationship obligating a seller to furnish
234 supplies or services (including, but not limited to, construction and
235 professional services) and the buyer to pay for them. For purposes of this
236 part, a lease is considered to be a contract.

237 (f) ~~Good faith efforts means efforts to achieve a DBE or ACDBE goal or~~
238 ~~other requirement, which by their scope, intensity, and appropriateness to~~
239 ~~the objective, can reasonably be expected to fulfill the program requirement.~~
240 Disadvantaged business enterprise (DBE) means a for-profit small business
241 concern which is at least fifty-one (51) percent owned by one or more
242 individuals who are both socially and economically disadvantaged or, in the
243 case of a corporation in which fifty-one (51) percent of the stock is owned by
244 one or more such individuals; and whose management and daily operations
245 are controlled by one or more of the socially and economically
246 disadvantaged individuals who own it.

247 (g) ~~Good faith effort waiver refers to a request to use a prime~~
248 ~~contractor/consultant in the event that the DBE or ACDBE goal cannot be~~
249 ~~met.~~ Good faith efforts means efforts to achieve a DBE or ACDBE goal or
250 other requirement, which by their scope, intensity, and appropriateness to
251 the objective, can reasonably be expected to fulfill the program requirement.

252 (k) ~~Socially and economically disadvantaged individual means any individual~~
253 ~~who is a citizen (or a lawful permanent resident) of the United States and~~
254 ~~who is a member of one (1) of the following groups:~~

255 (1) ~~Any individual who the county on a case-by-case basis~~
256 ~~determines is socially and economically disadvantaged;~~

257 (2) ~~Any individual in the following groups, members of which are~~
258 ~~rebuttably presumed to be socially and economically disadvantaged:~~

259 (i) ~~"African Americans" which includes persons having origins in~~
260 ~~any of the black racial groups of Africa;~~

261 (ii) ~~"Hispanic Americans" which includes persons of Mexican,~~
262 ~~Puerto Rican, Cuban, Central or South American or other Spanish~~
263 ~~culture or origin, regardless of race;~~

264 (iii) ~~"Native Americans" which includes persons who are~~

265 American Indians, Eskimos, Aleuts or Native Hawaiians;

266 (iv) ~~"Asian Pacific Americans" which includes persons whose~~
267 ~~origins are from Japan, China, Taiwan, Korea, Burma (Myanmar),~~
268 ~~Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia,~~
269 ~~Indonesia, the Philippines, Burnei, Samoa, Guam, the U.S. Trust~~
270 ~~Territories of the Pacific and Northern Marinas, Macao, Fiji, Tonga,~~
271 ~~Kirbati, Juvalu, Nauru, Federated States of Micronesia or Hong~~
272 ~~Kong;~~

273 (v) ~~"Sub-continent Asian Americans" which includes persons whose~~
274 ~~origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives~~
275 ~~Islands, Nepal or Sri Lanka;~~

276 (vi) ~~Women;~~

277 (vii) ~~Any additional groups whose members are designated as~~
278 ~~socially and economically disadvantaged by the United States~~
279 ~~Small Business Administration at such time the United States~~
280 ~~Small Business Administration designation becomes effective.~~
281 *Small business enterprise (SBE)* means an organized, for-profit
282 business that is independently owned and operated and not
283 dominant in its field. Depending on the industry, size standard
284 eligibility is based on the average number of employees for the
285 preceding twelve months or on sales volume average over a three-
286 year period. In no case will a firm be an eligible SBE in any
287 Federal fiscal year if the firm (including its affiliates) has had
288 average annual gross receipts, as defined by United States Small
289 Business Administration (SBA) regulations (see 13 CFR 121.402),
290 over the firm's previous three fiscal years in excess of \$22.41
291 million, or if the owner(s) of the firm exceed the personal net worth
292 (PNW) described in 49 CFR Part 26.

293 **42.03. - Enforcing office department.**

294 The community business development partners office department will be the
295 enforcing office department and is hereinafter referred to as "CBDP" office.

296 **42.04. - Function of the office of community business development partners**
297 **department (CBDP).**

298 (1) In accordance with 49 CFR Parts 23 and 26, the ~~office of the~~ director of
299 ~~the community business development partners~~ CBDP is designated as the
300 county's disadvantaged business enterprise liaison officer ("DBELO") and the
301 airport concession disadvantaged business enterprise liaison officer
302 ("ACDBELO").

303 (2) Recommend to the county board appropriate annual percentage
304 requirements for DBE and ACDBE participation in county ~~professional services,~~

305 ~~time and materials and public works~~ contracting. The director shall ensure that
306 the overall ~~annual~~ triennial DBE and ACDBE percentage goals, including race
307 neutral and race conscious components, are set in accordance with the
308 requirements of 49 CFR Parts 23 and 26 as currently enforced or as amended.

309 (3) The director shall recommend to the county board other appropriate
310 policies which encourage SBE, DBE and ACDBE participation in county
311 ~~professional services, time and materials and public works~~ contracting.

312 (4) In consultation with the county's office of corporation counsel, the director
313 shall revise and/or update the ~~disadvantaged business enterprise~~ DBE utilization
314 specifications language to ensure such language is included in ~~professional~~
315 ~~services~~ county contracts.

316 (5) The director shall establish SBE, DBE and ACDBE contract compliance
317 monitoring procedures.

318 (7) The ~~office~~ department shall report annually to the county board on SBE,
319 DBE and ACDBE participation levels on all contracts subject to this chapter. The
320 director shall provide outreach services to SBEs, DBEs and ACDBEs and
321 community organizations to advise them of contracting opportunities with the
322 county.

323 (8) The director shall ensure that department/division heads and contract
324 administrators make available bid notices and requests for proposals to SBEs,
325 DBEs and ACDBEs in a timely manner.

326 (9) The director shall assist department/division heads and contract
327 administrators to identify contracts where DBE and ACDBE race conscious and
328 race neutral goals can be included in contract solicitations.

329 ~~Professional services and County~~ contracts may not be awarded without
330 the written approval of the CBDP director or designee who will ensure that the
331 required SBE, DBE or ACDBE participation is included on all contracts.

332 (11) All contract solicitations subject to this chapter will require the approval of
333 the CBDP director or designee who will ensure that an appropriate DBE or
334 ACDBE goal is assigned and/or consideration is given to participation by SBEs.

335 (12) ~~The CBDP office~~ is responsible for reviewing and approving good faith
336 effort waiver requests when the contractually assigned DBE or ACDBE goal
337 ~~cannot be~~ is not met by a contractor or consultant.

338 **42.05. - Certification of disadvantaged business enterprises (DBE) and airport**
339 **disadvantage business enterprises (ACDBE) DBEs and ACDBEs, and verification**
340 **of SBEs.**

341 (1) The certification of DBE and ACDBE, and verification of SBE firms shall
342 be the responsibility of the CBDP office.

343 (2) Certification of DBE firms and ACDBE firms shall be governed by the
344 standards and guidelines of 49 CFR Parts 23 and 26 and the processes and
345 procedures established by the Wisconsin Unified Certification Program (WIUCP).
346 Verification of SBE firms shall be governed by these same standards, minus any
347 and all reference to race, gender and/or social disadvantage.

348 (3) As a member of the Wisconsin Unified Certification Program (WIUCP), all
349 ~~denials of initial certification and recertification~~ removal decisions by the CBDP
350 office may be appealed to the WIUCP in accordance with 49 CFR Parts 23 and
351 26.

352 (4) The CBDP director is authorized to establish new or amended procedures
353 for certification ~~and recertification~~ in accordance with the WIUCP agreement
354 signed by the county and the members of the WIUCP and 49 CFR Parts 23 and
355 26.

356 **42.06. - Professional services and other non-professional service contracting.**

357 All county ~~departmental and institutional~~ department/division heads and contract
358 administrators are required to provide written notification to the CBDP office as
359 further described herein prior to entering into soliciting for professional services
360 and other non-professional services contracts as defined in sections 32.20(2)
361 and (17) and 56.30 of this Code. Annual percentage goals for DBE and ACDBE
362 participation on professional and non-professional services contracts ~~either at the~~
363 ~~prime or sub-contracted level,~~ will be established as set forth by county
364 ordinance.

365 (1) Regardless of the dollar amount of the contract, all county
366 department/division heads and contract administrators are required to notify the
367 office CBDP in writing prior to publication of an RFP or an RFQ. The
368 department/division heads and contract administrators are is required to submit
369 an approved CBDP a DBE participation recommendation form to the CBDP office
370 for approval. ~~The office will then furnish to the department administrator a list of~~
371 ~~certified DBEs and ACDBEs that the department administrator shall use in its~~
372 ~~selection process unless waived for good cause by the CBDP office upon written~~
373 ~~request from the department administrator. Written request from the department~~
374 ~~administrator shall involve the CBDP office in development of CBDP will~~
375 ~~provide DBE or ACDBE specification language to be utilized in the appropriate~~
376 ~~selection process. The department/division head and/or contract~~ administrator
377 shall notify the office and the controller, in writing, of its selection regardless of
378 whether or not a DBE or ACDBE is selected. No contract shall be issued without
379 review and written approval by the CBDP office that provisions of this section
380 have been met.

381 (2) ~~If the proposer selected is not a DBE or ACDBE, department~~
382 ~~administrators shall be responsible for working with the CBDP office to utilize a~~
383 ~~DBE or ACDBE in any subcontracting work by the departmental or institutional~~
384 ~~administrator in consultation with the CBDP office, unless waived for good cause~~

385 by the director of the CBDP office. CBDP will establish, where feasible, a
386 percentage, up to the total contract value, of prime contract and subcontract
387 awards to be set aside for participation by SBEs during DBE participation
388 recommendation review. A "set aside" is the reserving of a contract or a portion
389 of a contract exclusively for participation by SBEs, regardless of the owner's race
390 or gender.

391 (3) It is the intention and purpose of this section and the process described
392 herein, in addition to procedure and process further detailed in the administrative
393 manual code regarding this section, that each department attain the minimum
394 goal as established by the county either at or through the prime or subcontracted
395 level. CBDP requires contractors/consultants to submit DBE documentation with
396 their original bid/proposal as a matter of responsiveness. CBDP shall provide
397 department/division heads and contract administrators with the appropriate DBE
398 specification language, required contract provisions, instructions, forms and
399 procedures to be included with the bid/proposal solicitations. The
400 department/division head or contract administrator shall forward all DBE
401 submissions to CBDP. CBDP will review responses to assure submission of the
402 required forms and documentation. CBDP shall make determinations as to
403 bidder/proposer responsiveness to DBE requirements, and may reject and
404 remove from further consideration all bids/proposals submitted without proper
405 documentation.

406 (4) The department/division heads and contract administrators will assist the
407 office by submitting quarterly DBE and ACDBE reports that will enable the CBDP
408 office to monitor DBE and ACDBE compliance. All final payment requests must
409 be accompanied by a signed affidavit verifying that the DBE or ACDBE
410 requirements have been met. The owner department shall require all prime
411 contractors/consultants to submit a DBE or ACDBE utilization report with all
412 payment requests. Copies of utilization reports and payment requests shall be
413 forwarded to CBDP for review. Department/Division heads and contract
414 administrators shall ensure that all final payment requests are accompanied with
415 a signed affidavit verifying that the DBE and/or ACDBE requirement has been
416 met, either at the prime or sub-contracted level.

417 (5) It shall be the responsibility of the department administrators to conform
418 to the provisions of this section to ensure utilization of DBEs on county
419 professional service contracts. All directors of county departments must submit
420 an annual disadvantaged business enterprise or airport concession
421 disadvantaged business enterprise utilization plan by February 1 of each year to
422 the CBDP office. The plan shall provide the following information
423 Department/Division heads and contract administrators shall comply with the
424 provisions of this section to ensure utilization of DBE and ACDBE firms on county
425 professional and non-professional service contracts. All department/division
426 heads shall submit annually to CBDP a DBE/ACDBE utilization plan form by
427 December 15 each year. The plan shall provide the following information:

428 (a) Total number of projected professional and non-professional services

- 429 contracts to be awarded by department/division for the year.
- 430 (b) Total value of professional and non-professional services contracts
431 to be awarded and a dollar value by contract type.
- 432 (c) Designation of a department and/or division staff person as contact
433 person(s) for professional and non-professional services contracts.
- 434 (d) ~~Department's plan to secure participation of DBEs and ACDBEs in~~
435 ~~professional services contracts which shall include:~~
- 436 ~~(1) Contracts where DBEs or ACDBEs will be included in the~~
437 ~~request for qualifications (RFQ) or request for proposal (RFP)~~
438 ~~process.~~
- 439 ~~(2) Contracts where proposals can informally be solicited from and~~
440 ~~awarded to DBEs and ACDBEs. Value of contracts/subcontracts the~~
441 ~~department/division estimates will be awarded to DBEs or ACDBEs~~
442 ~~on professional and non-professional services contracts.~~
- 443 (e) ~~Value of contracts/subcontracts the department estimates will be~~
444 ~~awarded to DBEs or ACDBEs on professional services contracts.~~
445 ~~Percentage of total contract dollars that the department/division estimates~~
446 ~~will be awarded to DBEs or ACDBEs.~~

447 **42.07. - Construction contracting.**

- 448 (1) The owner department of ~~public works~~ shall consult with the CBDP office
449 to determine an appropriate goal on all contracts.
- 450 (2) The owner department shall ~~be required to~~ submit an approved DBE
451 participation recommendation form for each ~~public works~~ project. CBDP will
452 establish, where feasible, a percentage, up to the total contract value, of prime
453 contract and subcontract awards to be set aside for participation by SBEs during
454 DBE participation recommendation review. A "set aside" is the reserving of a
455 contract or a portion of a contract exclusively for participation by SBEs,
456 regardless of the owner's race or gender.
- 457 (3) The CBDP ~~director~~ shall provide the director of ~~public works~~ the owner
458 department with appropriate DBE specification language and required contract
459 provisions to be included in bidding and contract documents.
- 460 (4) ~~The department administrator shall ensure that the prime contractor shall~~
461 ~~comply with the assigned DBE or ACDBE goal and/or with the requirements of~~
462 ~~49 CFR Part 26, and make a good faith effort to achieve the required DBE or~~
463 ~~ACDBE participation. If the prime contractor is unable to meet the required DBE~~
464 ~~or ACDBE participation, the prime contractor must submit a good faith effort~~
465 ~~waiver request to the CBDP office. CBDP requires contractors/consultants to~~
466 ~~submit DBE documentation with their original bid/proposal as a matter of~~

467 responsiveness. CBDP shall provide department/division heads and contract
468 administrators with the appropriate DBE specification language, required contract
469 provisions, instructions, forms and procedures to be included with the
470 bid/proposal solicitations. The department/division head or contract administrator
471 shall forward all DBE submissions to CBDP. CBDP will review responses to
472 assure submission of the required forms and documentation. CBDP shall make
473 determinations as to bidder/proposer responsiveness to DBE requirements, and
474 may reject and remove from further consideration all bids/proposals submitted
475 without proper documentation.

476 (5) The owner department of ~~public works~~ shall require the all prime
477 contractors/consultants to submit a DBE or ACDBE utilization report with all
478 payment requests. Copies of utilization reports and payment requests ~~should~~
479 shall be forwarded to the CBDP office for review.

480 (6) ~~The department administrator~~ Department/Division heads and contract
481 administrators shall ensure that all final payment requests ~~must be~~ are
482 accompanied with a signed affidavit verifying that the DBE and/or ACDBE
483 requirement has been met, either at the prime or subcontracted level.

484 (7) The owner department of ~~public works~~ shall submit an annual list of
485 approved ~~public works~~ projects as defined in chapter 44, section 44.001, whether
486 funded with federal funds or solely with county funds. The director of ~~public works~~
487 the owner department must submit the ~~disadvantaged business enterprise~~
488 DBE/ACDBE utilization plan by December 15 of each year to the CBDP office
489 based on the county board adopted budget. The list shall provide the following
490 information:

491 (a) A listing by division within the department of types of contracts to be
492 awarded and a dollar value by contract type based on the county board
493 adopted budget.

494 (b) Designation of a department staff person as contact person(s) for each
495 construction contract.

496 **42.08. - Enforcement and monitoring.**

497 (1) Compliance reviews and audits. ~~During contract performance, the~~ The
498 county and CBDP reserves the right to conduct compliance reviews and request,
499 both from the prime contractor/consultant and DBE
500 subcontractors/subconsultants or ACDE concessionaires, documentation ~~that~~
501 would indicate necessary to verify level of compliance. If the contractor/vendor is
502 not in compliance with DBE and/or ACDBE contract requirements, CBDP will
503 notify the contractor/vendor in writing of corrective action to be taken.

504 (2) If the contractor/consultant fails or refuses to take corrective action within
505 the time specified in the notice, the county at CBDP's request, may terminate or
506 cancel the contract, in whole or in part; withhold payments on the contract until
507 DBE and/or ACDBE contract compliance issues are resolved to the county's

508 satisfaction; or impose other appropriate sanctions, including the one identified in
509 section 42.08(3) below. The director of the owner department of ~~public works or~~
510 ~~appropriate department head~~ shall be notified by the director of the CBDP office
511 when sanctions are made against a contractor/consultant.

512 (3) The director of ~~the~~ CBDP office or designee shall have the authority to
513 withhold contractor/consultant payments until DBE and/or ACDBE participation
514 requirements have been met. If the contractor/consultant has completed its
515 contract, and the goal was not met due to an absence of good faith on the part of
516 the contractor/consultant, the proper measure of damages for such
517 noncompliance shall be the dollar amount of the unmet portion of the DBE and/or
518 ACDBE goal. The county may in such case retain any unpaid contract amounts
519 and retainage otherwise due the contractor/consultant, up to the amount of the
520 unmet goal. Milwaukee County may bring suit to recover damages up to the
521 amount of unmet goal, including interest at the rate of twelve (12) percent
522 annually, plus the county's costs, expenses and actual attorney's fees incurred in
523 the collection action.

524 (4) Pursuant to 49 CFR Part 26 it is county policy to ensure that all
525 subcontractors or subconsultants are promptly paid within seven (7) days of the
526 prime contractor/consultant receiving payment from the county, for all work
527 satisfactorily completed. In the event a prime ~~contractor or prime~~
528 contractor/consultant fails to pay ~~subcontractors~~ or
529 subcontractors/subconsultants within the stated time frame, the CBDP director or
530 designee may direct the owner department or accounts payable head to withhold
531 payment to the prime contractor/consultant or impose other appropriate
532 sanctions in accordance with county ordinance. The CBDP director or designee
533 may authorize a waiver of the requirements of this chapter, as determined by
534 CBDP pursuant to section 42.04(1), on a contract-by-contract basis, upon good
535 cause shown.

536
537 **SECTION 5.** Section 42.02(1)(l) of the General Ordinances of Milwaukee County
538 is added as follows:

539 **42.02(1)(l)** *Socially and economically disadvantaged individual* means any
540 individual who is a citizen (or lawfully admitted permanent resident) of the United
541 States and who is—

542 (1) Any individual who the county finds to be a socially and economically
543 disadvantaged individual on a case-by-case basis

544 (2) Any individual in the following groups, members of which are
545 rebuttably presumed to be socially and economically disadvantaged:

546 (i) "Black Americans" which includes persons having origins in any
547 of the black racial groups of Africa;

548 (ii) "Hispanic Americans" which includes persons of Mexican,

549 Puerto Rican, Cuban, Dominican, Central or South American
550 or other Spanish or Portuguese culture or origin, regardless of
551 race;

552 (iii) "Native Americans" which includes persons who are American
553 Indians, Eskimos, Aleuts or Native Hawaiians;

554 (iv) "Asian Pacific Americans" which includes persons whose origins
555 are from Japan, China, Taiwan, Korea, Burma (Myanmar),
556 Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia,
557 Indonesia, the Philippines, Burnei, Samoa, Guam, the U.S.
558 Trust Territories of the Pacific Islands (Republic of Palau), the
559 Commonwealth of the Northern Marinas, Macao, Fiji, Tonga,
560 Kirbati, Juvalu, Nauru, Federated States of Micronesia or
561 Hong Kong;

562 (v) "Sub-continent Asian Americans" which includes persons whose
563 origins are from India, Pakistan, Bangladesh, Bhutan, the
564 Maldives Islands, Nepal or Sri Lanka;

565 (vi) Women;

566 (vii) Any additional groups whose members are designated as
567 socially and economically disadvantaged by the SBA at such
568 time the SBA designation becomes effective.

569
570 **SECTION 6.** Section 42.06(5)(f) of the General Ordinances of Milwaukee County
571 is deleted in its entirety:

572
573 ~~42.06(5)(f) — Percentage of total contract dollars that the department estimates will be~~
574 ~~awarded to DBEs or ACDBEs.~~

575
576 **SECTION 7.** Sections 44.07(c), 44.16, 44.16(1), and 44.16(3) of the General
577 Ordinances of Milwaukee County are amended as follows:

578 **42.07. - Bid requirements, disqualification and rejection of bids.**

579
580 (c) *List of subcontractors.* Each bidder shall submit with the bid a list of
581 subcontractors (or material suppliers when required by the bid documents), with
582 whom it proposed to contract and the class of work to be performed by each. To
583 qualify for such listing, each subcontractor must first submit a bid in writing to the
584 contractor at least forty-eight (48) hours prior to time of bid closing. The list shall
585 not be altered without written consent of the county. A ~~Except the listing of~~
586 ~~disadvantaged business enterprises, as defined by Milwaukee County Ordinance~~
587 ~~§ 42.02(1)(f), to be used as subcontractors in the bid, a bid shall not be invalid if~~
588 ~~any subcontractor and the class of work to be performed has been omitted. The~~
589 ~~Except for omissions of the names of disadvantaged business enterprises and~~
590 ~~the class of work they are to perform, the~~ omission shall be considered

591 inadvertent or a representation that the bidder will perform the work. If
592 inadvertent, the bidder shall supply the list of subcontractors or material suppliers
593 within three (3) working days from date and time of bid opening. Bid may be
594 rejected upon failure to comply.

595 **44.16. - ~~Minority/women~~ Disadvantaged business enterprise program.**

596 Legislative intent: To assure that all county construction, repair or remodeling or
597 improvement contractors for any public works shall be awarded only on the basis
598 of ability or potential to do the job, and to assure full participation of all qualified
599 individuals:

600 (1) The ~~minority and women's~~ disadvantaged business enterprise (DBE)
601 program authority and procedures shall apply as set forth in chapter 42 of the
602 Code.

603 (2) Any act required to be performed or prohibited by chapter 42 of the Code is
604 hereby incorporated herein by reference.

605 (3) The ~~director of the department of public works~~ appropriate director of
606 transportation (or designee) or the director of administrative services (or
607 designee) is further authorized and empowered by this section to effectuate
608 and establish appropriate procedures, standards and bid specifications to
609 implement and achieve the county policies and goals contained in chapter 42.
610

611 **SECTION 8.** Sections 56.30(1)(a), 56.30(1)(b), 56.30(1)(d), 56.30(1)(e),
612 56.30(2)(a), 56.30(2)(b), 56.30(2)(d), 56.30(6)(g), and 56.30(8)(a) of the General
613 Ordinances of Milwaukee County are amended as follows:

614 **56.30(1) - Definitions.**

615 (a) "Professional services" means services, the value of which is substantially measured
616 by the professional competence of the person performing them and which are not
617 susceptible to realistic competition by cost of services alone. The services provided must
618 be materially enhanced by the specific expertise, abilities, qualifications and experience
619 of the person that will provide the service. Professional services shall typically include
620 services customarily rendered by architects; engineers; surveyors; real estate
621 appraisers; certified public accountants; attorneys; financial personnel; medical services,
622 except when such services are delivered to county employees as part of a workers
623 compensation claim; system planning; management and other consultants; and services
624 for promotional programs. Administrative Manual Procedure 4.13 on ~~professional~~
625 ~~services~~ DBE Contracting Requirements provides additional definition regarding services
626 that meet professional service contracting requirements under this ordinance. If a
627 department administrator or other department personnel is uncertain if their contract
628 should follow professional service contracting provisions under this ordinance, the
629 department administrator must make a request of Corporation Counsel for final
630 clarification, before beginning the contracting procedures.

631 (b) "Services" means the furnishing of labor, time or effort by a contractor/consultant, not
632 involving the delivery of a specific end product other than usual reports and/or drawings

633 which are incidental to the required performance.

634 (d)"Contractor" means a firm or individual who formally undertakes to do anything for
635 another. Independent contractors must maintain a separate business and hold
636 themselves out to and render service to the general public and must have a right
637 to control the details of the work performed. Questions regarding independent
638 contractor status must be directed to Corporation Counsel. Appendix F lists
639 federal criteria to be considered in determining independent contractor status.

640 (e)"Contract" means ~~an agreement between two (2) or more persons to do or not to do~~
641 ~~something~~ a legally binding relationship obligating a seller to furnish supplies or
642 services (including, but not limited to, construction and professional services) and
643 the buyer to pay for them. For purposes of this part, a lease is considered to be a
644 contract.

645 **56.30(2) - Policy.**

646 (a)*General policy statement.* All county departments and institution administrators are
647 responsible for procuring professional services and for soliciting, negotiating and
648 entering into ~~service contracts as defined in section 32.20(17)~~ in accordance with the
649 provisions of this section. However, the office of the county executive and the county
650 board shall be exempt from the provisions contained herein as shall be the department
651 of administration for the purpose of securing credit rating services related to debt
652 issuance and administration.

653 (b)*Disadvantaged business enterprise requirement.* All county departments and
654 institutions administrators are required to notify the ~~disadvantaged business~~
655 ~~development~~ Community Business Development Partners department (CBDP) division
656 in writing prior to entering into soliciting for professional service ~~contracts and service~~
657 ~~contracts as defined in section 32.20(17)~~ contract opportunities. Annual percentage
658 goals for DBE participation on professional services contracts will be established as set
659 forth by county ordinance. The procedures to be followed by departments regarding DBE
660 participation shall conform to provisions as contained in chapter 42. No professional
661 services contract ~~or service contract as defined in section 32.20(17)~~ shall be issued
662 without review and written approval by ~~the CBDP division~~ that all provisions of chapter
663 42 regarding disadvantaged business participation have been met.

664 (c)*Reference to ordinance and administrative manual.* When a county
665 department/division head or contract administrator ~~or institution~~ is preparing to begin a
666 contract for professional services the department/division head or contract administrator
667 ~~should~~ shall follow the ~~ordinances~~ requirements of this section ~~56.30,~~ and chapter 42 on
668 the requirements for using disadvantaged business enterprises in county contracting,
669 including professional services, and administrative manual section 1.13, which provides
670 further guidance on complying with professional service contracting requirements.

671 **56.30(6) - Policy.**

672 (g)All county ~~departments and institutions~~ department/division heads and contract
673 administrators are required to notify the Community Business Development Partners
674 ~~division~~ department (CBDP) in writing prior to entering into soliciting for professional
675 services contracts. Annual percentage goals for DBE participation on professional

676 services contracts will be established as set forth by county ordinance. The procedures
677 to be followed by departments regarding DBE participation shall conform to provisions
678 as contained in Chapter 42. No professional services contract shall be issued without
679 review and written approval by ~~the~~ CBDP ~~division~~ that all provisions of Chapter 42
680 regarding disadvantaged business participation have been met.

681 **56.30(8) - Controller responsibility.**

682 (a) The controller shall, on a quarterly basis, summarize the reports received from
683 department administrators concerning professional services contracts and send one
684 (1) copy to the committee on finance and audit and one (1) copy to the county
685 executive and one (1) copy to ~~the~~ CBDP ~~office~~.

686
687 **SECTION 9.** Sections 56.30(1)(f) and 56.30(1)(g) of the General Ordinances of
688 Milwaukee County are removed in their entirety:

689 **56.30(1) - Definitions.**

690 ~~(f) "Medical services" means services provided by a licensed or recognized~~
691 ~~health care professional, professional group, ambulance or medical~~
692 ~~transportation services operated by governmental units, medical laboratories or~~
693 ~~companies of medical supplies or equipment to county employees whose injury is~~
694 ~~considered a workers compensation claim. Hospitals, community based clinics,~~
695 ~~faculty physicians and surgeons or other physicians operating from Froedtert~~
696 ~~Memorial Lutheran Hospital, non-municipality operated ambulance and medical~~
697 ~~transportation providers are excluded from this definition.~~

698 ~~(g) "Service contract" means an agreement primarily related to staff~~
699 ~~services including, but not limited to, housekeeping, security, landscaping,~~
700 ~~maintenance and other non-professional services.~~

701
702 **SECTION 10.** This ordinance shall become effective upon publication.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 14, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Fiscal impact of County Ordinance modifications to Chapters 32, 42, 44 and 56 as a result of Federal regulation changes directly impacting Milwaukee County's Disadvantaged Business Enterprise (DBE) Program.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | 0 | 0 |
| | Revenue | 0 | 0 |
| | Net Cost | 0 | 0 |
| 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.

A. The compliance of the Milwaukee County DBE Program with the regulations of the USDOT is implicitly spelled out. Title 49 of the Code of Federal Regulations, Part 26.21(c) states, "You are not eligible to receive DOT financial assistance unless DOT has approved your DBE program and you are in compliance with it and this part" with reference being to the whole of Part 26. These Ordinance changes are necessary to maintain compliance therewith, and passage will ensure that Milwaukee County maintains compliance with Federal regulations and continues to receive USDOT funding for its airport and transit operational, administrative and capital development projects.

B. There are no additional direct costs related to these County Ordinance changes.

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.

Department/Prepared By Freida Webb

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No



Community Business Development Partners

MILWAUKEE COUNTY

LEE HOLLOWAY • Chairman, Milwaukee County Board of Supervisors
 FREIDA WEBB • Director, Community Business Development Partners

INTER-OFFICE COMMUNICATION

DATE: February 21, 2012

TO: Lee Holloway, Chairman, County Board of Supervisors

FROM: Freida Webb, Director, Community Business Development Partners (CBDP)

SUBJECT: Request for approval to submit necessary Disadvantaged Business Enterprise (DBE) Program updates to the Federal Aviation Administration (FAA) and the Federal Transit Administration (FTA)

Background

Milwaukee County's DBE Program is structured to "comply with Title 49 of the Code of Federal Regulations (49 CFR), Parts 23 and 26, as amended from time to time, and all other appropriate federal laws and regulations, as applicable, now in effect or to take effect in the future." These regulations have changed, as the result of a rulemaking published in 2011, requiring updates to our current DBE Program. Federal funding is contingent upon continued compliance with 49 CFR Part 26 in our DBE Program.

Issue

Since the creation of 49 CFR Part 26, governing the DBE Program, in February 1999, there have been three major updates published. Each of the major revisions has occurred at four-year intervals, June 2003, April 2007 and January 2011.

Based upon the most recent publication of 49 CFR Part 26, January 28, 2011, Community Business Development Partners (CBDP) is responsible for updating the Milwaukee County DBE Program to comply with the significant changes required by this publication. CBDP has gone through the entire DBE Program and performed the updates necessary for the Program to comply with 49 CFR Part 26 as it now reads. One of these requirements is that the updated plan be submitted to the appropriate operating administration by February 28, 2012. The County must submit its updated DBE Program to both the FAA and the FTA, as funding is received from both of these agencies.

Recommendation

Therefore, CBDP is recommending approval of the proposed updates to the Milwaukee County DBE Program. The submission and approval of an updated DBE Program is necessary to comply the changes mandated by the Federal regulation updates of 49 CFR Part 26.

This matter is also being referred to the following Standing Committees as a means of bringing these necessary updates to the attention of Supervisors in anticipation of their presentation to the County Board during its March Committee Cycle: the Committee on Economic & Community Development, the Committee on Transportation, Public Works & Transit, and the Committee on Finance & Audit.



Community Business Development Partners
MILWAUKEE COUNTY

LEE HOLLOWAY • Chairman, Milwaukee County Board of Supervisors
FREIDA WEBB • Director, Community Business Development Partners

Freida Webb, Director

Community Business Development Partners

Cc (w/att.): County Executive, Chris Abele
Supervisor Michael Mayo, Transportation, Public Works & Transit
Supervisor Lynne De Bruin, Economic & Community Development, and Finance & Audit
Terry Cooley, County Board Chief of Staff
Jodi Mapp, Committee Clerk
Carol Mueller, Committee Clerk
, Committee Clerk
Kimberly Walker, Corporation Counsel
Jerome Heer, Director of Audit
Scott Manske, County Controller
Patrick Farley, Director of Administrative Services
Frank Busalacchi, Director of Transportation

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(ITEM) From the Director, Community Business Development Partners (CBDP), requesting authorization to submit the updated Milwaukee County Disadvantaged Business Enterprise (DBE) Program to the appropriate United States Department of Transportation (USDOT) operating administrations, specifically the Federal Aviation Administration (FAA) and the Federal Transit Administration (FTA), by recommending adoption of the following:

A RESOLUTION

WHEREAS, on November 5, 1992, the Milwaukee County Board of Supervisors adopted File No. 92-474, which established that Federal Certification guidelines as established in Title 49 of the Code of Federal Regulations (49 CFR) Part 23 be implemented for all County DBE certification programs; and

WHEREAS, on April 22, 1999, following the direction of the United States Department of Transportation (USDOT), the Milwaukee County Board of Supervisors adopted File No. 99-216(b), which adopted the definitions of 49 CFR Part 26 replacing those of the deleted 49 CFR Part 23; and

WHEREAS, USDOT requires mandatory DBE Program updates from all recipients of USDOT financial assistance by February 28, 2012, per 49 CFR Part 26; and

WHEREAS, following the directives prescribed in 49 CFR Part 26, CBDP has completed the necessary updates to Milwaukee County's DBE Program in order to maintain compliance with this Federal requirement; and

WHEREAS, subsequent USDOT approval of Milwaukee County's updated DBE Program is a condition of eligibility for continued FAA and FTA financial assistance; now therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby authorizes and directs the Department of Community Business Development Partners to submit the updated Milwaukee County DBE Program plan to the Federal Aviation Administration and the Federal Transit Administration for approvals.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: February 14, 2012

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Resolution by the County Board of Supervisors authorizing Community Business Development Partners (CBDP) to submit the updated Milwaukee County Disadvantaged Business Enterprise (DBE) Program plan to the United States Department of Transportation (USDOT) as prescribed in Title 49 of the Code of Federal Regulations, Part 26.

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact <input checked="" type="checkbox"/> Existing Staff Time Required <input type="checkbox"/> Increase Operating Expenditures (If checked, check one of two boxes below) <input type="checkbox"/> Absorbed Within Agency's Budget <input type="checkbox"/> Not Absorbed Within Agency's Budget <input type="checkbox"/> Decrease Operating Expenditures <input type="checkbox"/> Increase Operating Revenues <input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures <input type="checkbox"/> Decrease Capital Expenditures <input type="checkbox"/> Increase Capital Revenues <input type="checkbox"/> Decrease Capital Revenues <input type="checkbox"/> Use of contingent funds |
|--|--|

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 | 0 | 0 |
| | Revenue | 0 | 0 |
| | Net Cost | 0 | 0 |
| 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.

A. The submission of significant changes to the Milwaukee County DBE Program by CDBP to the appropriate USDOT Operating Administration, in this case FAA & FTA, from whom funds are received is a requirement of all recipients, per 49 CFR 26.21(b)(2). Significant changes are noted in Sections 26.37, 26.39 and 26.47, as well as in the Policy Statement. This resolution will ensure that Milwaukee County maintains compliance with Federal regulations and continues to receive USDOT funding for its airport and transit operational, administrative and capital development projects.

B. There are no additional direct costs related to this updated DBE Program being submitted to USDOT.

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.

Department/Prepared By Freida Webb

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No



Community Business Development Partners

MILWAUKEE COUNTY

LEE HOLLOWAY • Chairman, Milwaukee County Board of Supervisors
 FREIDA WEBB • Director, Community Business Development Partners

INTER-OFFICE COMMUNICATION

DATE: February 29, 2012

TO: Supervisor Lee Holloway, Chair, County Board of Supervisors
 Supervisor Lynne De Bruin, Chair, Economic & Community Development Committee
 Supervisor Members, Economic & Community Development Committee

FROM: Freida Webb, Director, Community Business Development Partners

SUBJECT: DBE WAIVER REPORT FOR JANUARY 2012

DIRECTIVE

At the request of the Committee on Economic and Community Development, the Community Business Development Partners Department (CBDP) provides a monthly update on the Disadvantaged Business Enterprise (DBE) utilization waivers requested by, and granted to, Milwaukee County departments/divisions.

BACKGROUND

CBDP is responsible for designing, implementing, monitoring and enforcing Milwaukee County's DBE Program in order to maintain compliance with Federal Regulations and Milwaukee County Ordinances. Implementation of the Program includes establishing DBE goals on, both, Federal and County funded contracts, as well as monitoring and enforcing compliance of these contracts. DBE goals may only be established on contracts where opportunities exist for ready, willing and able DBE firms to perform commercially useful functions related to the satisfaction of those contracts.

In 1999, the United States Department of Transportation (USDOT) implemented DBE Program rules with seven objectives directed at creating a level playing field on which DBEs could compete fairly for USDOT-assisted contracts. This legislation, 49 CFR Part 26, requires all recipients of USDOT funds to establish and maintain a DBE program that, not only, complies with the intent and language of the legislation, but that has also been reviewed and approved by USDOT. As a result of public and private stakeholder input, Milwaukee County determined and approved, by action of the County Board, to establish and maintain a program based upon the Federal DBE Program rules and standards for all of its contracts. This action of the County Board and County Executive established, and adopted, rules and regulations of USDOT Office of the Secretary, per the Federal Register 49 CFR Parts 23 and 26, over Milwaukee County's Federally, and County, funded projects.

Milwaukee County, as a Federal funding recipient, is required to establish and provide opportunities for DBEs on its contract projects based upon the number of ready, willing and able firms within the scope(s) of each project. Only firms certified as DBEs through Wisconsin's Unified Certification Program, a consortium including WisDOT, Dane County, the City of Madison and Milwaukee County, count as ready, willing and able DBE firms for this purpose.

DBE GOALS

The Milwaukee County Board of Supervisors has established the County's overall desired levels of DBE participation as follows:

| | |
|-------------------------------------|-----|
| Public Works, Construction & Design | 25% |
| Time & Material Contracts | 25% |
| Professional Service Contracts | 17% |
| Procurement of Service Contracts | 17% |
| Procurement of Goods & Commodities | 10% |

WAIVER REQUESTS

When CBDP receives a waiver request from a department/division, CBDP staff reviews it before forwarding it onto the County Board Chair, with a recommendation of approval or denial. The Chair may request that CBDP gather more information to provide clarification regarding any apparent or identified issues.

County Board Chair Lee Holloway consistently ensures maximum DBE participation on County projects. Whether directly or indirectly, DBE participation is sought as a means of enhancing economic opportunities for small business growth and development within the scope and reach of Milwaukee County's contracting dollars.

WAIVER REPORT SUMMARY

The **DBE Waiver Report for January 2012**, as compiled and attached by CBDP, notes the following totals and overall percentage of waiver requests. Please see the attachment for waivers requested as broken out by individual owner department, contractor/consultant awarded, scope of services rendered, total contract amounts, and reason for approval, or lack thereof.

| | | |
|--|-----------|---------------------|
| Total Contracted Dollars for January 2012 | \$ | 3,253,164.20 |
| Total Contracted Dollars w/ Waiver Approval | \$ | 472,051.62 |
| Total Contracted Dollars w/o Waiver Approval | \$ | 0.00 |
| Percentage of Contracts Waived for January 2012 | | 14.51% |

RECOMMENDATION

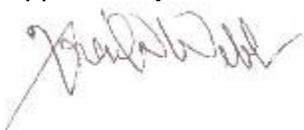
The following CBDP staff members prepared this information only report, and humbly propose that it be received and filed, as such.

Mildred Hyde-Demoze
Certification Manager



Mark Phillips
Contract Compliance Manger, DBE

Approved by:



Freida Webb
Director

CC: Chris Abele, Milwaukee County Executive

Milwaukee County Community Business Development Partners Department (CBDP) DBE Waiver Report January 2012

| DEPARTMENT | CONSULTANT/CONTRACTOR | SCOPE OF SERVICES | CONTRACT AMOUNT | APPROVAL REASON |
|------------|-----------------------|-------------------|-----------------|-----------------|
|------------|-----------------------|-------------------|-----------------|-----------------|

CBDP Approved Waivers ¹

| | | | | |
|-----------------------------|------------------------------------|---|------------|---|
| Corporation Counsel | Foley & Lardner, LLP | Legal Advice | 25,000.00 | Waived per Chapter 42 Ordinance |
| Corporation Counsel | Stantec | Swimming Pool Engineering - Expert Witness | 20,000.00 | Waived per Chapter 42 Ordinance |
| County Board of Supervisors | Granicus, Inc. | Updates and service improvements to Legistar software | 5,500.00 | Waived per Ordinance Section 56.30(2)(a) |
| DAS - ED - MCAMLIS | Pictometry International Corp, Inc | 2012 Milwaukee County Ortho/Oblique Imagery | 134,494.62 | Waived per Chapter 42 Ordinance |
| DAS - Fiscal Affairs | U.S.Bank | Payment for professional services related to GMIA revenue bonds | 6,557.00 | Waived - No DBE to provide service |
| DHHS - Delinquency/Court | Public Policy Forum | Review of juvenile re-offense date and final report | 10,500.00 | Waiver per Chapter 42 Ordinance |
| GMIA - Intergovernmental | US Geological Survey | Water Quality Impacts due to Glycol Deicer Management | 270,000.00 | Waived per Intergovernmental Relations/Requirements |

Contracts Issued Without CBDP Review ²

None

| | |
|---------------------------------------|----------------|
| Total Contract \$ Amount for December | \$3,253,164.20 |
| Total Approved Waiver \$ Amount | \$472,051.62 |
| Total Unapproved Waiver \$ Amount | \$0.00 |
| Percentage Waived | 14.51% |

¹ Waivers approved by CBDP with County Board Chairman's approval

² Contracts issued by Departments without CBDP review, County Board Chair approval, or a DBE goal; CBDP is only made aware of these projects when accounts payable forwards new contact information to CBDP