



Date: November 21, 2013

To: Chairwoman M. Dimitrijevic  
Supervisor W. Johnson, Jr.  
Supervisor D. Cullen  
Supervisor G. Broderick

CC: Jay Williams

**Subject: Report from the Milwaukee Public Museum  
Fiscal 2013 – Yearend Financial Update**

**Summary**

The continuing purpose of the museum is to educate, explore, discover and preserve the world and its people. MPM's mission, across time and cultures, is to be a world class museum that focuses on the intersections between people and the environment and the impact each has on the other.

The revised Lease and Management Agreement between Milwaukee County and the MPM along with associated donor commitments for debt reduction created significant improvements to the museum's financial health which is evident in the attached statements. Fully audited results are included with this report.

Prior to the museum's fiscal yearend, the County's \$3 million contribution to the Pension Plan for Former County Employees significantly reduced the liability and associated cash contribution requirements for MPM. Donor commitments of \$4.5 million to eliminate the remaining term debt were recognized which added to the financial performance for the year. For fiscal 2013, MPM booked Revenue of \$19.2 million with a resulting \$8.7 million change in Net Assets.

Base museum attendance including exhibitions was down 3% from prior year at 380,000 visitors. Theater attendance was down substantially from prior year to 95,000 visitors due to the delay in the installation of the new 3D projection system. As part of MPM's agreement with the company that provided the new 3D projection system, an outside consultant is reviewing the local market and MPM's theater operations which will result in recommendations for improving attendance.

This spring, more than 5,000 3<sup>rd</sup> grade students from MPS participated in Learning Journeys, a planetary and earth science program focused on change through time. This was a program

## Milwaukee Public Museum

designed to meet the specific needs of MPS teachers and it was funded through the MPS Foundation by the Bader Foundation. More than 6,000 students partook of programming through our Distance Learning program this spring and education staff provided visitor engagement activities for over 3,000 people.

The student exhibit, Darkness Illuminated, opened to the public on May 3rd. Each year, UW-Milwaukee / MPM Museum Studies students develop an exhibit from inception to completion. This year's exhibit will be on display from early May 2013 through April 2014 on the third floor of the Museum.

Starting September 27<sup>th</sup>, MPM opened “The Scoop on Poop”, an exhibit focused on the science of what animals leave behind. This interesting and fun exhibit will end in January 2014.

Works continues on a new permanent ancient civilizations exhibit that is expected to open in early 2015. A life-size Persian Warrior was completed and work has progressed on King Tut and his chariot and horses. A stone wall facade has been created in the third floor elevator lobby which provides a fitting entrance to the new exhibit area.

MPM’s collective bargaining agreement with AFSME was scheduled to expire June 30<sup>th</sup>. The parties have agreed to extend the current agreements six months through December 31, 2013. This allows more time for both management and the union to better understand the implications of changes to healthcare as requirements from the Affordable Care Act legislation.

### **Financial Results**

Attached are audited financial statements for the fiscal 2013 year ending August 31st.

Operating revenues of \$19.2 million included the one-time \$3 million county pension contribution along with \$2.55 million in released from restriction revenue which went toward debt reduction. At \$13.8 million for the year, operating expenses were 5% below plan and \$2.2 million less than prior year. Non-operating impacts include investment income of \$0.7 million on \$7.1 million in endowment assets.

Major gift commitments through the museum’s capital campaign have improved MPM’s net assets from \$9.1 million at the end of the prior fiscal year to \$17.8 million as of the end fiscal 2013. These restricted gifts will reduce MPM’s debt obligations and resolve other facility related issues.

MPM’s remaining term debt of \$2.1 million will be extinguished over the next 4 years as donor pledges are realized. MPM also has a \$1.2 million working line of credit. As of August 31, \$375,000 had been borrowed against the line.

MPM continues to have a significant liability for retiree medical and life insurance costs for former county employees. As of August 31<sup>st</sup>, that actuarially calculated liability stands at \$4.6 million.

**Milwaukee Public Museum**

**Looking Forward**

BodyWorlds is back with a new exhibition opening to the public on February 6<sup>th</sup>, 2014. “*BodyWorlds, the Cycle of Life*” focuses on health and lifestyle choices impacting the body from birth to death. This fascinating exhibition will be accompanied by “The Human Body” full dome film, which takes the visitor through the systems and structures beneath the skin and looks at the biological processes that go on without our control and often without our notice.

Starting in January, MPM admission will be free to Milwaukee County Residents the first Thursday of every month in 2014. “Thank You Thursdays” are in addition to \$2.00 off the Museum admission fee any day of the week for Milwaukee County residents.

The museum’s south facing façade along Wells Street is currently under construction. The project will result in the largest solar panel array in Milwaukee. This project supports not only improvements to the building structure and insulation but will provide related museum programming focused on energy conservation and sustainability of resources.

Please contact me if you have any questions or concerns with the enclosed materials.

Sincerely,

*Michael A. Bernatz*

Michael A. Bernatz  
Chief Financial Officer  
Milwaukee Public Museum

**Milwaukee Public Museum**

	<b>YTD</b>	<b>YTD</b>		<b>Prior Year</b>	<b>Prior Year</b>
	<b>Actual</b>	<b>Budget</b>	<b>Dev</b>	<b>Actual</b>	<b>Change</b>
<b>Revenue:</b>					
Contributions and Membership	3,665,921	3,756,110	(90,189)	3,269,607	396,314
Special Event Revenue	529,040	519,150	9,890	555,902	(26,862)
Public Support	6,502,376	3,502,376	3,000,000	3,502,376	3,000,000
Admissions	2,420,741	3,358,763	(938,021)	2,874,678	(453,937)
Theatre/Planetarium	497,988	1,037,787	(539,800)	710,361	(212,374)
Programs	169,142	176,265	(7,122)	157,376	11,766
Contributed Services	385,064	0	385,064	312,193	72,871
Restaurant and Facility Rental	192,499	331,081	(138,582)	266,762	(74,263)
Retail	655,903	793,848	(137,945)	629,013	26,890
Other income	67,037	126,179	(59,142)	201,383	(134,346)
Net assets released from restrictions	4,084,507	1,020,561	3,063,946	1,708,017	2,376,490
<b>Total Unrestricted Revenue</b>	<b>19,170,217</b>	<b>14,622,119</b>	<b>4,548,098</b>	<b>14,187,668</b>	<b>4,982,549</b>
<b>Operating Expenses:</b>					
Cost of Goods Sold	281,593	346,812	(65,219)	269,093	12,500
Supplies	1,369,241	1,779,898	(410,657)	1,211,228	158,013
Salaries and Wages	5,785,426	5,861,480	(76,054)	6,017,966	(232,540)
Benefits	1,239,391	1,311,228	(71,837)	1,332,565	(93,174)
Travel	104,319	116,921	(12,602)	200,774	(96,455)
Insurance	131,566	177,671	(46,105)	260,891	(129,325)
Public Relations	701,434	922,315	(220,881)	893,269	(191,835)
Member/Donor Development	45,508	101,409	(55,900)	39,360	6,148
Subscriptions/Memberships	25,413	37,800	(12,387)	29,582	(4,169)
Maintenance	563,007	630,256	(67,249)	1,479,954	(916,947)
Utilities	1,011,273	1,018,730	(7,457)	1,017,342	(6,069)
Professional Fees	542,228	504,317	37,911	1,140,533	(598,305)
Interest Expense	218,893	205,408	13,485	217,810	1,083
Miscellaneous	183,852	162,422	21,429	124,042	59,810
Sales Tax Expense	13,783	15,198	(1,415)	14,865	(1,082)
Donated Services Used	370,594	0	370,594	312,192	58,402
Depreciation	1,215,805	1,290,967	(75,162)	1,415,410	(199,605)
<b>Total Operating Expenses</b>	<b>13,803,327</b>	<b>14,482,832</b>	<b>(679,505)</b>	<b>15,976,876</b>	<b>(2,173,549)</b>
<b>Inc (dec) in unrestricted net assets before non operating items</b>	<b>5,366,891</b>	<b>139,287</b>	<b>5,227,604</b>	<b>(1,789,208)</b>	<b>7,156,099</b>
<b>Non Operating Items:</b>					
Investment Earnings	269,711	0	269,711	(3,417,851)	3,687,562
Loss on Swap Liability	108,193	0	108,193	157,999	(49,806)
Pension & Post Retirement Expenses	1,001,862	(600,000)	1,601,862	(11,530)	1,013,392
<b>Total Non Operating Items</b>	<b>1,379,766</b>	<b>(600,000)</b>	<b>1,979,766</b>	<b>(3,271,382)</b>	<b>4,651,148</b>
<b>Inc (dec) in unrestricted net assets</b>	<b>6,746,656</b>	<b>(460,713)</b>	<b>7,207,369</b>	<b>(5,060,590)</b>	<b>11,807,246</b>
<b>Changes in Temporarily Restricted Net Assets:</b>					
Contributions	5,643,019	7,618,000	(1,974,982)	2,936,825	2,706,194
Investment Earnings	421,146	0	421,146	296,055	125,091
Contributed Services	0	0	0	0	0
Net assets released from restrictions for operations	(4,084,507)	(1,020,561)	(3,063,946)	(1,708,017)	(2,376,490)
<b>Inc (dec) in temporarily restricted net assets</b>	<b>1,979,658</b>	<b>6,597,439</b>	<b>(4,617,781)</b>	<b>1,524,863</b>	<b>454,795</b>
<b>Changes in Permanently Restricted Net Assets:</b>					
Contributions	0	0	0	3,500	(3,500)
Investment Earnings	10,538	0	10,538	7,153	3,385
Net assets released from restrictions for operations	0	0	0	0	0
<b>Inc (dec) in permanently restricted net assets</b>	<b>10,538</b>	<b>0</b>	<b>10,538</b>	<b>10,653</b>	<b>(115)</b>
<b>Inc (dec) in Net Assets</b>	<b>8,736,853</b>	<b>6,136,726</b>	<b>2,600,126</b>	<b>(3,525,074)</b>	<b>12,261,926</b>
<b>Total Net Assets at Beginning of Period</b>	<b>9,149,638</b>	<b>9,149,638</b>	<b>0</b>	<b>12,674,712</b>	<b>(3,525,074)</b>
<b>Total Net Assets at End of Period</b>	<b>17,886,491</b>	<b>15,286,364</b>	<b>2,600,126</b>	<b>9,149,638</b>	<b>8,736,852</b>

Milwaukee Public Museum

**Milwaukee Public Museum**

	<b>Consolidated</b>	<b>Consolidated</b>	
	<b><u>8/31/13</u></b>	<b><u>8/31/12</u></b>	<b><u>Change</u></b>
<b>Assets:</b>			
Cash and cash equivalents	2,783,938	1,656,825	1,127,113
Investments	262,078	279,247	(17,169)
Accounts Receivable	54,894	66,150	(11,256)
Contributions Receivable - Current	1,246,820	1,017,450	229,370
Due From Other Entities	0	0	0
Inventories, net	61,979	23,411	38,568
Prepaid Expenses	160,026	247,781	(87,755)
<b>Total Current Assets</b>	<b>4,569,737</b>	<b>3,290,864</b>	<b>1,278,873</b>
<b>Other Assets:</b>			
Cash and investments held for endowment	6,545,098	6,462,411	82,687
Contributions Receivable - Long Term	2,937,876	2,228,893	708,983
Other Long Term Assets	0	0	0
<b>Total Other Aassets</b>	<b>9,482,974</b>	<b>8,691,304</b>	<b>791,670</b>
<b>Property &amp; Equipment:</b>			
Construction in Progress	47,236	117,792	(70,556)
Building Additions	19,501,125	19,310,494	190,631
Furniture, equipment and other improvements	11,210,032	10,607,955	602,077
Gross Property & Equipment	30,758,392	30,036,241	722,151
Less-Accumulated depreciation	(16,244,242)	(15,035,232)	(1,209,010)
<b>Net Property &amp; Equipment</b>	<b>14,514,150</b>	<b>15,001,009</b>	<b>(486,859)</b>
<b>Total Assets</b>	<b>28,566,860</b>	<b>26,983,177</b>	<b>1,583,683</b>
<b>Liabilities and Net Assets:</b>			
Accounts Payable	408,352	894,678	(486,326)
Accrued Payroll & Benefits	483,214	531,990	(48,776)
Deferred Revenue	1,100,311	1,216,539	(116,228)
Interest Payable	17,891	17,852	39
Accrued Postretirement Benefits - Current	107,063	118,166	(11,103)
Notes Payable - Current	945,000	262,000	683,000
Capital Leases - Current	0	0	0
<b>Total Current Liabilities</b>	<b>3,061,831</b>	<b>3,041,225</b>	<b>20,607</b>
Accrued Postretirement Benefits	5,815,187	10,162,770	(4,347,583)
Interest Rate Swap Liability	176,351	284,544	(108,193)
Due to Other Entities	0	0	0
Notes Payable	1,627,000	4,345,000	(2,718,000)
<b>Total Liabilities</b>	<b>10,680,369</b>	<b>17,833,539</b>	<b>(7,153,169)</b>
<b>Net Assets:</b>			
Unrestricted	6,794,958	48,301	6,746,657
Temporarily Restricted	7,251,117	5,271,459	1,979,658
Permanently Restricted	3,840,416	3,829,878	10,538
<b>Total Net Assets</b>	<b>17,886,491</b>	<b>9,149,638</b>	<b>8,736,853</b>
<b>Total Liabilities and Net Assets</b>	<b>28,566,860</b>	<b>26,983,177</b>	<b>1,583,684</b>

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

**Date:** NOVEMBER 25, 2013

**To:** Marina Dimitrijevic, Chairwoman of the County Board of Supervisors

**FROM:** Matthew Hanchek, Director of Benefits, Department of Human Resources 

**SUBJECT:** **Request to amend Chapter 17 of the Milwaukee County Code of General Ordinances as it pertains to employee healthcare benefits based on the provisions of the 2013 Adopted Budget**

**Background**

Milwaukee County Code of General Ordinances contains various provisions that relate to employee healthcare benefits. The healthcare benefits defined in ordinance require modification prior to January 1, 2014 due to changes approved in the 2014 Adopted Budget.

**Issue**

The 2014 Adopted Budget included several plan design changes that are reflected in the attached resolution/ordinance and are summarized in Attachment 1. Those modifications establish the following:

- Medical and Dental plan premium contribution amounts
- Implementation of a wellness plan with participation incentive applied to medical plan premium contributions
- Employer-matched flexible spending account contributions
- Modifications to the Conventional Dental Plan (Delta Dental)
- Modifications to the DMO Plan

**Recommendation**

The Department of Human Resources is recommending approval of the proposed amendments to Chapters 17.14 (7) & (9) of the Milwaukee County Code of General Ordinances regarding employee healthcare benefits. The amendments are necessary to effectuate the changes approved in the 2014 Adopted Budget to achieve budgeted savings and to codify plan design changes.

**Cc:** County Executive Chris Abele  
Supervisor Willie Johnson, Jr., Finance, Personnel and Audit Committee  
Supervisor David Cullen, Finance, Personnel and Audit Committee  
Amber Moreen, Chief of Staff, County Executive's Office  
Kelly Bablitch, County Board Chief of Staff  
Don Tyler, Administrative Services  
Joshua Fudge, Fiscal and Budget Administrator  
Kerry Mitchell, Human Resources  
Fred Bau, Labor Relations  
Steve Cady, Fiscal and Budget Analyst, County Board  
Carol Mueller, Chief Committee Clerk

**Attachment 1**

**Effective January 1, 2014:**

**Employee Medical Premium Contribution Amounts (monthly)**

	Wellness Compliant	Non-Compliant
Employee Only	\$80	\$130
Employee + Child(ren)	\$100	\$150
Employee + Spouse	\$160	\$210
Employee + Family	\$180	\$230

**Employer Healthcare FSA Contribution Amounts (Annual):**

Milwaukee County will match employee contributions on a 1:1 basis up to a maximum County contribution of \$1200 per year

**Milwaukee County Dental Premium Contributions**

Employee Only	\$10
Employee + Child(ren)	\$25
Employee + Spouse	\$25
Employee + Family	\$25

Dental Plan Design Summary:

	<b>Conventional</b>	<b>DMO</b>
<b>Annual Benefit Maximum</b>	\$2500 (excludes preventive care)	\$3000
<b>Deductible</b>	\$25 single / \$75 family	\$25 single / \$75 family
<b>Preventive</b>	100%	100%
<b>Minor Restorations</b>	80%	100%
<b>Major Restorations</b>	50%	80%
<b>Orthodontia</b>	50%	75%
<b>Lifetime Orthodontia Max</b>	\$2500	Unlimited

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(ITEM ) From the Director of Employee Benefits, Department of Human Resources, recommending adoption of a resolution/ordinance to amend Chapter 17.14 (7) of the Milwaukee County Code of General Ordinances as it pertains to healthcare benefits to make them consistent with the provisions of the 2014 Adopted Budget by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the benefit modification adopted as part of Org. 1950 – Employee Fringe Benefits in the 2014 Adopted Budget require adoption of the attached conforming ordinances to effectuate those changes for all employees and retirees, and

WHEREAS, the benefit modification recommended in the 2014 Adopted Budget include a new revised monthly premiums, now therefore

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby amends Section 17.14 (7) of the Milwaukee County Code of General Ordinances by adopting the following:

**AN ORDINANCE**

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

**SECTION 1.** Section 17.14(7) of the General Ordinances of Milwaukee County is amended as follows:

*(7) Milwaukee County Group Health Benefit Program.*

- (a) Health ~~and dental~~ benefits shall be provided for in accordance with the terms and conditions of the current plan document and the group administrative agreement for the Milwaukee County Health ~~Insurance~~ Plan.
- (b) All health care provided shall be subject to utilization review.
- (c) Eligible employees may choose health benefits for themselves and their dependents under a preferred provider organization (county health plan or PPO).

31 (d) Eligible employees enrolled in the PPO shall pay a monthly amount toward  
32 the monthly cost of health insurance as described below:

33 (1) Effective January 2013~~4~~ employees enrolled in the PPO comparable  
34 plan who would otherwise pay the premium contribution set forth in  
35 subsection (2) and who comply with the requirements of the wellness  
36 plan shall pay the following amounts per month toward the monthly cost  
37 of the respective plan:

38 Employee Only ~~.....\$100.00~~ \$80.00

39 Employee + Child(ren) ~~.....125.00~~ \$100.00

40 Employee + Spouse ~~.....200.00~~ \$160.00

41 Employee + Family ~~.....225.00~~ \$180.00

42 | (2) Effective January 2013~~4~~ employees enrolled in the PPO comparable  
43 plan who do not comply with the requirements of the wellness plan shall  
44 pay the following amounts per month toward the monthly cost of the  
45 respective plan:

46 Employee Only \$130.00

47 Employee + Child(ren) ..... \$150.00

48 Employee + Spouse ..... \$210.00

49 Employee + Family ..... \$230.00

50 (3) The appropriate payment shall be made through payroll deductions.  
51 When there are not enough net earnings to cover such a required  
52 contribution, and the employee remains eligible to participate in a health  
53 care plan, the employee must make the payment due within ten (10)  
54 working days of the pay date such a contribution would have been  
55 deducted. Failure to make such a payment will cause the insurance  
56 coverage to be canceled effective the first of the month for which the  
57 premium has not been paid.

58 (4) The county shall deduct employees' contributions to health insurance on  
59 a pre-tax basis pursuant to a Section 125 Plan.

60 (5) The county shall establish and administer flexible spending accounts  
61 (FSAs) for those employees who desire to pre-fund their health

62 ~~insurance- and dependent care~~ costs as governed by IRS regulations.  
63 The county retains the right to select a third party administrator.

64 a. The county shall ~~make match the employees' an~~ annual contributions  
65 to the FSA account on a dollar-for-dollar basis up to an annual  
66 maximum match of \$1200.00 for each active and enrolled eligible  
67 employee who is covered by subsection 201.24(3.11) of the  
68 pension ordinance or who is covered by a collective bargaining  
69 agreement that includes a mandatory employee pension  
70 contribution consistent with subsection 201.24(3.11) of the pension  
71 ordinance. ~~The contribution shall be based upon plan enrollment~~  
72 ~~and will be funded as follows per calendar year:~~

73 ~~Employee Only .....\$600.00~~

74 ~~Employee + Child(ren) .....1,440.00~~

75 ~~Employee + Spouse .....1,200.00~~

76 ~~Employee + Family .....1,800.00~~

77 The contributions shall be subject to and in accordance with IRS  
78 regulations.

79 (e) In the event an employe who has exhausted accumulated sick leave is  
80 placed on leave of absence without pay status on account of illness, the  
81 county shall continue to pay the monthly cost or premium for the PPO in  
82 force at the time leave of absence without pay status is requested, if any,  
83 less the employe contribution during such leave for a period not to exceed  
84 one (1) year. The one-year period of limitation shall begin to run on the first  
85 day of the month following that during which the leave of absence begins.  
86 An employe must return to work for a period of sixty (60) calendar days with  
87 no absences for illness related to the original illness in order for a new one-  
88 year limitation period to commence.

89 (f) Where both husband and wife are employed by the county, either the  
90 husband or the wife shall be entitled to one (1) family plan. Further, if the  
91 husband elects to be the named insured, the wife shall be a dependent  
92 under the husband's plan, or if the wife elects to be the named insured, the  
93 husband shall be a dependent under the wife's plan. Should neither party  
94 make an election the county reserves the right to enroll the less senior  
95 employe in the plan of the more senior employe. Should one (1) spouse

96 retire with health insurance coverage at no cost to the retiree, the employed  
97 spouse shall continue as a dependent on the retiree's policy, which shall be  
98 the dominant policy.

99 ~~(g) Coverage of enrolled employees shall be in accordance with the monthly~~  
100 ~~enrollment cycle administered by the county.~~

101 (g) Eligible employees may continue to apply to change their participation in the  
102 health plan on an annual basis. This open enrollment shall be held at a date  
103 to be determined by the county and announced at least forty-five (45) days  
104 in advance.

105 (h) The county shall have the right to require employees to sign an authorization  
106 enabling non-county employees to audit medical and dental records.  
107 Information obtained as a result of such audits shall not be released to the  
108 county with employee names unless necessary for billing, collection, or  
109 payment of claims.

110 (i) Amendments to the Public Health Service Act applies federal government  
111 (COBRA) provisions regarding the continuation of health insurance to  
112 municipal health plans. Milwaukee County, in complying with these  
113 provisions, shall collect the full premium from the insured, as allowed by  
114 law, in order to provide the continued benefits.

115 (j) The county reserves the right to establish a network of providers. The  
116 network shall consist of hospitals, physicians, and other health care  
117 providers selected by the county. The county reserves the right to add,  
118 modify or delete any and all providers under the network.

119 (k) Employees not covered by subsection ~~(m)-(l)~~ may, upon retirement, opt to  
120 continue their coverage in the county group health benefit program upon  
121 payment of the full monthly cost.

122 (l) The provisions of this subsection are considered a part of an employee's  
123 vested benefit contract as more fully set forth in subsection [201.24\(5.10\)](#).  
124 For the purpose of this subsection, service as a county employe not to  
125 exceed six (6) months under an emergency appointment, if continuous,  
126 may be included in calculating the fifteen (15) years of creditable pension  
127 service. The county shall pay the full monthly cost of providing county  
128 group health coverage under [section 17.14](#) to the following individuals:

- 129 (1) Upon retirement, employees who were non-represented as of  
130 December 31, 2011, or who were represented, as of December 31,  
131 2011, by the American Federation of State, County and Municipal  
132 Workers, or by the International Association of Machinists and  
133 Aerospace Workers, or by the Technicians, Engineers and  
134 Architects of Milwaukee County, or by the Milwaukee Building and  
135 Construction Trades Council, or by the Milwaukee County  
136 Firefighters Association, and who were hired prior to January 1,  
137 1994, and who have fifteen (15) years or more of creditable  
138 pension service as a county employe, or who have at least seven  
139 and one-half (7½) years of creditable pension service as a county  
140 employe and have also retired after fifteen (15) or more years of  
141 service as a City of Milwaukee employe.
- 142 (2) Employees who were represented as of December 31, 2011 by the  
143 Federation of Nurses and Health Professionals, and who were  
144 hired prior to September 27, 1995, and who have fifteen (15) years  
145 or more of creditable pension service as a county employe, or who  
146 have at least seven and one-half (7½) years of creditable pension  
147 service as a county employe and have also retired after fifteen (15)  
148 or more years of service as a City of Milwaukee employe.
- 149 (3) Employees who were represented as of December 31, 2011 by the  
150 Association of Milwaukee County Attorneys, and who were hired  
151 prior to January 1, 2006, and who have fifteen (15) years or more of  
152 creditable pension service as a county employe, or who have at  
153 least seven and one-half (7½) years of creditable pension service  
154 as a county employe and have also retired after fifteen (15) or more  
155 years of service as a City of Milwaukee employe.
- 156 (4) Employees who were represented as of December 31, 2011 by the  
157 Deputy Sheriffs Association, and who were hired prior to July 1,  
158 1995, and who have fifteen (15) years or more of creditable  
159 pension service as a county employe, or who have at least seven  
160 and one-half (7½) years of creditable pension service as a county  
161 employe and have also retired after fifteen (15) or more years of  
162 service as a City of Milwaukee employe.
- 163 (5) Retired members of the county retirement system who became  
164 members due to a functional transfer from the City of Milwaukee  
165 and have a total of fifteen (15) or more years of creditable pension

166 service, to retired former employes of United Regional Medical  
167 Services, Inc., who were employed by the county as of December  
168 31, 1991, and who have fifteen (15) or more years of aggregate  
169 service with the county, United Regional Medical Services, Inc.,  
170 United/Dynacare LLC, and Froedtert Memorial Lutheran Hospital  
171 (Radiology Department), and to retired employes with fifteen (15) or  
172 more years of service as a county employe in a teaching position.

173 (6) Beneficiaries of the foregoing employes in paragraphs (1)—(5) who  
174 continue to receive benefits from the county retirement system after  
175 the death of such employe, and to persons receiving survivorship  
176 benefits under subsection 201.24(6.4) of the county pension  
177 ordinance. Upon the death of any retiree, only those survivors  
178 eligible for health insurance benefits prior to such retiree's death  
179 shall retain continued eligibility in the county group health benefit  
180 program.

181 (m) Effective February 1, 2013, all eligible employees enrolled in the PPO shall  
182 have a deductible equal to the following:

183 (1) The in-network deductible for the PPO shall be based upon plan  
184 enrollment and shall be as follows per calendar year:

185 Employee Only .....\$800.00

186 Employee + Child(ren) .....1,050.00

187 Employee + Spouse .....1,600.00

188 Employee + Family .....1,850.00

189 (2) The out-of-network deductible for the PPO shall be based upon plan  
190 enrollment and shall be as follows per calendar year:

191 Employee Only .....\$1,600.00

192 Employee + Child(ren) .....2,100.00

193 Employee + Spouse .....3,200.00

194 Employee + Family .....3,700.00

195 (3) Co-payments do not apply towards meeting deductibles for the PPO.

196 (n) All eligible employees and/or their dependents enrolled in the PPO shall be  
197 subject to a thirty dollar (\$30.00) in-network office visit co-payment or a  
198 sixty dollar (\$60.00) out-of-network office visit for all illness or injury related  
199 office visits, including chiropractic visits. The in-network office visit co-  
200 payment shall not apply to preventative care, as determined by the plan.

201 (o) All eligible employees and/or their dependents enrolled in the PPO shall be  
202 subject to a co-insurance after application of the deductible.

203 (1) The in-network co-insurance shall be equal to twenty (20) percent of  
204 all charges subject to the applicable out-of-pocket maximum.

205 (2) The out-of-network co-insurance shall be equal to forty (40) percent  
206 of all charges subject to the applicable out-of-pocket maximum.

207 (3) Co-insurance does not apply to those services that require a fixed  
208 amount co-payment.

209 (4) The in-network co-insurance shall not apply to preventative care,  
210 as determined by the plan.

211 (p) All eligible employees enrolled in the PPO shall be subject to the following  
212 out-of-pocket maximums including any applicable deductible and percent  
213 co-insurance to a calendar year maximum of:

214 (1) Two thousand five hundred dollars (\$2,500.00) in-network under a  
215 single plan.

216 (2) Five thousand dollars (\$5,000.00) in-network under an employee +  
217 child(ren), an employee + spouse, or a family plan.

218 (3) Six thousand dollars (\$6,000.00) out-of-network under a single plan.

219 (4) For the PPO, twelve thousand dollars (\$12,000.00) out-of-network  
220 under an employee + child(ren), an employee + spouse, or a family  
221 plan.

222 ~~(5) Office visit co-payments are not limited and do not count toward the~~  
223 ~~calendar year out-of-pocket maximum(s).~~

224 (5) Charges that are over usual and customary do not count toward the  
225 calendar year out-of-pocket maximum(s).

- 226 (6) Prescription drug co-payments do not count toward the calendar year  
227 out-of-pocket maximum(s).
- 228 (7) Other medical benefits not described in subsections (p)(5), ~~(6)~~, and  
229 (6) shall be paid by the health plan at one hundred (100) percent  
230 after the calendar year out-of-pocket maximum(s) has been satisfied.
- 231 (q) All eligible employees and/or their dependents enrolled in the PPO shall pay  
232 a two hundred dollar (\$200.00) emergency room co-payment (facility only)  
233 in-network or out-of-network. The co-payment shall be waived if the  
234 employe and/or their dependents are admitted directly to the hospital from  
235 the emergency room. In-network and out-of-network deductibles and co-  
236 insurance percentages then apply.
- 237 (r) All eligible employees and/or their dependents enrolled in the PPO shall pay  
238 the following for a thirty-day prescription drug supply at a participating  
239 pharmacy:
- 240 (1) Ten dollar (\$10.00) co-payment for all generic drugs.
- 241 (2) Thirty dollar (\$30.00) co-payment for all brand name drugs on the  
242 formulary list.
- 243 (3) Fifty dollar (\$50.00) co-payment for all non-formulary brand name  
244 drugs.
- 245 ~~(4) Non-legend drugs may be covered at the ten-dollar (\$10.00) generic~~  
246 ~~co-payment level at the discretion of the plan.~~
- 247 (4) Twenty dollar (\$20.00) co-payment for all diabetic covered supplies.
- 248 (5) Except as prohibited by Medicare, Mail order is mandatory for all  
249 maintenance drugs. There is no coverage for maintenance drugs  
250 filled at retail pharmacy after the third fill.
- 251 (6) Effective February 1, 2013, Co-payments for mail order maintenance  
252 drugs are two and one-half times (2.5×) retail but for a ninety-day  
253 supply.
- 254 (7) The plan shall determine all management protocols.
- 255 (8) Co-payments for retail prescription are for a thirty-day supply. Retail  
256 prescription shall not exceed a thirty-day supply.

257 (t) All eligible employes and/or their dependents enrolled in the PPO shall pay  
258 fifty (50) percent co-insurance on all durable medical equipment to a  
259 maximum of fifty dollars (\$50.00) per appliance or piece of equipment.

260 (u) In accordance with Wisconsin Act 218 that was passed by the State of  
261 Wisconsin in 2010, mental health care for all eligible employes and/or their  
262 dependents shall be provided in the same manner as regular health care  
263 as described in subsection 17.14(7). As such, all co-payments, co-  
264 insurance, deductibles, and out-of-pocket maximums shall apply  
265 accordingly.

266 (v) Each calendar year, the county shall pay a cash incentive of five hundred  
267 dollars (\$500.00) per contract (single or family plan) to each eligible  
268 employe who elects to dis-enroll or not to enroll in a PPO. Any employe  
269 who is hired on and after January 1, and who would be eligible to enroll in  
270 health insurance under the present county guidelines who chooses not to  
271 enroll in a county health plan shall also receive five hundred dollars  
272 (\$500.00). Proof of coverage in a non-Milwaukee County Group Health  
273 Insurance Plan must be provided in order to qualify for the five hundred  
274 dollar (\$500.00) payment. Such proof shall consist of a current health  
275 enrollment card.

276 (1) The five hundred dollars (\$500.00) shall be paid on an after-tax  
277 basis. When administratively possible, the county may convert the  
278 five hundred dollar (\$500.00) payment to a pre-tax credit which the  
279 employe may use as a credit towards any employe benefit available  
280 within a flexible benefits plan.

281 (2) The five hundred dollar (\$500.00) payment shall be paid on an  
282 annual basis by payroll check no later than April 1 of any given year  
283 to qualified employes on the county payroll as of January 1. An  
284 employe who loses his/her non-county health insurance coverage  
285 may elect to re-join the county health plan. The five hundred dollar  
286 (\$500.00) payment must be repaid in full to the county prior to  
287 coverage commencing. Should an employe re-join a health plan  
288 he/she would not be eligible to opt out of the plan in a subsequent  
289 calendar year.

290 (w) The county shall implement a disease management program.

291 (x) The provisions of C.G.O. 17.14(7) shall apply to all employes in the  
292 unclassified service of Milwaukee County, except those in following title

293 codes 83000, 83400, 83500, 83600, 83900, 85100, 85400, 85410, 85590,  
294 85631, 85710.

295 (y) The provisions of C.G.O. [17.14](#)(7) shall not apply to seasonal and hourly  
296 employes. An hourly employe shall be considered to be one who does not  
297 work a uniform period of time within each pay period and shall include an  
298 employe who works a uniform period of time of less than twenty (20) hours  
299 per week.

300 (z) The provisions of [section 17.14](#)(7) shall apply to employes on an unpaid  
301 leave of absence covered by workers compensation.

302 (aa) Retired members of the county retirement system who were represented by  
303 the Federation of Nurses & Health Professionals, Local 5001, AFT, AFL-  
304 CIO and non-represented members of the employe retirement system who  
305 were Doyne employes when they voluntarily resigned their employment  
306 between September 1, 1995 and December 31, 1995, at the time of, and in  
307 lieu of, a layoff from county service as a direct result of the sale/lease of  
308 John L. Doyne Hospital and employes of the School of Nursing who  
309 resigned from county service, in lieu of being laid off due to the closure of  
310 the School of Nursing, who possess more than ten (10) but less than fifteen  
311 (15) years of creditable pension service credit may elect to file an  
312 appropriate application to become eligible to enroll in the county group  
313 health benefit program and the county shall pay the following fixed, not to  
314 exceed, below noted portion of the monthly cost of the benefit option  
315 selected with the pensioner paying the balance of the monthly cost:

316 Creditable Pension Service Monthly County Payment:

317 Ten (10) or more years .....\$50.00

318 Eleven (11) or more years .....125.00

319 Twelve (12) or more years .....200.00

320 Thirteen (13) or more years .....275.00

321 Fourteen (14) or more years .....350.00

322 (bb) Retired members of the county retirement system who are eligible for  
323 continuing their health insurance benefits at county expense under the  
324 provision of this section shall be eligible for reimbursement of the cost of

325 their Medicare Part B premiums, as well as the Medicare Part B premiums  
326 of their eligible spouse and dependents.

327 (1) The provisions of section (bb) shall not apply to members not  
328 represented by a collective bargaining unit who retired and began  
329 receiving benefits from the Milwaukee County Employees  
330 Retirement System after April 1, 2011, nor to members  
331 represented by the American Federation of State, County and  
332 Municipal Employees, the Association of Milwaukee County  
333 Attorneys, the Milwaukee Building and Trades Council, the  
334 Technicians, Engineers, and Architects of Milwaukee County, and  
335 the International Association of Machinists and Aerospace  
336 Workers who retired and began receiving benefits from the  
337 Milwaukee County Employees Retirement System after December  
338 31, 2011, nor to members represented by the Federation of  
339 Nurses and Health Professionals who retired and began receiving  
340 benefits from the Milwaukee County Employees Retirement  
341 System after December 31, 2012. For members represented by  
342 the Deputy Sheriffs Association and the Milwaukee County  
343 Firefighters Association, the provisions of sections (aa) and (bb)  
344 shall be applicable in accordance with their respective labor  
345 contracts.

346 (cc) Retired members of the county retirement system with less than fifteen (15)  
347 years of creditable pension service credit may, upon retirement, opt to  
348 continue their membership in the county group health benefit program upon  
349 payment of the monthly cost. Upon the death of such a pensioner, the  
350 beneficiary(s) may continue as a member of the group, providing they pay  
351 the full monthly cost.

352 (dd) Effective January 1, 2012, the county Medicare coordination methodology  
353 will be "non-duplication". Under this method, when Medicare is the primary  
354 health coverage, the benefit paid by Milwaukee County's plan will be the  
355 difference between the benefit provided in [section 17.14\(7\)](#) and the amount  
356 paid by Medicare.

357 (ee) Effective January 1, 2012, employees who are not represented by a  
358 collective bargaining unit or who are members of the American Federation  
359 of State, County and Municipal Employees, the Association of Milwaukee  
360 County Attorneys, the Milwaukee Building and Construction Trades  
361 Council, the International Association of Machinists and Aerospace

362 Workers, the Technicians, Engineers and Architects of Milwaukee County  
363 or the Federation of Nurses and Health Professionals shall be subject to  
364 the provisions of [section 17.14\(7\)](#).

365 (ff) Effective January 1, 2012, employees who are members of the Milwaukee  
366 Deputy Sheriff's Association or the Milwaukee County Fire Fighters'  
367 Association shall be subject to the provisions of [section 17.14\(7\)](#), with the  
368 exception of subsection (d) which shall be in accordance with the  
369 provisions of the collective bargaining agreement.

370 (gg) County Wellness Program – effective January 1, 2014, The County shall  
371 implement a wellness plan including biometric screenings, a health  
372 questionnaire, and up to four (4) individual health coaching sessions per  
373 year.

374 (1) An employee shall be deemed compliant with the program as soon as  
375 administratively feasible upon submission of the annual health  
376 questionnaire and completion of the annual biometric screening  
377 process.

378 (2) Employees deemed at risk by the administrator shall also be required  
379 to complete one (1) coaching session with the administrator per  
380 quarter to maintain compliance with the plan.

381 **SECTION 2.** Section 17.14(8) is created as follows.

382 (8) County dental benefit plan and dental maintenance organizations. Employees who  
383 are eligible for group medical benefits under the provision of subsection 7 of this  
384 section shall also be eligible to enroll in dental benefits coverage in accordance with  
385 enrollment procedures established by the county, except that retired members of the  
386 County retirement system shall not be eligible for dental benefit coverage. Eligible  
387 employees may enroll in the County's dental benefit plan or a dental maintenance  
388 organization approved by the County.

389 (a) Dental benefits shall be provided for in accordance with the terms and  
390 conditions of the current plan document and the group administrative  
391 agreements for the Milwaukee County Dental Plan and the approved  
392 dental maintenance organization.

393 (b) Employees shall pay ten dollars (\$10.00) per month toward the cost of the  
394 single plan and twenty-five (\$25) per month toward the cost of a family  
395 plan. The appropriate payment shall be made through payroll deduction.

396  
397  
398

(c) Employees may continue their dental benefits coverage during a leave of absence under the same conditions as they may continue health benefits coverage.

399  
400

(d) The county shall deduct employees' contributions to dental coverage on a pre-tax basis pursuant to a Section 125 Plan.

401  
402

**SECTION 3.** The provisions of this ordinance shall be effective January 1, 2014.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** November 25, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request to amend Chapter 17 of the Milwaukee County Code of General Ordinances as it pertains to employee healthcare benefits based on the provisions of the 2014 Adopted Budget

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

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

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Adoption of the proposed resolution/ordinance will implement health care plan design changes included in the 2014 Adopted Budget through revisions to Milwaukee County's group health benefit program as defined in the Code of General Ordinances. All budgetary impacts associated with the plan design changes were incorporated into the 2014 Adopted Budget. There are no 2013 impacts associated with these changes.

In the event the proposed ordinance revisions are not adopted, the health care plan administrator will be required to maintain 2013 benefit and contribution levels.

Department/Prepared By DHR/Hanchek \_\_\_\_\_

Authorized Signature



Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.



*Milwaukee County*  
**Department of Human Resources**

**Date:** NOVEMBER 25, 2013  
**To:** Marina Dimitrijevic, County Board Chairwoman  
**FROM:** Kerry Mitchell, Director, Department of Human Resources   
**SUBJECT:** **Classification and rates of pay for positions created in the 2014 Adopted Budget – Phase I**

**Issue**

Subsequent to the adoption of the annual budget, the Department of Human Resources reviews the positions created in the budget and recommends the final classification and rate of pay for those positions. Action is required by the County Board to adopt the recommendations prior to opening the positions for recruitment.

For the 2014 Adopted Budget, the Department will make recommendations in two phases. The first phase, attached here, identifies positions for which classifications and compensation can be readily determined without significant review by the Compensation Division. In most cases, these are position creates in existing title codes. Upon approval by the County Board, County departments may begin the recruitment process to fill the positions.

Phase 2 will be presented in early 2014 and will address positions that have not previously been established. Phase 2 positions will require a more thorough evaluation of the duties to be assigned to the new position before a classification and compensation recommendation can be made.

**Requested Action**

The Department requests that this report, along with the attached position list, resolution and fiscal note, be referred to the Committee on Finance, Personnel and Audit for consideration at the December 2013 meeting.

Cc: J. Fudge  
S. Cady

1 **A RESOLUTION**

2 WHEREAS, the Director of Human Resources, in a report dated November 2013  
3 (copy attached), reviewed the recommended position creations contained in the 2014  
4 Adopted County Budget relative to classification and rate of compensation; and

5 WHEREAS, the creation of positions in the 2014 Adopted Budget require action  
6 by the Committee on Finance, Personnel and Audit to establish the classification and rate  
7 of compensation for those positions; now, therefore,

8 BE IT RESOLVED, that, the Milwaukee County Board of Supervisors does  
9 hereby authorize and direct the Director of Human Resources to implement the  
10 classifications and rates of compensation (as attached and contained in a report from the  
11 Director of Human Resources dated November 25, 2013) for positions recommended for  
12 creation in the 2014 Adopted Budget.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** November 25, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A resolution establishing the classification and rates of pay for the first phase of positions created within the 2014 Adopted Budget.

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

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

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Classification and rates of pay for positions created within in the annual budget adoption process must be approved by the County Board prior to those positions being filled.

B. There are no 2013 costs or revenues associated with this action. 2014 costs and revenues associated with the created positions are included within the 2014 Adopted Budget.

C. There are no 2013 budgetary impacts associated with this action. Budgetary impacts for 2014 are included within the 2014 Adopted Budget.

D. No additional assumptions or interpretations were used to provide information for this fiscal note.

Department/Prepared By DHR/Ceschin \_\_\_\_\_

Authorized Signature



Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

## NEW BUDGET CREATES FY 2014 - PHASE I

DEPT.	JOB CODE	JOB TITLE	PAY RANGE	NO. OF POSITIONS
5700	00035361	Architect	32A	1.0
1130	00059250	Principal Asst Corp Counsel	34Z	1.0
3700	00004162	Payroll Specialist	16	2.0
4500	00086101	Investigator - District Attorney	32M	2.0
4500	00087700	Admin Intern	01IM	3.1
4900	00080068	Asst. Medical Examiner	904E	0.5
6300	00053960	Music Therapist	26NT	0.5

**MILWAUKEE COUNTY  
Interoffice Memo**

**DATE:** November 20, 2013

**TO:** Supervisor Marina Dimitrijevic, Chairwoman, Board of Supervisors

**FROM:** Jim Sullivan, Director, Department of Child Support Services

**RE:            **AUTHORIZATION TO EXECUTE GENETIC TEST CONTRACT BETWEEN CHILD SUPPORT AND DNA DIAGNOSTICS CENTER (DDC)****

The Department of Child Support respectfully requests authorization to execute Child Support's professional services agreement with DNA Diagnostics Center, Inc. to provide genetic testing services from January 1, 2014 through December 31, 2016.

**DISCUSSION**

After a competitive bid process in 2013, the Department selected DNA Diagnostics Center Inc. to provide genetic test services for the price of \$29.50 per person tested, for the period of January 1, 2014 through December 31, 2016, with the option of extending such services for two additional one year periods. The proposed professional services agreement received the approval of the Community Business Development Partners, Risk Management and Corporation Counsel.

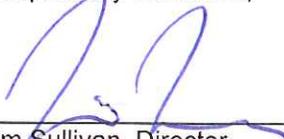
**FISCAL EFFECT**

A fiscal note is attached, reflecting no direct county fiscal impact, as the execution of this contract was anticipated and included in the 2014 budget.

**RECOMMENDATION**

The Department recommends that the County Board authorize the execution of the 2014 Genetic Testing contract.

Respectfully submitted,




---

Jim Sullivan, Director  
Department of Child Support Services

cc: Chris Abele, Milwaukee County Executive Office  
Theodore Lipscomb, Sr., Chairman, Judiciary, Safety, and General Services Committee  
Amber Moreen, Chief of Staff, Milwaukee County Executive's Office  
Josh Fudge, Fiscal & Budget Administrator, Department of Administrative Services  
Veronica Rudychev, Fiscal Management Analyst, Department of Administrative Services  
Jessica Janz-McKnight, Research Analyst-County Board  
Alexis Gassenhuber, Committee Clerk, County Board

Attachments

1  
2 From the Committee on Judiciary, Safety and General Services, reporting on:

3  
4 File No. \_\_\_\_\_

5  
6 (Journal, \_\_\_\_\_ 2013)

7  
8 From the Director, Department of Child Support Services, requesting  
9 authorization to execute a professional services contract with DNA Diagnostics Center,  
10 Inc., Fairfield, Ohio, effective January 1, 2014 through December 31, 2016, with the  
11 ability to execute two one-year extensions, by recommending adoption of the following:

12  
13 **A RESOLUTION**

14  
15 WHEREAS, the Director of Child Support Services, has requested authorization  
16 to execute a professional services contract with DNA Diagnostics Center, Inc. of  
17 Fairfield, OH to perform genetic testing services for the period of January 1, 2014  
18 through December 31, 2016 with the ability to execute two one-year extensions; and

19  
20 WHEREAS, the Wisconsin Department of Children and Families, Division of  
21 Family and Economic Security, and Bureau of Child Support limited the number of State  
22 approved genetic testing vendors, effective November 6, 2012; and

23  
24 WHEREAS, the Milwaukee County Department of Child Support Services  
25 released a request for proposals to the two State approved vendors on August 26, 2013;  
26 and

27  
28 WHEREAS, DNA Diagnostics Center, Inc. and Laboratory Corporation of  
29 America responded to the request for proposals, DNA Diagnostics, Inc. provided the  
30 lowest price for the services based on their best and final offer; and

31  
32 WHEREAS, the 2014 departmental budget provides an appropriation of  
33 \$370,800 for this service; and

34  
35 WHEREAS, the Committee on Judiciary, Safety and General Services  
36 Department is requesting authority to pay bills for work done prior to the contract being  
37 executed; and

38  
39  
40 BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby  
41 authorize the Director of Child Support Services to execute a professional services  
42 contract for genetic testing with DNA Diagnostics Center, Inc., Fairfield, OH effective  
43 January 1, 2014 through December 31, 2016, with the ability to execute two one-year  
44 extensions.

1  
2 From the Committee on Judiciary, Safety and General Services, reporting on:

3  
4 File No. \_\_\_\_\_

5  
6 (Journal, \_\_\_\_\_ 2013)

7  
8 From the Director, Department of Child Support Services, requesting  
9 authorization to execute a professional services contract with DNA Diagnostics Center,  
10 Inc., Fairfield, Ohio, effective January 1, 2014 through December 31, 2016, with the  
11 ability to execute two one-year extensions, by recommending adoption of the following:

12  
13 **A REVISED RESOLUTION**

14  
15 WHEREAS, the Director of Child Support Services, has requested authorization  
16 to execute a professional services contract with DNA Diagnostics Center, Inc. of  
17 Fairfield, OH to perform genetic testing services for the period of January 1, 2014  
18 through December 31, 2016 with the ability to execute two one-year extensions; and

19  
20 WHEREAS, the Wisconsin Department of Children and Families, Division of  
21 Family and Economic Security, and Bureau of Child Support limited the number of State  
22 approved genetic testing vendors, effective November 6, 2012; and

23  
24 WHEREAS, the Milwaukee County Department of Child Support Services  
25 released a request for proposals to the two State approved vendors on August 26, 2013;  
26 and

27  
28 WHEREAS, DNA Diagnostics Center, Inc. and Laboratory Corporation of  
29 America responded to the request for proposals, DNA Diagnostics, Inc. provided the  
30 lowest price for the services based on their best and final offer; and

31  
32 WHEREAS, the 2014 departmental budget provides an appropriation of  
33 \$475,000 for this service; and

34  
35  
36 BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby  
37 authorize the Director of Child Support Services to execute a professional services  
38 contract for genetic testing with DNA Diagnostics Center, Inc., Fairfield, OH effective  
39 January 1, 2014 through December 31, 2016, with the ability to execute two one-year  
40 extensions.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/20/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** From the Director, Child Support Services, requesting authorization to execute Child Support contract for genetic test services with DDC Inc.

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		
	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
  - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
  - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
- 
- A. The Director of Child Support Services requests the County Board's authorization, by resolution, for the Department to enter into contract with DDC, Inc. which begins January 1, 2014 through December 31, 2016.
  - B. There are no direct costs, savings or anticipated revenues associated with this action in the current budget year.
  - C. There is no budgetary impact associated with this contract in the current year or subsequent year, as the Department has budgeted for this contract for 2014.
  - D. No further assumptions are made.

Department/Prepared By Department of Child Support Services, Jim Sullivan, Director

Authorized Signature \_\_\_\_\_

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

**DATE:** November 25, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by: Dennis Buesing, Administrator, DHHS Contract Services*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, requesting authorization to enter into a 2014 purchase of service contract for community services with IMPACT, Inc.**

**Issue**

The Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into a 2014 purchase of service (POS) contract in excess of \$300,000 with IMPACT, Inc. for the Management Services Division (MSD).

**Background**

DHHS traditionally has sought to maintain a social service delivery system comprised of both County provided and purchased services. Partnerships with community vendors have helped DHHS make use of available community resources and expertise in carrying out its mission.

For 2014, MSD is recommending a purchase of service contract with IMPACT, Inc. for its community information line (2-1-1) services. The recommended vendor has been performing the relevant service for Milwaukee County, first with the Economic Support Division for multiple years and for the past four years for the Management Services Division, and has met or exceeded contract specifications.

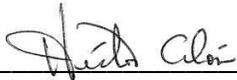
IMPACT 2-1-1 is a centralized access point for people in need during times of personal crisis or community disaster. This contract provides 24-hour contact and referral information by offering access to a comprehensive database containing over 5,500 community programs for residents seeking social services in Milwaukee County. In 2012, IMPACT had over 160,000 contacts, providing assistance to Milwaukee County families seeking information on various health and human service needs. DHHS is recommending a \$480,000 contract with IMPACT, which is the same as 2013.

**Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to execute a purchase of service contract with IMPACT, Inc. for the 2-1-1 Community Information Line for the time period of January 1 through December 31, 2014 in the amount of \$480,000.

**Fiscal Impact**

The total recommended contract amount of \$480,000 reflects \$338,162 in DHHS tax levy, \$41,838 in Wisconsin Home Energy Assistance Program (WHEAP) funding and \$100,000 from AODA funds from the Behavioral Health Division (BHD). A fiscal note form is attached.



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Héctor Colón, Director  
Department of Health and Human Services

cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

1  
2  
3  
4 (ITEM) From the Director, Department of Health and Human Services, requesting authorization  
5 to enter into a 2014 purchase of service contract for community services with IMPACT, Inc. by  
6 recommending adoption of the following:  
7

8 **A RESOLUTION**  
9

10 WHEREAS, the Director of the Department of Health and Human Services (DHHS) is  
11 requesting authorization to enter into a 2014 purchase of service contract in excess of \$300,000  
12 for community services with IMPACT, Inc.; and  
13

14 WHEREAS, the recommended contract will fund IMPACT's Community Information Line  
15 211 Program, which provides 24-hour contact and referral information for residents seeking  
16 critical services; and  
17

18 WHEREAS, in 2012, with over 160,000 contacts, IMPACT provided assistance to  
19 Milwaukee County families seeking information on various health and human service needs;  
20 and

21 WHEREAS, the contract recommendation is within limits of relevant 2014 State/County  
22 contracts and the 2014 Budget; now, therefore,  
23

24 BE IT RESOLVED, that the Director, DHHS, or his designee, is hereby authorized to enter  
25 into a contract for the period of January 1, 2014 through December 31, 2014 with IMPACT, Inc.  
26 in the amount of \$480,000 which reflects \$380,000 from DHHS and \$100,000 from the  
27 Behavioral Health Division.

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services, requesting authorization to enter into a 2014 purchase of service contract for community services with IMPACT, Inc.

**FISCAL EFFECT:**

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

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	
	Revenue	0	
	Net Cost	0	
<b>Capital Improvement Budget</b>	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into a 2014 purchase of service contract with IMPACT, Inc. for the Community Information Line 211 Program.

B. Approval of the requested purchase of service contract would result in an expenditure of \$480,000 with 211-IMPACT.

C. Sufficient funds in the amount of \$480,000 are included in the 2014 Budget for the 211 IMPACT contract. This funding reflects tax levy of \$338,162 in DHHS, \$41,838 in Wisconsin Home Energy Assistance Program (WHEAP) revenue and \$100,000 in BHD AODA revenue.

D. This fiscal note assumes expenditures cannot exceed the amounts authorized for the purchase of service contract.

Department/Prepared By Clare O'Brien, Fiscal & Management Analyst

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CDPB Staff Review?  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE**  
**Delinquency and Court Services Division (DHHS)**  
**INTER-OFFICE COMMUNICATION**

**DATE:** November 25, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by B. Thomas Wanta, Administrator/Chief Intake Officer – DCSD*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, requesting authorization to enter into 2014 professional services contracts for programs within the Delinquency and Court Services Division (DCSD)**

**Issue:**

The Director, Department of Health and Human Services (DHHS), is requesting authorization to execute professional services contracts in 2014 for DCSD.

**Background**

Since 1970, DHHS has supported a social service delivery system comprised of both directly provided and purchased services. Partnerships with community vendors have allowed DHHS to cooperate and collaborate with various community partners and resources. These partnerships further the opportunities for community participation regarding delinquency response.

The Department conforms to the Request for Proposals (RFP) process to ensure objectivity and fairness in the awarding of professional service contracts. Using authority granted by the County Board, DCSD has contracts that allow for second and third-year contracts without an RFP based on an agency's performance during the previous year.

**Discussion**

**Detention Physician and Medical Services**

An RFP was issued in 2011 for this service for a three-year renewable contract beginning in 2012. The Medical College of Wisconsin (MCW) was selected and is responsible for medically screening youth admitted to the secure detention center facility. Physicals are also given to juveniles that remain in detention for more than 24 hours, along with any necessary follow-up care. This contract provides 29 hours of coverage per week (Monday through Friday), consisting of 24 hours of coverage by a nurse practitioner, and five hours of coverage by a physician. MCW has exceeded the DBE goal in the past and DCSD anticipates the same for 2014.

DCSD intends to extend the professional service contract with the Medical College of Wisconsin in the amount of \$150,275 for the period of 1/1/2014 – 12/31/2014. This amount is \$2,923 higher than the 2013 contract amount and is consistent with the 2014 Budget.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Detention Physician and Medical Services	The Medical College of Wisconsin	\$150,275

#### Detention Psychiatric Nursing Services

An RFP was issued in 2011 for this service for a three-year renewable contract beginning in 2012. Alternatives in Psychological Consultation (APC) was selected and is responsible for the provision of 80 hours of coverage per week, seven days per week, consisting of psychiatric nursing services, mental health screenings and follow-up services as necessary for youth in the secure detention facility. As of this report, APC is spending 1 percent of this contract on a DBE vendor.

In order to increase utilization, APC increased DBE spending under additional DHHS purchase of service contracts that are not subject to the DBE goal. The CDBP agreed to this arrangement in 2013. As of September 2013, APC informed DHHS that it successfully submitted an application to obtain Small Business Enterprise (SBE certification), and that the application would be processed within 90 days of submission. Therefore, a decision is expected in December 2013.

DCSD intends to extend the professional service contract with Alternatives in Psychological Consultation (APC) in the amount of \$159,096 for the period of 1/1/2014 – 12/31/2014. This amount is the same as in 2012 and is consistent with the 2014 Budget.

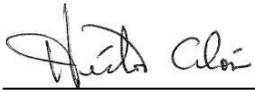
<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Detention Psychiatric Nursing Services	Alternatives in Psychological Consultation	\$159,096

#### Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director, DHHS, or his designee, to execute the professional services agreements as identified in this report and for the amounts and terms enumerated in the attached resolution.

#### Fiscal Effect

The total amount of \$309,371 recommended in these contracts has been budgeted in DCSD's 2014 Budget. A fiscal note form is attached.



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Héctor Colón, Director  
Department of Health and Human Services

cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

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(ITEM) From the Director, Department of Health and Human Services, requesting authorization to enter into 2014 professional services contracts with community vendors for the Delinquency and Court Services Division, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director, Department of Health and Human Services (DHHS), is requesting authorization to execute professional services contracts with a variety of community vendors for 2014; and

WHEREAS, over the past several years, DCSD has entered into a series of professional service contracts to support essential staff activities and functions; and

WHEREAS, the DCSD is responsible for providing for the care and safety of youth placed in the County Detention facility; and

WHEREAS, in accordance with Milwaukee County’s Request for Proposals process, the providers, Medical College of Wisconsin and Alternatives in Psychological Consultation, are being recommended to provide their respective services during 2014; now, therefore,

BE IT RESOLVED, that the Director, Department of Health and Human Services, or his designee, is hereby authorized to enter into professional services contracts for the period January 1 through December 31, 2014 in the amounts and with the providers listed below:

<b>PROVIDER</b>	<b>SERVICE/ PROGRAM</b>	<b>AMOUNT</b>
Medical College of Wisconsin	Medical and Nursing	150,275
Alternatives in Psychological Consultation	Mental Health	159,096
<b>TOTAL 2014 Professional Service Contracts for DCSD:</b>		<b>\$309,371</b>

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 professional services contracts for programs within the Delinquency and Court Services Division (DCSD).

**FISCAL EFFECT:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to execute 2014 Delinquency and Court Services Division (DCSD) professional services contracts with community vendors.

Approval of this request will also allow the Director of DHHS to execute professional service contracts to continue provision of contracted Physician & Medical Services and Psychiatric Nursing Services In the Detention Center for the period January 1, 2014 through December 31, 2014.

B. Total 2014 expenditures included in this request are \$309,371.

C. There is no tax levy impact associated with approval of this request in 2014 as funds sufficient to cover associated expenditures are included as part of DCSD's 2014 Adopted Budget.

D. No assumptions are made.

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

Authorized Signature \_\_\_\_\_



Did DAS-Fiscal Staff Review?  Yes  No

Did CDPB Staff Review?  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE**  
**Delinquency and Court Services Division (DHHS)**  
**INTER-OFFICE COMMUNICATION**

**DATE:** November 25, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by B. Thomas Wanta, Administrator/Chief Intake Officer – DCSD*

**SUBJECT: Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 purchase of service contracts for programs within the Delinquency and Court Services Division**

**Issue**

The Director, Department of Health and Human Services (DHHS), is requesting authorization to enter into 2014 purchase of service contracts for the Delinquency and Court Services Division.

**Background**

Since 1970, DHHS has supported a social service delivery system comprised of both directly provided and purchased services using a combination of State, grant and local tax funds. Partnerships with community providers have allowed DHHS to cooperate and collaborate with various community agencies and resources. These partnerships further the opportunities for community participation, leverage resources and utilize community expertise regarding the DCSD community response to delinquency.

DCSD conforms to the DHHS request for proposals (RFP) process to ensure objectivity and fairness in the awarding of purchase of service contracts. DCSD relies on these objective reviews by community panels and DHHS contract administration/quality assurance to guide award recommendations. DCSD also may consider other salient factors in order to best meet the needs of the juvenile court and youth served including the financial stability of applicants to ensure the continuity of services, the minimization of service disruption, provider alignment with emerging strategies or changing system demands, opportunities for further resource leveraging and information sharing and maximization of resources.

**Discussion**

The Department is requesting approval to purchase services with the agencies listed below for the identified service and contract amounts for the time period of January 1 – December 31, 2014.

Program areas that were included in an RFP issued for 2012 and 2013 contracts as part of a three-year contract cycle will be discussed first, followed by program areas included in the RFP

for 2014 contracts.

#### Re-Entry Coordination Program

Reentry Coordination Services involves case planning and support of Milwaukee County youth who have been committed to the Wisconsin Department of Corrections (DOC), Division of Juvenile Corrections (DJC). Reentry coordination services are provided to youth and families during youths' placement in secure institutions and following release to the community to facilitate reintegration and safely maintain youth in the community. This program serves 55 youth.

The provider agency below was selected through an RFP process for 2013 contracts and is entering into its second year of a three-year contract cycle. The contract amount is the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Re-Entry Coordination Program	St. Charles Youth & Family Services	\$120,000

#### Day Treatment

Day Treatment is a non-clinical service that provides on-site education in collaboration with Milwaukee Public Schools, and other services to meet the multiple needs of youth and their families. Each provider agency below provides 30 slots. These providers were selected through an RFP process in 2012 and are entering into their third year of a three-year contract cycle. These contract amounts are the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Day Treatment Program	St. Charles Youth and Family Services	\$489,066
Day Treatment Program	Wisconsin Community Services	\$489,066

The provider agency below provides 15 slots.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Day Treatment Program	Lad Lake	\$244,534

#### First Time Juvenile Offender Program Tracking

The First Time Juvenile Offender Program (FTJOP) is a diversion program for youth ages 10 through 16 who would otherwise be subject to a delinquency petition and subsequent court proceedings. A core component of this program is tracking services provided by community-

based agencies to coordinate service referrals, ensure completion of program requirements, and provide support for families. The tracking component of the FTJOP program operates under a fee-for-service agreement and is provided by two vendors assigned by geography. These providers were selected through an RFP process for 2012 contracts and are entering into their third year of a three-year contract cycle. The allocation is the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
First Time Juvenile Offender Program Tracking (Fee-for-Service)	Milwaukee Christian Center	\$215,000
First Time Juvenile Offender Program Tracking (Fee-for-Service)	Social Development Center	\$215,000

### Group Home

Group homes provide 24 hours-a-day community-based living for youth who are experiencing problems with their family living environment. These youth have been determined by the court to be in temporary need of an alternative living arrangement until reunification is deemed appropriate. Each group home provides care for eight male youth. These provider agencies were selected through an RFP process in 2012 and are entering into their third year of a three-year contract cycle. The contract amounts proposed for 2014 include a \$50,000 increase based on actual costs of operation and service utilization.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Group Care	St. Charles Youth and Family Services	\$352,032
Group Care	Nehemiah Project	\$352,032
Group Care	Southeastern Youth and Family	\$352,032

For 2014, the Department issued RFPs for the following program areas and is requesting approval to purchase the identified services:

### Level II In-Home Monitoring Services

The Level II In-Home Monitoring Program is a monitoring program that primarily serves youth pending court for alleged delinquency as an alternative to secure detention. The program provides intensive in-home monitoring services to youth and their families in an effort to support parental home supervision, to avoid additional offenses, and to appear for their court hearings. Youth are court ordered into this program and remain until the time of disposition or discontinuation of services is deemed appropriate by the court or the DCSD. The program is based on the belief that juveniles who remain connected with their families, schools, peers, employers, and with other community resources, will decrease the likelihood of further contact with the juvenile justice system. This is accomplished through a structured supervision plan, program support and counseling, advocacy and the availability of 24-hour crisis intervention.

This service was included in this year's RFP and applicants submitting eligible proposals included La Causa, Southwest Key Program, and St. Charles Youth and Family Services. A panel including community members and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD is recommending that a purchase of service contract be awarded to St. Charles Youth and Family Services in the amount of \$551,921 for 52 slots to cover the North side and to Southwest Key Program in the amount of \$700,515 for 66 slots to cover the South side. These amounts represent an overall increase in the amount of \$107,000 to expand the program by 10 slots consistent with an emphasis on increasing the availability of community-based alternatives to detention.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Level II Monitoring Program	St. Charles Youth and Family Services	\$551,921
Level II Monitoring Program	Southwest Key Program	\$700,515

### Shelter Care

Shelter Care provides short-term (typically 30 days), non-secure, 24-hour supervised care and residential programming to youth. The program primarily serves youth pending court for alleged delinquency as an alternative to secure detention placement. Other youth involved in Juvenile Justice Center matters may be placed in Shelter Care at the discretion of either the DCSD or the Children's Court. The program capacity is 44 males and 20 females on a given day. Males and females reside in individual rooms in separate facilities and receive separate programming.

This service was included in this year's RFP and applicants submitting eligible proposals included New Horizon Center and St. Charles Youth and Family Services. A panel including community members and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD is recommending that a purchase of service contract be awarded to New Horizon Center in the amount of \$680,776 for 20 slots for females and St. Charles Youth and Family Services in the amount of \$1,557,707 for 44 slots for males. These contract amounts are the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Shelter Care (Females)	New Horizon Center	\$680,776
Shelter Care (Males)	St. Charles Youth and Family Services	\$1,557,707

Targeted Monitoring Program

The Targeted Monitoring Program (TMP) provides intensive supervision, structure, support, and skill-building opportunities for different target groups of youth involved in the juvenile justice system. The targeted populations include youth who are found to be in possession of a firearm, determined to be a serious chronic offender, referred for a burglary offense, or identified for the Milwaukee County Accountability Program (MCAP). The program is intended to hold youth accountable in the community while ensuring community safety and providing youth with skills to change their thinking and behaviors. The TMP frequently serves as an alternative to juvenile corrections.

This service was included in this year's RFP and applicants included the Running Rebels Community Organization. A community member and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the reviewers, DCSD is recommending that a purchase of service contract be awarded to Running Rebels Community Organization in the amount of \$1,545,944 for 127 slots for the serious chronic offender, firearms, and MCAP target populations and 20 slots for the burglary offender target population. This contract amount represents a \$60,000 increase to expand the program by six slots based on increased service utilization of the MCAP program and to mitigate the possibility of waiting lists.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Targeted Monitoring Program	Running Rebels Community Organization	\$1,545,944

Prevention and Aftercare Program- Targeted Monitoring Program

The Prevention and Aftercare Program serves siblings and graduates of the Targeted Monitoring Program in order to maximize the likelihood of positive and enduring change in youth and families. This program serves at any one time up to 40 graduates of the Targeted Monitoring Program and/or their siblings between the ages of 6-19. The goals are to prevent siblings from participating in delinquent activities and for young adults to gain skills needed for successful transition into adulthood. The program provides pro-social services and activities to help youth achieve their personal goals.

This service was included in this year's RFP as part of the Targeted Monitoring Program and applicants included the Running Rebels Community Organization. A community member and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD intends to award a purchase of service contract to Running Rebels Community Organization in the amount of \$140,000 for 40 slots in the Prevention and Aftercare Program.

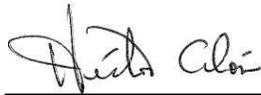
<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Prevention and Aftercare Program	Running Rebels Community Organization	\$140,000

**Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to execute purchase of service contracts for 2014 for a variety of services and programs for the time period of January 1 through December 31, 2014 with the providers listed and in the amounts specified in the attached resolution. Approval of the recommended contract allocations will allow for the provision of identified high priority community-based services for youth being served by the Delinquency and Court Services Division.

**Fiscal Impact**

The proposed purchase of service contracts reflect total expenditures of \$8,005,625. Sufficient funds have been allocated in the 2014 Budget to cover these costs. A fiscal note form is attached.



Héctor Colón, Director  
Department of Health and Human Services

cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

**COUNTY OF MILWAUKEE**  
**Delinquency and Court Services Division (DHHS)**  
**INTER-OFFICE COMMUNICATION**

**DATE:** December 3, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by B. Thomas Wanta, Administrator/Chief Intake Officer – DCSD*

**SUBJECT:** **Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 purchase of service contracts for programs within the Delinquency and Court Services Division**

**Issue**

The Director, Department of Health and Human Services (DHHS), is requesting authorization to enter into 2014 purchase of service contracts for the Delinquency and Court Services Division.

**Background**

Since 1970, DHHS has supported a social service delivery system comprised of both directly provided and purchased services using a combination of State, grant and local tax funds. Partnerships with community providers have allowed DHHS to cooperate and collaborate with various community agencies and resources. These partnerships further the opportunities for community participation, leverage resources and utilize community expertise regarding the DCSD community response to delinquency.

DCSD conforms to the DHHS request for proposals (RFP) process to ensure objectivity and fairness in the awarding of purchase of service contracts. DCSD relies on these objective reviews by community panels and DHHS contract administration/quality assurance to guide award recommendations. DCSD also may consider other salient factors in order to best meet the needs of the juvenile court and youth served including the financial stability of applicants to ensure the continuity of services, the minimization of service disruption, provider alignment with emerging strategies or changing system demands, opportunities for further resource leveraging and information sharing and maximization of resources.

**Discussion**

The Department is requesting approval to purchase services with the agencies listed below for the identified service and contract amounts for the time period of January 1 – December 31, 2014.

Program areas that were included in an RFP issued for 2012 and 2013 contracts as part of a three-year contract cycle will be discussed first, followed by program areas included in the RFP

for 2014 contracts.

#### Re-Entry Coordination Program

Reentry Coordination Services involves case planning and support of Milwaukee County youth who have been committed to the Wisconsin Department of Corrections (DOC), Division of Juvenile Corrections (DJC). Reentry coordination services are provided to youth and families during youths' placement in secure institutions and following release to the community to facilitate reintegration and safely maintain youth in the community. This program serves 55 youth.

The provider agency below was selected through an RFP process for 2013 contracts and is entering into its second year of a three-year contract cycle. The contract amount is the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Re-Entry Coordination Program	St. Charles Youth & Family Services	\$120,000

#### Day Treatment

Day Treatment is a non-clinical service that provides on-site education in collaboration with Milwaukee Public Schools, and other services to meet the multiple needs of youth and their families. Each provider agency below provides 30 slots. These providers were selected through an RFP process in 2012 and are entering into their third year of a three-year contract cycle. These contract amounts are the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Day Treatment Program	St. Charles Youth and Family Services	\$489,066
Day Treatment Program	Wisconsin Community Services	\$489,066

The provider agency below provides 15 slots.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
Day Treatment Program	Lad Lake	\$244,534

#### First Time Juvenile Offender Program Tracking

The First Time Juvenile Offender Program (FTJOP) is a diversion program for youth ages 10 through 16 who would otherwise be subject to a delinquency petition and subsequent court proceedings. A core component of this program is tracking services provided by community-based agencies to coordinate service referrals, ensure completion of program requirements, and provide support for families. The tracking component of the FTJOP program operates under a fee-for-service agreement and is provided by two vendors assigned by geography. These providers were selected through an RFP process for 2012 contracts and are entering into their third year of a three-year contract cycle. The allocation is the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Allocation</b>
First Time Juvenile Offender Program Tracking (Fee-for-Service)	Milwaukee Christian Center	\$215,000
First Time Juvenile Offender Program Tracking (Fee-for-Service)	Social Development Center	\$215,000

### Group Home

Group homes provide 24 hours-a-day community-based living for youth who are experiencing problems with their family living environment. These youth have been determined by the court to be in temporary need of an alternative living arrangement until reunification is deemed appropriate. Each group home provides care for eight male youth. These provider agencies were selected through an RFP process in 2012 and are entering into their third year of a three-year contract cycle. The contract amounts proposed for 2014 include a \$50,000 increase based on actual costs of operation and service utilization.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Group Care	St. Charles Youth and Family Services	\$352,032
Group Care	Nehemiah Project	\$352,032

While DCSD had intended to provide a contract in the amount of \$352,032 to a third agency currently in its second year of a three-year cycle providing group care services, the agency (Southeastern Youth and Family Services) provided notice to DCSD on December 2, 2013 of its intent to end provision of group home care at Unity House as of December 31, 2013. Southeastern Youth and Family Services cited that continuing the contract is not tenable from a financial perspective given their projected gross budget for 2014 would result in a deficit. In response to this decision, DCSD intends to issue an RFP in December 2013 for a nine-month pro-rated contract effective April 1, 2014 for the provision of group care by a community-based agency. Youth currently placed at Unity House will be transferred prior to December 31, 2013. Placement options may include other group homes under contract to DCSD or on a fee-for-service basis, or other appropriate placements as approved by the courts.

For 2014, the Department issued RFPs for the following program areas and is requesting approval to purchase the identified services:

### Level II In-Home Monitoring Services

The Level II In-Home Monitoring Program is a monitoring program that primarily serves youth pending court for alleged delinquency as an alternative to secure detention. The program provides intensive in-home monitoring services to youth and their families in an effort to

support parental home supervision, to avoid additional offenses, and to appear for their court hearings. Youth are court ordered into this program and remain until the time of disposition or discontinuation of services is deemed appropriate by the court or the DCSD. The program is based on the belief that juveniles who remain connected with their families, schools, peers, employers, and with other community resources, will decrease the likelihood of further contact with the juvenile justice system. This is accomplished through a structured supervision plan, program support and counseling, advocacy and the availability of 24-hour crisis intervention.

This service was included in this year's RFP and applicants submitting eligible proposals included La Causa, Southwest Key Program, and St. Charles Youth and Family Services. A panel including community members and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD is recommending that a purchase of service contract be awarded to St. Charles Youth and Family Services in the amount of \$551,921 for 52 slots to cover the North side and to Southwest Key Program in the amount of \$700,515 for 66 slots to cover the South side. These amounts represent an overall increase in the amount of \$107,000 to expand the program by 10 slots consistent with an emphasis on increasing the availability of community-based alternatives to detention.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Level II Monitoring Program	St. Charles Youth and Family Services	\$551,921
Level II Monitoring Program	Southwest Key Program	\$700,515

### Shelter Care

Shelter Care provides short-term (typically 30 days), non-secure, 24-hour supervised care and residential programming to youth. The program primarily serves youth pending court for alleged delinquency as an alternative to secure detention placement. Other youth involved in Juvenile Justice Center matters may be placed in Shelter Care at the discretion of either the DCSD or the Children's Court. The program capacity is 44 males and 20 females on a given day. Males and females reside in individual rooms in separate facilities and receive separate programming.

This service was included in this year's RFP and applicants submitting eligible proposals included New Horizon Center and St. Charles Youth and Family Services. A panel including community members and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD is recommending that a purchase of service contract be awarded to New Horizon Center in the amount of \$680,776 for 20 slots for females and St. Charles Youth and Family Services in the amount of \$1,557,707 for 44 slots for males. These contract amounts are the same as in 2013.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Shelter Care (Females)	New Horizon Center	\$680,776
Shelter Care (Males)	St. Charles Youth and Family Services	\$1,557,707

### Targeted Monitoring Program

The Targeted Monitoring Program (TMP) provides intensive supervision, structure, support, and skill-building opportunities for different target groups of youth involved in the juvenile justice system. The targeted populations include youth who are found to be in possession of a firearm, determined to be a serious chronic offender, referred for a burglary offense, or identified for the Milwaukee County Accountability Program (MCAP). The program is intended to hold youth accountable in the community while ensuring community safety and providing youth with skills to change their thinking and behaviors. The TMP frequently serves as an alternative to juvenile corrections.

This service was included in this year's RFP and applicants included the Running Rebels Community Organization. A community member and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the reviewers, DCSD is recommending that a purchase of service contract be awarded to Running Rebels Community Organization in the amount of \$1,545,944 for 127 slots for the serious chronic offender, firearms, and MCAP target populations and 20 slots for the burglary offender target population. This contract amount represents a \$60,000 increase to expand the program by six slots based on increased service utilization of the MCAP program and to mitigate the possibility of waiting lists.

<b>Service</b>	<b>Provider</b>	<b>2014 Proposed Allocation</b>
Targeted Monitoring Program	Running Rebels Community Organization	\$1,545,944

### Prevention and Aftercare Program- Targeted Monitoring Program

The Prevention and Aftercare Program serves siblings and graduates of the Targeted Monitoring Program in order to maximize the likelihood of positive and enduring change in youth and families. This program serves at any one time up to 40 graduates of the Targeted Monitoring Program and/or their siblings between the ages of 6-19. The goals are to prevent siblings from participating in delinquent activities and for young adults to gain skills needed for successful transition into adulthood. The program provides pro-social services and activities to help youth achieve their personal goals.

This service was included in this year's RFP as part of the Targeted Monitoring Program and applicants included the Running Rebels Community Organization. A community member and a member of DHHS contract administration staff reviewed and scored the proposals.

Based on the scores from the panel, DCSD intends to award a purchase of service contract to Running Rebels Community Organization in the amount of \$140,000 for 40 slots in the Prevention and Aftercare Program.

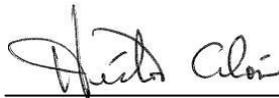
Service	Provider	2014 Allocation
Prevention and Aftercare Program	Running Rebels Community Organization	\$140,000

### **Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to execute purchase of service contracts for 2014 for a variety of services and programs for the time period of January 1 through December 31, 2014 with the providers listed and in the amounts specified in the attached resolution. Approval of the recommended contract allocations will allow for the provision of identified high priority community-based services for youth being served by the Delinquency and Court Services Division.

### **Fiscal Impact**

The proposed purchase of service contracts reflect total expenditures of \$7,653,593. Sufficient funds have been allocated in the 2014 Budget to cover these costs. A fiscal note form is attached.



Héctor Colón, Director  
Department of Health and Human Services

cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

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(ITEM) From the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 Delinquency and Court Services Division purchase of service contracts with community agencies for a variety of Delinquency and Court Services programs, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service contracts with community agencies for the Delinquency and Court Services Division (DCSD); and

WHEREAS, the recommended contracts will ensure an integrated delivery system for delinquent youth of both provided and purchased services in the community; and

WHEREAS, the contract recommendations are within the limits of the 2014 Budget; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby authorize and direct the Director of the Department of Health and Human Services, or his designee, to enter into 2014 Delinquency and Court Services Division purchase of service contracts, effective January 1, 2014 to December 31, 2014, with the agencies and in the amounts listed below:

<u>PROVIDER</u>	<u>SERVICE/ PROGRAM</u>	<u>AMOUNT</u>
St. Charles Youth and Family Services	Day Treatment Program	489,066
	Re-entry Coordination	120,000
	Group Care	352,032
	Level 2 In-Home Monitoring Services	551,921
	Shelter Care – Males	1,557,707
Lad Lake	Day Treatment	244,534
Milwaukee Christian Center	First Time Juvenile Offender	215,000
Social Development Center	First Time Juvenile Offender	215,000
Running Rebels	Prevention and aftercare	140,000
	Targeted Monitoring Program	1,545,944

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46	Wisconsin Community Services	Day Treatment Program	489,066
47			
48	Nehemiah Project	Group Care	352,032
49			
50	Southeastern Youth and	Group Care	352,032
51	Family Services		
52			
53	Southwest Key Programs	Level 2 In-Home Monitoring Services	700,515
54			
55	New Horizon Center	Shelter Care – Females	680,776
56			
57	<b>TOTAL for 2014</b>		<b>\$8,005,625</b>
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(ITEM) From the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 Delinquency and Court Services Division purchase of service contracts with community agencies for a variety of Delinquency and Court Services programs, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service contracts with community agencies for the Delinquency and Court Services Division (DCSD); and

WHEREAS, the recommended contracts will ensure an integrated delivery system for delinquent youth of both provided and purchased services in the community; and

WHEREAS, the contract recommendations are within the limits of the 2014 Budget; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby authorize and direct the Director of the Department of Health and Human Services, or his designee, to enter into 2014 Delinquency and Court Services Division purchase of service contracts, effective January 1, 2014 to December 31, 2014, with the agencies and in the amounts listed below:

<u>PROVIDER</u>	<u>SERVICE/ PROGRAM</u>	<u>AMOUNT</u>
St. Charles Youth and Family Services	Day Treatment Program	489,066
	Re-entry Coordination	120,000
	Group Care	352,032
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	Targeted Monitoring Program	1,545,944

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46	Wisconsin Community Services	Day Treatment Program	489,066
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48	Nehemiah Project	Group Care	352,032
49			
50	Southwest Key Programs	Level 2 In-Home Monitoring Services	700,515
51			
52	New Horizon Center	Shelter Care – Females	680,776
53			
54	<b>TOTAL for 2014</b>		<b>\$7,653,593</b>
55			

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 Purchase of Service Contracts for programs within the Delinquency and Court Services Division (DCSD).

**FISCAL EFFECT:**

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to execute 2014 Delinquency and Court Services Division (DCSD) purchase of service contracts with community vendors.

Approval of this request will allow the Director of DHHS to execute purchase of service contracts to continue provision of contracted Re-Entry Coordination, Day Treatment, First Time Juvenile Offender, Prevention and After Care, Group Care, Level 2 In-Home Monitoring, Shelter Care and Targeted Monitoring services in DCSD for the period January 1, 2014 through December 31, 2014.

B. Total 2014 expenditures included in this request are \$8,005,625.

C. There is no tax levy impact associated with approval of this request in 2014 as funds sufficient to cover associated expenditures are included as part of DCSD's 2014 Adopted Budget.

D. No assumptions are made.

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

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Did CDPB Staff Review?

Yes

No

Not Required

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 12/03/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 Purchase of Service Contracts for programs within the Delinquency and Court Services Division (DCSD).

**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.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		
	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to execute 2014 Delinquency and Court Services Division (DCSD) purchase of service contracts with community vendors.

Approval of this request will allow the Director of DHHS to execute purchase of service contracts to continue provision of contracted Re-Entry Coordination, Day Treatment, First Time Juvenile Offender, Prevention and After Care, Group Care, Level 2 In-Home Monitoring, Shelter Care and Targeted Monitoring services in DCSD for the period January 1, 2014 through December 31, 2014.

B. Total 2014 expenditures included in this request are \$7,653,593.

C. There is no tax levy impact associated with approval of this request in 2014 as funds sufficient to cover associated expenditures are included as part of DCSD's 2014 Adopted Budget.

D. No assumptions are made.

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

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Did CDPB Staff Review?

Yes

No

Not Required

**COUNTY OF MILWAUKEE**  
**INTEROFFICE COMMUNICATION**

**DATE:** November 25, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by James Mathy, Administrator, Housing Division*

**SUBJECT:** **A report from the Director, Department of Health and Human Services, requesting authorization to enter into 2014 purchase of service contracts with community agencies for a variety of Housing Division programs**

**Issue**

The Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service (POS) contracts with community agencies for the Housing Division. Approval of the recommended contract allocations will allow the Housing Division to provide a broad range of housing related supportive services.

**Discussion**

Proposed 2014 Contract Allocation:                   \$2,320,337

This report reflects proposed contract allocations of \$2,320,337, an increase of \$470,000 compared to 2013. This is related to an increase of \$70,000 to annualize the operations of the Pathways To Permanent Housing transitional housing program and \$400,000 to fund a new scattered-site permanent supportive housing model. The new housing programs came out of recommendations from the Community Linkages Committee of the Mental Health Redesign.

In addition, the 2014 Adopted Budget includes \$300,000 in funding for homeless shelters. Early in 2014, DHHS will report back to the County Board with recommendations on the allocation of this funding.

**Emergency Shelter Care**

Contracts for emergency shelter care and related services are recommended for continuation. County funding has traditionally been provided to support the agency's general emergency shelter operations. Together these contracts assist agencies in providing emergency shelter to over 300 persons every night.

- **The Cathedral Center**

2014 Recommended:       \$175,000

The Cathedral Center offers shelter to 65 women and families, as well as comprehensive medical services to assist residents in reaching the goal of independence.

***Transitional Housing – Pathways To Permanent Housing***

- Milwaukee Center For Independence (MCFI)

2014 Recommended: \$570,000

The Pathways To Permanent Housing Program is a 27-bed transitional housing program that serves a variety of community housing needs. The program targets individuals who are either ready to be discharged from an institution or are coming out of a setting such as Crisis Respite or the Community Resource Center. In addition, Pathways is an alternative for individuals transitioning from a Community Based Residential Facility (CBRF) and it gives consumers an additional housing option for those on CBRF waiting lists. A portion of these units also are used for individuals who are homeless.

***Supported Apartment Program***

- Transitional Living Services (TLS)

2014 Recommended: \$264,345

TLS operates supported apartments at three different locations in the County. Main Street Apartments provides housing for 16 individuals, Oklahoma Apartments has a capacity of 12 individuals and Fardale Apartments serve 38 individuals. These apartments provide the needed support for consumers to live semi-independently. Individuals residing in supported apartments typically have impairment in several areas of daily functioning. The supported apartments are considered transitional so the consumer and their treatment team will identify criteria that align with discharge goals that are contained in their service plan.

***Permanent Supportive Housing Development – Scattered-Site***

- Guest House of Milwaukee Inc.

2014 Recommended: \$400,000

The Scattered-Site supportive housing program is new for 2014. The Housing Division conducted a request for proposals (RFP) and the Guest House of Milwaukee Inc. is being recommended for funding. This model will consist of 40 units of scattered-site permanent supportive housing. Funding will assist with rental assistance as well as provide services such as case management and peer support. Program participants will pay 30 percent of their income towards rent and the program will cover the remainder of the costs. Guest House will work with existing landlords in partnership with the Housing Division to find safe and affordable housing units for the program. The services will include case management and peer support.

**Permanent Supportive Housing Development Support Services**

- Transitional Living Services (TLS) – United House

2014 Recommended: \$110,000

Transitional Living Services is being recommended for funding for the 24-unit supportive housing development known as United House, located at 2500 W. Center St. Cardinal Capital is the developer of United House and manages the property. These funds will allow TLS to provide on-site supportive services including peer specialists.

- Transitional Living Services (TLS) –Highland Commons

2014 Recommended: \$140,000

Transitional Living Services provides on-site support services at Highland Commons, a 50 unit permanent supportive housing development in West Allis for consumers receiving services through the Behavioral Health Division (BHD). This is the County's first supportive housing development to be located outside the City of Milwaukee.

***Shelter Plus Care Supportive Services***

- Community Advocates

2014 Recommended: \$ 166,396

Guest House, Inc.

2014 Recommended: \$ 130,913

Community Advocates and Guest House provide case management services for individuals enrolled in Milwaukee County's Shelter Plus Care program. Milwaukee County receives rental assistance from the U.S. Department of Housing and Urban Development (HUD). It is a HUD requirement that Milwaukee County ensures that consumers receive permanent case management in Shelter Plus Care.

***Housing Development Support Services***

- Our Space, Inc.

2014 Recommended: \$ 363,683

Our Space provides on-site supportive services at Empowerment Village-National, Empowerment Village- Lincoln, Farwell Studios, and the Fardale supportive apartment program. These permanent supportive programs developments consist of 122 units for consumers receiving

services through the Behavioral Health Division (BHD). This contract includes funds for its successful peer specialist model. This is an increase for Our Space as they were selected through an RFP process for Farwell Studios in 2013.

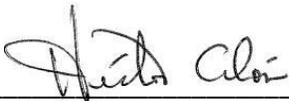
**Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to enter into 2014 purchase of service contracts with the agencies as described above and enumerated in the accompanying resolution.

**Fiscal Effect**

The 2014 Budget includes \$2,320,337 in funding to support these 2014 POS contracts for the Housing Division. A fiscal note form is attached.

Respectfully Submitted,



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Héctor Colón, Director  
Department of Health and Human Services

- cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

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(ITEM) From the Director, Department of Health and Human Services, requesting authorization to enter into 2014 Housing Division purchase of service contracts with community agencies for a variety of Housing Division programs, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service contracts with community agencies for the Housing Division; and

WHEREAS, the contract recommendations are within the limits of the 2014 Adopted Budget; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors does hereby authorize and direct the Director of the Department of Health and Human Services, or his designee, to enter into 2014 Housing Division purchase of service contracts, effective January 1, 2014 to December 31, 2014, with the agencies and in the amounts listed below:

<u>PROVIDER</u>	<u>SERVICE/ PROGRAM</u>	<u>AMOUNT</u>
Cathedral Center	Emergency Shelter Care	\$ 175,000
Our Space, Inc.	Housing Development Support	363,683
Guest House of Milwaukee Inc.	Permanent Supportive Housing Development – Scattered-Site	400,000
Transitional Living Services – Highland Commons	Permanent Supportive Housing	140,000
Transitional Living Services – United House	Permanent Supportive Housing	110,000
Community Advocates	Shelter Plus Care Supportive Services	166,396
Guest House, Inc.	Shelter Plus Care Supportive Services	130,913
Transitional Living Services	Supported Apartments	264,345



48	Milwaukee Center for	Transitional Housing –	570,000
49	Independence (MCFI)	Pathways To Permanent Housing	
50			
51			
52	<b>TOTAL for 2014</b>		<b>\$ 2,320,337</b>

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/21/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services (DHHS), requesting authorization to enter into 2014 purchase of service contracts for programs within the Housing Division.

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		
	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Director of the Department of Health and Human Services (DHHS) is requesting authorization to execute 2014 Housing Division purchase of service contracts with community vendors.

Approval of this request will allow the Director of DHHS to execute purchase of service contracts to continue provision of contracted Emergency Shelter Care, Supported Apartments, Permanent Supportive Housing Development, Shelter Plus Care Supportive Services, Transitional Housing and Housing Development Support Services and to begin providing Permanent Supportive Housing (Scattered-Site) Development Services in the Housing Division for the period January 1, 2014 through December 31, 2014.

B. Total 2014 expenditures included in this request are \$2,320,337.

C. There is no tax levy impact associated with approval of this request in 2014 as funds sufficient to cover associated expenditures are included as part of the Housing Division's 2014 Adopted Budget.

D. No assumptions are made.

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

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CDPB Staff Review?  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE**  
**Behavioral Health Division Administration**  
**INTER-OFFICE COMMUNICATION**

**DATE:** November 25, 2013

**TO:** Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors

**FROM:** Héctor Colón, Director, Department of Health and Human Services  
*Prepared by Susan Gadacz, Director, Community Services Branch and  
Bruce Kamradt, Administrator, Wraparound Milwaukee*

**SUBJECT:** **Report from the Director, Department of Health and Human Services, requesting authorization to execute 2014 purchase of service contracts for the Behavioral Health Division (BHD) for the provision of adult and child mental health services and Alcohol and Other Drug Abuse (AODA) services**

**Issue**

The Director, Department of Health and Human Services (DHHS), is requesting authorization for BHD to execute adult and child mental health and Alcohol and Other Drug Abuse (AODA) contracts for 2014.

**Background**

Approval of the recommended contract allocations will allow BHD to provide a broad range of rehabilitation and support services to adults with mental illness and/or substance abuse problems and children with serious emotional disturbances.

**Discussion**

***Adult Mental Health and Alcohol and Other Drug Abuse (AODA) Overview***

In 2014, the Community Services Branch intends to finalize the redesign of “front-door” to ensure a streamlined intake process for individuals and their families that have either a mental health or a substance use disorder. The assessment and screening instruments will be aligned to determine necessary treatment and recovery support services and the intake will be piloted to ensure it is capturing the required information for enrollment into either mental health or substance use disorder care. The focus on the creation of a recovery-oriented system of care and the movement away from a sustaining care system will become the operational framework. The continued emphasis on the utilization of psychosocial rehabilitation benefits such as CRS 1915(i) and the addition of Comprehensive Community Services will also be a priority. Lastly, the use of peers as providers and other evidence based strategies will

strengthen the delivery of community based care while continuous quality improvement initiatives will guide the future direction and modification of clinical practices.

### **Community Based Crisis Services**

#### *Community Linkages and Stabilization Program (CLASP)*

CLASP provides post-hospitalization extended support and treatment designed to support an individual's recovery, increase ability to function independently in the community, and reduce incidents of emergency room contacts and re-hospitalizations through individual support from Certified Peer Specialists under the supervision of a clinical coordinator. CLASP provides a safe, welcoming, and recovery-oriented environment, and all services are delivered in a person-centered, trauma-informed, culturally competent, and recovery oriented focus of care. La Causa, Inc. receives \$404,714 annually for the CLASP contract.

#### *Crisis Mobile Team*

The Milwaukee Police Department (MPD) will expand their successful partnership with BHD of adding a police officer to the mobile crisis teams. MPD will work directly with clinicians as first responders to emergency detention (ED) calls with the goal of reducing involuntary EDs. MPD will receive \$187,500 annually.

#### *Crisis Grant Coordination*

Mental Health America of Wisconsin (MHA) provides public education and critical information to reach a better understanding of mental illness and reduce the stigma associated with living with a mental illness. MHA coordinates the activities for the crisis grant received by BHD from the state Department of Health Services. MHA receives \$228,300 annually.

### **Mental Health Purchase of Service**

#### *Community Support Programs*

Community Support Programs (CSP) serves individuals with a severe and persistent mental illness or co-occurring substance use disorder. CSP is the most comprehensive and intensive community treatment model. A CSP is a coordinated care and treatment program that provides a comprehensive range of treatment, rehabilitation and support services through an identified treatment program and staff to ensure ongoing therapeutic involvement and person-centered treatment where participants live, work and socialize. Services are individually tailored with each participant through relationship building, individualized assessment and planning, and active involvement to achieve individual goals. Based on a competitive request for proposals (RFP) the following agencies are recommended for an award. In addition, agencies piloting the Assertive Community Treatment/Integrated Dual Disorder Treatment (ACT/IDDT) model are indicated as well.

<b>Agency</b>	<b>Annual Award</b>
Bell Therapy North & South	\$1,478,389
Outreach Community Health Center	\$380,502
*Milwaukee Mental Health Association	\$644,947

*Project Access, Inc.	\$627,061
*Transitional Living Service (TLS)	\$966,590
*Wisconsin Community Services	\$701,590
<b>Total</b>	<b>\$4,799,079</b>

\*ACT/IDDT Pilot

*Targeted Case Management*

Targeted Case Management (TCM) is a modality of mental health practice that addresses the overall maintenance of a person with a severe mental illness. These services include, but are not limited to, addressing the individual's physical, psychological, medical, and social environment with the goal of facilitating personal health, community participation, empowerment and supporting an individual's recovery. There are three levels of TCM service delivery; Level I is outreach based case management and care coordination; Level II, is intensive clinic based case management services; and, Level III is called Recovery Case Management and is intended for clients who require less intensive services than what is provided in Level I. Level III services are provided under a contract with Milwaukee Mental Health Associates for \$50,000.

<b>Agency</b>	<b>Annual Amount</b>
<i>Level I</i>	
Bell Therapy	\$100,000
Horizons Healthcare	\$298,505
LaCausa, Inc.	\$201,194
Milwaukee Mental Health Associates	\$213,723
Alternatives in Psychological Consultation	\$457,610
Outreach Community Health Center	\$456,703
Transitional Living Services (TLS)	\$635,002
<b>Total Level I</b>	<b>\$2,362,737</b>
<i>Level II</i>	
Wisconsin Community Services	\$1,165,418
<b>Total Level II</b>	<b>\$1,165,418</b>
<b>Total TCM Allocation</b>	<b>\$3,528,155</b>

*Outpatient Mental Health Clinics*

BHD partners with two providers: the Medical College of Wisconsin and Outreach Community Health Center to provide outpatient mental health counseling services to uninsured individuals who are seen at the Access Clinic and require immediate short term mental health counseling and prescribing services. The Medical College of Wisconsin receives \$897,771 annually and Outreach Community Health Center receives \$697,732. After 2014, it is intended that these services move into a fee-for-service network to improve client access and choice.

#### *Clubhouse Model*

The Grand Avenue Club is a model of rehabilitation for individuals living with a mental illness and/or co-occurring disorders; the clubhouse operates with participants as members, who engage in partnership with staff in the running of the clubhouse. This includes involvement in the planning processes and all other operations of the club. Grand Avenue Club receives \$200,000 annually.

#### *Drop-in Center*

Psychosocial drop-in centers provide a low-pressure environment for education, recreation, socialization, pre-vocational activities and occupational therapy opportunities for individuals experiencing severe and persistent mental illness and/or co-occurring disorders. They are based on a concept of membership and utilize peer support as a central tenet of the model. Our Space, Inc. provides individuals with a mechanism of social connectedness so that they may further their own recovery. Our Space, Inc. receives \$250,962 annually for this activity.

#### *Office of Consumer Affairs*

Horizon Healthcare supports the operation of the Office of Consumer Affairs. This includes a dedicated Certified Peer Specialist (CPS) in a supervisory capacity, as well as the hiring and supervision of 12 CPS who are employed in the four adult acute inpatient units, day treatment program the Downtown and Southside Community Support Programs, and/or the crisis stabilization homes of BHD. Office of Consumer Affairs also provides a mechanism for the reimbursement for consumer participation in accordance with the BHD Consumer Reimbursement Policy. This is solely for the reimbursement of BHD sponsored activities with prior authorization. Horizon Healthcare receives \$240,000 annually for these activities.

#### *Consumer Satisfaction Evaluation and Advocacy*

Vital Voices is the evaluation entity for the *Mental Health Statistics Improvement Program (MHSIP)* Adult Consumer Survey. This survey was developed for use in the public mental hygiene system and is now widely used by state and local governments in both substance abuse and mental health programs. The MHSIP survey assesses four areas of consumer perceptions: overall satisfaction; access to services; quality and appropriateness of services; and, consumer reported outcomes. MHSIP is used to evaluate both mental health and substance abuse services in the Community Services Branch and assists in determining continuous quality improvement efforts for the upcoming year. Vital Voices receives \$140,961 annually.

#### *Benefits Advocacy*

The Winged Victory Program of TLS assists individuals in accessing, applying for, and maintaining disability benefits. Winged Victory helps eligible consumers navigate the Medicaid and Social Security application process, submits medical documentation to the Disability Determination Bureau and accesses benefit programs in a timely manner. TLS receives \$201,984 annually for this activity.

## **Substance Abuse Purchase of Service**

### *Substance Abuse Prevention*

Community Advocates will administer and staff the work of the Milwaukee Coalition of Substance Abuse Prevention (MCSAP). This 40-member coalition is comprised of Milwaukee County citizens, substance abuse service professionals and individuals who are familiar with the consequences of alcohol and other drug abuse. Utilizing the Strategic Prevention Framework (SPF) as its model, Community Advocates will also subcontract, via a competitive request for proposal, with agencies and coalitions to address population level prevention strategies. Community Advocates will receive funding at \$500,000 annually to continue these prevention activities.

### *Families Moving Forward*

Families Moving Forward is a community of concerned service providers that are dedicated to the empowerment of families and individuals by providing collaborative strength based services designed to improve their quality of life. Families Moving Forward will ensure that African American consumers and their families receive holistic enhanced quality care from our agencies using a collaborative network that will result in a healthier Milwaukee. M&S Clinical Services Inc., will serve as the fiscal agent for Families Moving Forward and will receive \$150,000 annually.

### *Detoxification Services*

Genesis Behavioral Services, Inc., provides medically monitored and ambulatory detoxification services for immediate and short-term clinical support to individuals who are withdrawing from alcohol and other drugs. An assessment is conducted to determine whether a risk exists based on the individual's level of intoxication and whether a risk exists for severe withdrawal symptoms or seizures, based on the amount, frequency, chronicity, and recency of discontinuation of or significant reduction in alcohol or other drug. Genesis receives \$2,572,145 annually to provide these services.

### *Central Intake Unit – Wiser Choice*

The Central Intake Unit (CIU) is the front door for Wiser Choice, and is the first point of contact for individuals seeking treatment or recovery support services for a substance use disorder. The CIU's determine eligibility and administer a comprehensive assessment, establish a clinical level of care for placement at a treatment facility, and gather evaluative information. When individuals are found eligible, a referral is made to the treatment provider of choice selected by the service recipient. Treatment is provided by an extensive network of agencies on a fee-for-service basis. There are four agencies that provide Central Intake Unit (CIU) services for Wiser Choice: M&S Clinical Services at \$547,700 annually; IMPACT at \$509,412 annually; Wisconsin Community Services, which exclusively serves criminal justice participants, at \$258,963 annually; and JusticePoint, a CIU for drug court participants at \$45,000 annually.

### *Training and Technical Assistance Coordination*

St. Charles Youth and Family Services, Inc., coordinates the training and technical assistance functions for the Community Services Branch (CSB). Many of the federal and state grants received by BHD require training and technical assistance as a condition of the receipt of funding. St. Charles Youth and Family Services, in partnership with CSB, coordinates the logistics and delivery of the training and technical assistance to community based providers and stakeholders. A dedicated staff person to coordinate these activities is needed to fulfill the training and technical assistance. The training and services includes but is not limited to trauma informed care, Comprehensive, Continuous, Integrated System of Care (CCISC), basics in community treatment, fetal alcohol spectrum disorders, gender specific treatment, the neuroscience of addiction, integrated care, student stipends, and other required areas. St. Charles receives \$403,126 annually for these activities.

### **Child and Adolescent Community Services**

Overall contract allocations for 2014 in BHD's Child and Adolescent Community Services Branch will increase from 2013, reflecting the further growth of community-based, mental health services for children and their families in Milwaukee County. BHD will again contract with a number of community agencies for care coordination and other services that support the operation of the nationally recognized Wraparound Milwaukee Program, REACH (Reaching, Engaging and Assisting Children), FISS (Family Intervention and Support Services), Healthy Transitions Initiative and MUTT (Mobile Urgent Treatment Team). As a special, 1915a Managed Care program under Medicaid, all remaining services are purchased on a fee-for-service basis through agencies participating in the Wraparound Milwaukee Provider Network. Individual Purchase of Service contract allocations being recommended are enumerated in the resolution.

### **Care Coordination Services**

In 2014, BHD recommends again, purchasing regular care coordination services for court-ordered youth referred from Child Welfare and Juvenile Justice and enrolled in the Wraparound Milwaukee program from eight agencies selected through a Request for Proposals (RFP) process. Similarly, BHD plans to extend purchase agreements for the fast growing, voluntary, non-court involved youth/families in the REACH program from the four agencies who submitted bids on these services last year. The primary increase in the care coordination services area in 2014, is the continued expansion in Wraparound Milwaukee enrollment.

Care Coordination is a key service in Wraparound as the staffs at those agencies facilitate the care planning team, help develop the individual treatment plans, and arrange, provide and monitor mental health and other services for children and their families and provide reports and testify in court. Screening and assessment services to determine eligibility for Wraparound, and provide recommendations to the court, are also provided by four of these recommended agencies. Another factor in the increase in care coordination contract amounts for 2014, will be the reduction in average caseload ratios for care coordinators for Wraparound and REACH to provide more intensive service coordination and meet the recommended national standards of 1:8 for the ratio of care coordinators to families.

The total number of youth/families projected to be served in 2014 is 1,650 families with an average daily enrollment of 1,150 youth/families. This would be the highest average daily enrollment in the history of the program and due primarily to the growing interest and demand by families to enroll in the new voluntary REACH program. The other new program that is resulting in increased overall enrollment and the need for additional care coordination/transitional specialists, is the Healthy Transitions Initiative (HTI), a Federal grant program focusing on young adults, 18-24, who have serious emotional and mental health needs and need help transitioning to adulthood. These are usually young adults coming out of the regular Wraparound program or transitioning out of homes. The HTI program is expected to daily serve 80 young adults in 2014.

The eight agencies providing the key care coordination services, transitional care coordination and screening and assessment for these various BHD and Wraparound programs are:

<b>Care Coordination Agency</b>	<b>Service Type</b>	<b>2014 Proposed Contract</b>
Alternatives in Psychological Consultation	Regular Care Coordination	\$ 957,760
My Home, Your Home	Regular Care Coordination	\$ 957,760
	REACH	\$ 642,400
	Assessment	<u>\$ 85,000</u>
		\$1,685,160
Aurora Family Service	Regular Care Coordination	\$ 957,760
Willowglen Community Care	Regular Care Coordination	\$ 957,760
	Screening/Assessment	<u>\$ 160,000</u>
		\$1,117,760
AJA Counseling Center	Regular Care Coordination	\$ 957,760
	REACH	\$ 883,300
	Assessment	<u>\$ 80,000</u>
		\$1,921,060
La Causa, Inc.	Regular Care Coordination	\$1,752,000
	REACH	\$ 947,540
	Screening/Assessment	<u>\$ 250,000</u>
		\$2,949,540
St. Aemilian-Lakeside	Regular Care Coordination	\$1,051,200
	REACH	\$ 883,300

	Screening/Assessment	<u>\$ 80,000</u>
		\$2,014,500
St. Charles Youth and Family Services	Regular Care Coordination	\$ 957,760
	HTI - Transitional Specialist	\$ 328,370
	Screening/Assessment	<u>\$ 204,000</u>
		\$1,490,130
<b>Care Coordination Total:</b>		<b>\$13,093,670</b>

**Support Services for Wraparound Milwaukee**

For 2014, BHD recommends continuing an agreement with the Wisconsin Department of Health Services (DHS) to have the Wisconsin Council on Children and Families provide, or arrange for; program evaluation, staff training, management information and IT, and other technical support necessary to maintain the Medicaid Capitation contract with DHS. This will assure continued approval by the Center for Medicare/Medicaid Service (CMS) for BHD's 1915a status.

BHD also proposes to contract again with Families United of Milwaukee for advocacy and educational support for families served by Wraparound Milwaukee. Families United was selected previously through the RFP process. This minority-owned and operated agency continues to represent and advocate for families of youth with serious mental and behavioral needs. It also provides educational advocacy to help enrolled youth obtain an Individual Education Plan (IEP), achieve appropriate school placements, and reduce unnecessary residential and day treatment services. Fiscal intermediary services support the purchase of services from relative caregivers for youth and BHD recommends that this contract with Milwaukee Center for Independence be continued in 2014.

<b>Support Services for Wraparound</b>	<b>Service Type</b>	<b>2014 Proposed Contract</b>
Wisconsin Council on Children and Families	Program Evaluation, Training Technical Assistance and IT Support	\$ 643,436
Families United of Milwaukee	Family and Educational Advocacy	\$ 525,000
<b>Support Services for Wraparound Total:</b>		<b>\$1,168,436</b>

**Mobile Urgent Treatment Services**

For 2014, Wraparound Milwaukee will again operate 24/7 mental health crisis intervention services for all Milwaukee County families. The Mobile Urgent Treatment Team (MUTT) will serve an estimated 1,800 families in 2014. Additionally, the Bureau of Milwaukee Child Welfare will again fully fund a dedicated MUTT team for foster families (MUTT-FF). The MUTT-FF team

has been effective at reducing the incidence of failed foster placements through the provision of 24/7 crisis intervention services to foster families who are experiencing a mental health or behavioral crisis with a child in their care.

To support BHD's professional team of county psychologists and psychiatric social workers assigned to the MUTT program, St. Charles Youth and Family Services will provide up to ten crisis support workers for MUTT to ensure 24 hour, seven day per week coverage. St. Charles was the only agency to submit a bid to provide these services for the current RFP period.

St. Charles is providing additional child psychiatrist coverage for the medication clinics and MUTT consultation for Wraparound Milwaukee and was chosen through the last RFP process to provide an eight bed crisis group home called Haven House for boys placed through the MUTT team and Wraparound Program.

For 2014, as part of the Federal Healthy Transitions Grant, St. Charles is leasing space to Wraparound Milwaukee for operation of the youth/young adult resource center (Owen's Place) and for the provision of the resource center manager and several young adult peer specialists.

<b>Agency Providing Support Services</b>	<b>Service Type</b>	<b>2014 Proposed Contract</b>
St. Charles Youth and Family Services	-Crisis Group Home (Haven House)	\$ 456,000
	-Mobile Crisis and other Clinical Services for Community and Foster Care System	\$1,194,293
	-Resource Center/Peer Specialists	\$ 198,372
<b>MUTT Support Services Total:</b>		<b>\$ 1,848,665</b>

#### **Family Intervention and Support Services (FISS)**

The BHD-Wraparound Program applied for, and was selected in 2012, by the Wisconsin Department of Children and Family Services to operate the entire Family Intervention Support and Services Program (FISS).

In addition to the case management services, BHD now provides all the assessment services and is targeted to conduct about 850 assessments in 2014 as well as serve over 200 families in the case management component. FISS targets adolescents who are experiencing parent-child conflicts manifesting in school truancy, chronic running away from home, and other issues of uncontrollability. FISS is a voluntary, early intervention alternative for parents who can receive a range of mental health and support services as an alternative to filing a formal CHIPS petition. FISS is fully funded by the Bureau of Milwaukee Child Welfare.

St. Charles Youth and Family Services, who has been providing case management services for this program, was selected through an RFP process to operate the assessment and case management services in 2014.

<b>Agency Providing FISS Program Services</b>	<b>Service Type</b>	<b>2014 Proposed Contract</b>
St. Charles Youth and Family Services	Assessment and Case Management	\$ 439,888
<b>FISS Support Services Total:</b>		<b>\$ 439,888</b>

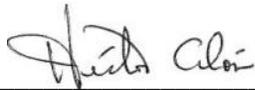
**Recommendation**

It is recommended that the County Board of Supervisors authorize the Director, Department of Health and Human Services, or his designee, to enter into 2014 purchase of service contracts with agencies as described above and enumerated in the resolution accompanying this report.

**Fiscal Effect**

These contracts reflect total expenditures of \$33,269,163. A fiscal note form is attached.

Respectfully Submitted:



\_\_\_\_\_  
Héctor Colón, Director  
Department of Health and Human Services

- cc: County Executive Chris Abele  
Raisa Koltun, County Executive's Office  
Kelly Bablitch, County Board  
Don Tyler, Director, DAS  
Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff

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(ITEM \*) Report from the Director, Department of Health and Human Services, requesting authorization to execute 2014 purchase of service contracts for the Behavioral Health Division (BHD) for the provision of adult and child mental health services and Alcohol and Other Drug Abuse (AODA) services by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service contracts with community agencies for the Behavioral Health Division (BHD); and

WHEREAS, approval of the recommended contract allocations will allow BHD to continue to provide a broad range of rehabilitation and support services in the community to adults with mental illness and/or substance abuse problems and children with serious emotional disturbances; and

WHEREAS, approval of the recommended contract allocations will allow for the provision of identified high priority community-based services for children and adults having serious and persistent mental illness, substance abuse problems, or other emotional needs; and

WHEREAS, the amounts recommended in these contracts have been included in BHD's 2014 Budget; now, therefore,

BE IT RESOLVED, that the Director of the Department of Health and Human Services, or his designee, is authorized to enter into 2014 purchase-of-service contracts with the following provider agencies for the time period of January 1 through December 31, 2014, in the amounts specified below

<b>Adult Agencies - Mental Health</b>	<b>Service</b>	<b>2014 Contract</b>
Alternatives in Psychological Consultation	Targeted Case Management	457,610
Bell Therapy	Community Support Program	1,478,389
	Targeted Case Management	100,000
Grand Ave Club	Club House	200,000
Horizon Health Care	Targeted Case Management	298,505
	Consumer Affairs	240,000
La Causa	CLASP	404,714

47		Targeted Case Management	201,194
48			
49	Medical College of Wisconsin	Community Treatment-Outpatient	897,771
50			
51	Mental Health America	Crisis Grant	228,300
52			
53	Milwaukee Mental Health	Community Support Program	644,947
54		Targeted Case Management	213,723
55			
56	Milwaukee Police Dept	Crisis Mobile	187,500
57			
58	Our Space	Drop-in Center	250,962
59			
60	Outreach Community Health	Community Support Program	380,502
61	Center	Targeted Case Management	456,703
62		Community Treatment-Outpatient	697,732
63			
64	Project Access	Community Support Program	627,061
65			
66	Transitional Living Services	Targeted Case Management	635,002
67		Community Support Program	966,590
68		Benefits Advocacy	201,984
69			
70	Wisconsin Community	Community Support Program	701,590
71	Services	Targeted Case Management- Level II	1,165,418
72		CIU/CJ Population	258,963
73			
74	Vital Voices	Advocacy	140,961
75			
76	<b>TOTAL Allocation – Adult Mental Health Services</b>		<b>\$ 12,036,121</b>
77			
78	<b><u>Adult Agencies – Alcohol</u></b>		
79	<b><u>and Other Drug Abuse</u></b>		<b>2014 Contract</b>
80		<b>Service</b>	
81	Community Advocates	AODA Prevention	500,000
82			
83	Genesis Behavioral Services	Detoxification	2,572,145
84			
85	IMPACT	Central Intake Unit	509,412
86			
87	M&S Clinical Services	Central Intake Unit	547,700
88		Families Moving Forward	150,000
89			
90	St. Charles Youth	Training & Consultation	403,126
91	and Family Services		
92			

93 **TOTAL – Adult Alcohol & Other Drug Abuse Services** **\$ 4,682,383**  
94  
95

96	<b>Child and Adolescent</b>		
97	<b>Agencies</b>	<b>Service</b>	<b>2014 Contract</b>
98			
99	AJA Counseling Center	Regular Care Coordination & REACH	\$1,921,060
100			
101			
102	Alternatives in Psychological Consultation	Regular Care Coordination	957,760
103			
104			
105	Aurora Family Service	Regular Care Coordination	957,760
106			
107	Families United of Milwaukee	Family and Educational Advocacy	525,000
108			
109	La Causa, Inc.	Regular Care Coordination REACH	2,949,540
110			
111			
112	My Home, Your Home	Regular Care Coordination REACH	1,685,160
113			
114			
115			
116	St. Aemilian-Lakeside	Regular Care Coordination REACH	2,014,500
117			
118			
119	St. Charles Youth and Family Service	Regular Care Coordination HTI Transition Specialist	3,778,683
120			
121			
122	Willowglen Community Care	Regular Care Coordination	1,117,760
123			
124	Wisconsin Council on Children and Families	Program Evaluation, Training, Technical Assistance, & IT	643,436
125			
126			
127			
128	<b>TOTAL – Child &amp; Adolescent</b>		<b>\$ 16,550,659</b>
129			
130	<b>TOTAL – BHD</b>		<b>\$ 33,269,163</b>
131			
132			
133			

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Report from the Director, Department of Health and Human Services, requesting authorization to execute 2014 purchase of service contracts for the Behavioral Health Division (BHD) for the provision of adult and child mental health services and Alcohol and Other Drug Abuse (AODA) services

**FISCAL EFFECT:**

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|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A) The Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into 2014 purchase of service contracts in the Behavioral Health Division (BHD) for the provision of Adult and Child Mental Health services and Alcohol and Other Drug Abuse (AODA) services.

Approval of the recommended contract allocations will allow the Behavioral Health Division to continue to provide a broad range of rehabilitation and support services in the community to adults with mental illness and/or substance abuse problems and children with serious emotional disturbances for the period January 1, 2014 through December 31, 2014.

B. Total 2014 expenditures included in this request are \$33,269,163.

C. There is no tax levy impact associated with approval of this request in 2014 as funds sufficient to cover associated expenditures are included as part of the Behavioral Health Division's 2014 Budget.

D. No assumptions are made.

Department/Prepared By Clare O'Brien, DHHS Fiscal & Management Analyst

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Did CDPB Staff Review?

Yes

No

Not Required

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

**Date:** November 25, 2013

**To:** Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

**FROM:** Hector Colon, Director, Department of Health and Human Services  
Chris Lindberg, Director of Information Management Services

**Subject:** **Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for information technology support of the Community Mental Health Care application for the Department of Health and Human Services – Behavioral Health Division**

**Issue**

The Director of the Department of Health and Human Services and the Director of the Information Management Services Division are requesting authorization to amend the professional service contract with the Joxel Group, LLC for information technology support service of the Community Mental Health Care application, the Department of Health and Human Services - Behavioral Health Division's current core business system.

**Background**

In January 2012, the Information Management Services Division (IMSD) was granted authorization to execute a contract with the Joxel Group (TJG), a certified DBE vendor, to provide support services and technical assistance for the Department of Health and Human Services (DHHS) - Behavioral Health Division's (BHD) current core business system, Community Mental Health Care (CMHC). IMSD is now returning to the Board to request an amendment to extend the current professional services contract to cover 2014 core functions and support of the CMHC system. Currently, processing of the Community-based services program work is being done in CMHC which is scheduled to be phased out when the new Avatar Electronic Medical Records (EMR) System goes "Live". CMHC is a system that will require support services as the County continues to provide long-term care. The need for CMHC will go away if the long-term care program is closed.

BHD, with assistance from IMSD and TJG, is implementing a new Electronic Medical Record (EMR) system, which will provide comprehensive EMR services and ultimately replace CMHC. TJG, as part of its management of the CMHC contract as well as the new EMR implementation, is able to provide efficiencies and cost savings through critical knowledge transfer of the current CMHC IT staff and cross functional support for both projects by the EMR and CMHC teams.

CMHC provides critical services and information to BHD's Community Based Services programs including billing and patient data. In addition, the billing for the long-term care is being done in CMHC. As a result, the support of CMHC needs to be maintained and support until the EMR system and the closure of long-term care is complete. Due to efforts of the staff at BHD, and through the new EMR initiative, the technical support cost of CMHC was reduced from \$2.2 million in 2010 to \$600,000 in 2013, and finally to \$317,000 in 2014. This report is requesting the authority to increase the existing TJG professional services agreement by \$317,000 for support services in 2014. The requested funds are included in the BHD's 2014 operating budget.

**Recommendation**

The Director of Health and Human Services and the Director of the Information Management Services Division, or their designees, respectfully request approval to execute a professional services amendment with the Joxel Group, LLC for information technology support service of the Community Mental Health Care application, the Department of Health and Human Services - Behavioral Health Division's current core business system.

A fiscal note is attached.

Prepared By:

*Laurie Panella*

\_\_\_\_\_  
Laurie Panella, IMSD  
Deputy Chief Information Officer

Approved By:

*Hector Colon*

\_\_\_\_\_  
Hector Colon, Director  
Department of Health and Human Needs

Approved By:

*Chris Lindberg*

\_\_\_\_\_  
Chris Lindberg, IMSD  
IT Director, Chief Information Officer

cc: County Executive Chris Abele  
Amber Moreen, Chief of Staff, County Executive's Office  
Peggy Romo West, Chairperson, Health and Human Needs Committee  
Russell W. Stamper II, Vice Chairperson, Health and Human Needs Committee  
Kelly Bablitch, Chief of Staff, County Board of Supervisors  
Don Tyler, Director, Department of Administrative Services

Josh Fudge, Fiscal & Budget Administrator, DAS  
Matt Fortman, Fiscal & Management Analyst, DAS  
Steve Cady, Fiscal & Budget Analyst  
Janelle Jensen, Committee Clerk, County Board Staff  
Jody Mapp, Committee Clerk, County Board Staff

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(ITEM \*) Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for information technology support of the Community Mental Health Care application for the Department of Health and Human Services – Behavioral Health Division by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, in January 2012, the Information Management Services Division (IMSD) was granted authorization to execute a contract with the Joxel Group (TJG), a certified DBE vendor, to provide support services and technical assistance for the Department of Health and Human Services (DHHS) - Behavioral Health Division’s (BHD) current core business system, Community Mental Health Care (CMHC); and

WHEREAS, IMSD is now requesting authorization of an amendment to extend the current professional services contract to cover 2014 core functions and support of the CMHC system; and

WHEREAS, BHD, with assistance from IMSD and TJG, is in the second year of implementing a new Electronic Medical Record (EMR) system, which will provide comprehensive EMR services and ultimately replace CMHC; and

WHEREAS, TJG, in managing the CMHC contract as well as the new EMR implementation, is able to provide efficiencies and cost savings through critical knowledge transfer of the current CMHC IT staff and cross functional support for both projects by the EMR and CMHC teams; and

WHEREAS, CMHC provides critical services and information to BHD including billing and patient data and billing for the long-term care being conducted in CMHC; and

WHEREAS, as a result, support of CMHC needs to be maintained until the EMR system is complete and the final disposition of long-term care is determined; and

WHEREAS, due to efforts of the staff at BHD, and through the new EMR initiative, the technical support cost of CMHC was reduced from \$2.2 million in 2010 to \$600,000 in 2013 and to \$317,000 in 2014; and

WHEREAS, this report is requesting the authority to increase the existing TJG professional services agreement by \$317,000 for support services in 2014; now, therefore,

BE IT RESOLVED, that the Director of the Department of Health and Human Services and the Director of the Information Management Services Division, or their

45 designees, are hereby authorized to execute a professional services amendment with the  
46 Joxel Group, LLC for information technology support service of the Community Mental  
47 Health Care application, the Behavioral Health Division's current core business system.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for information technology support of the Community Mental Health Care application for the Department of Health and Human Services – Behavioral Health Division

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		
	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

- A. The Information Management Services Division (IMSD) respectfully requests authorization to execute a professional services contract amendment with the Joxel Group, LLC (TJG) on behalf of the Behavioral Health Division (BHD) for support service of BHD's current core business system, Community Mental Health Care (CMHC). The amendment value is \$317,000.
- B. The cost related to the proposed contract is \$317,000 for three (3) high level technical resources and will fund not only support services of CMHC but will provide assistance in the implementation of the new Electronic Medical Records system at BHD. IMSD and BHD are recommending that the funding for this contract be provided through BHD.
- C. The 2014 BHD Budget includes sufficient funding for this contract. The \$317,000 cost is an estimate and provides for full time support of CMHC as well as implementation services of the new EMR. The reliance on the CMHC application throughout 2014 will be greatly reduced but will not cease until the new EMR system is fully implemented at BHD. In 2014 the level of CMHC support is unknown. IMSD will return in December of 2014 to seek authority of the County Board of Supervisors and the County Executive to amend the contract with TJG for 2014 CMHC services, if needed.
- D. It is assumed that fewer resources will be required to support CMHC throughout 2014. The \$317,000 cost estimate reflects this reduction.

Department/Prepared By Laurie Panella, Deputy Chief Information Officer

Authorized Signature *Laurie Panella*

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION

**Date:** November 25, 2013

**TO:** Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

**FROM:** Hector Colon, Director, Department of Health and Human Services  
Chris Lindberg, Director of Information Management Services

**SUBJECT:** **Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for implementation of an Electronic Medical Records System for the Department of Health and Human Services – Behavioral Health Division**

**Issue**

The Director of the Department of Health and Human Services (DHHS) and the Director of the Department of Administrative Services – Information Management Services Division (IMSD) are requesting authorization to amend the professional services contract with the Joxel Group, LLC (TJG) in order to continue the implementation of the Electronic Medical Records (EMR) system for the Department of Health and Human Services– Behavioral Health Division (BHD).

**Background**

Capital Project WO444 - Electronic Medical Records System was adopted in the 2010 Capital Improvements Budget. IMSD was appointed project lead on this initiative.

The EMR project is broken down into four phases:

Phase 1 – Planning and Design

Phase 2 – Request for Proposal (RFP) Process and Vendor Selection

**Phase 3 – Implementation**

Phase 4 – Closeout and Audit

The Joxel Group (TJG), a certified DBE vendor, was competitively awarded a professional services contract to provide both program and project management services for the EMR initiative. TJG has completed Phase 1, Phase 2 and is currently in the third stage of the Implementation Phase of the EMR project.

IMSD, TJG and BHD began Phase 3 – Implementation in January 2012. The approach is comprehensive and due to the complexity of process integration and change management, this phase is anticipated to continue through December of 2014. To date, implementation has been successful. On December 3, 2012, the Crisis Services Division within BHD (Psychiatric Crisis

Services (PCS), Observation (OBS), and the Access Clinic) went “live” with the new EMR system. In October 2013, the Crisis Stabilization as well as the Acute Inpatient Services went “live.”

The next and final stage of Phase 3 – Implementation will be the conversion of Community Service programs, Day Treatment, and the Contracted Service programs. The project team is leveraging national best practices for the Community Service programs. In addition, with the technology enhancements that are being leveraged to provide effective care, Netsmart has launched two new modules which would help BHD as it plans to use the EMR for Community Service care. The first module, CareManagement, will provide a horizontal view of the client, including care details, across all touch points within BHD and potentially throughout the medical service community. The second module, CarePathways, provides analytical review of treatment and medication progress within the patient population. As BHD and the community service branch continues to look at expanding services and enhancing capability, these additions will provide insights into managing and driving this growth.

The implementation stage is anticipated to be complete by the end of 2014. DHHS and IMSD are requesting the authority to amend the existing TJG professional services agreement by \$615,000 for the continuation of the project. The requested funds are included in the 2014 BHD Budget.

**Recommendation**

The Director of Health and Human Services and the Director of the Information Management Services Division, or their designees, respectfully request approval to execute a professional services amendment with the Joxel Group, LLC for continuation of the implementation services of the Electronic Medical Records (EMR) solution for BHD.

A resolution and fiscal note are attached.

Prepared By:

*Laurie Panella*

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Laurie Panella, IMSD  
Deputy Chief Information Officer

Approved By:

*Hector Colon*

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Hector Colon, Director  
Department of Health and Human Needs

Approved By:

*Chris Lindberg*

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Chris Lindberg, IMSD  
IT Director, Chief Information Officer

cc: County Executive Chris Abele  
Amber Moreen, Chief of Staff, County Executive's Office  
Peggy Romo West, Chairperson, Health and Human Needs Committee  
Russell W. Stamper II, Vice Chairperson, Health and Human Needs Committee  
Kelly Bablitch, Chief of Staff, County Board of Supervisors  
Don Tyler, Director, Department of Administrative Services  
Jeanne Dorff, Deputy Director, Health and Human Services  
Jim Kubicek, Interim Administrator, Behavioral Health Division  
Martin Weddle, Health and Human Services Research Analyst  
Jodi Mapp, Health and Human Services Committee Clerk  
Clare O'Brien, Fiscal and Policy Administrator, Health and Human Services  
Matthew Fortman, Fiscal and Budget Analyst, Dept of Admin Services  
Sushil Pillai, The Joxel Group, LLC  
Coco Kalinowski, Business Solutions Manager, IMSD  
Michael McAdams, Business Analyst, IMSD

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(ITEM \*) Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for continuation of the implementation of an Electronic Medical Records System for the Department of Health and Human Services – Behavioral Health Division by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Director of the Department of Health and Human Services (DHHS) and the Director of the Department of Administrative Services – Information Management Services Division (IMSD) are requesting authorization to amend the professional services contract with the Joxel Group, LLC (TJG) in order to continue the implementation of the Electronic Medical Records (EMR) system for the Department of Health and Human Services (DHHS) – Behavioral Health Division (BHD); and

WHEREAS, Capital project WO444 - Electronic Medical Records System (EMR) was adopted in the 2010 Capital Improvement Budget and IMSD was appointed project lead on this initiative; and

WHEREAS, the EMR project is broken down into four phases including Phase 1 – Planning and Design, Phase 2 – Request for Proposal (RFP) Process and Vendor Selection, Phase 3 – Implementation, Phase 4 – Closeout and Audit; and

WHEREAS, the Joxel Group (TJG), a certified DBE vendor, was competitively awarded a professional services contract to provide both program and project management services for the EMR initiative; and

WHEREAS, TJG has completed Phase 1, Phase 2 and is currently in the third stage of the Implementation Phase of the EMR project; and

WHEREAS, IMSD, TJG and BHD began Phase 3 – Implementation in January 2012. The approach is comprehensive and, due to the complexity of process integration and change management, is anticipated to continue through December of 2014; and

WHEREAS, implementation, to date, has been successful and on December 3, 2012, the Crisis Services Division within BHD (Psychiatric Crisis Services, Observation, and the Access Clinic) went “live” with the new EMR system and in October 2013, the Crisis Stabilization as well as the Acute Inpatient Services went “live;” and

WHEREAS, the next and final stage of Phase 3 – Implementation will be the conversion of Community Service programs, Day Treatment, and the Contracted Service programs; and

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WHEREAS, the project team is leveraging national best practices for the Community Service programs; and

WHEREAS, DHHS and IMSD are requesting the authority to amend the existing TJG professional services agreement by \$615,000 for the continuation of the project; now, therefore,

BE IT RESOLVED, that the Director of the Department of Health and Human Services and the Director of the Information Management Services Division, or their designees, are hereby authorized to execute a professional services amendment with the Joxel Group, LLC for continuation of the implementation services of the Electronic Medical Records (EMR) solution for BHD.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request for authorization to execute a professional services contract amendment with the Joxel Group, LLC for implementation of an Electronic Medical Records System for the Department of Health and Human Services – Behavioral Health Division

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		
	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

- A. Approval of the requested amendment is to extend the professional services contract between Joxel Group, LLC (TJG) and the Department of Health and Human Services (DHHS) - Behavioral Health Division (BHD) for the continuation of the Electronic Medical Records (EMR) implementation. This action will result in an increased cost of \$615,000.
- B. The cost related to the proposed contract amendment is an additional \$615,000 for the 2014 Implementation Services of the broader project. IMSD and BHD are recommending that the additional funding of \$615,000 necessary to complete the professional services contract for 2014 project management, business analyst and interface analyst services of the Implementation phase be funded through BHD operating funds.
- C. The requested funds are included in BHD's 2014 operating budget. IMSD will return to the County Board and the County Executive for approval of the costs to fund the project in 2015, the final phase.
- D. The expenditures provided above are estimated. It is assumed that the overall Electronic Medical Records (EMR) project may require future budget appropriation requests to complete.

Department/Prepared By Laurie Panella, Deputy Chief Information Officer

Authorized Signature *Laurie Panella*

Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

**Date:** November 14, 2013

**To:** Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

**From:** Chris Lindberg, Chief Information Officer, IMSD

**Subject:** Request for authorization to execute a contract with Motorola Solutions, Inc to purchase and install an 800 MHz Public Safety Radio System (WO614 – Build Out Ten Sites to Digital)

**REQUEST**

The Director of the Department of Administrative Services – Information Management Services Division (IMSD) requests authorization to execute a contract with Motorola Solutions, Inc. to purchase and install an 800 MHz Public Safety Radio System and related radio components.

**BACKGROUND**

As part of the approved 2010 Capital Budget, the County Board of Supervisors and the County Executive both approved capital project WO614-Build-Out Ten Sites to Digital. The project scope is comprehensive and includes the following deliverables from the contracted radio provider:

- Purchase and implementation of a simulcast, digital 800 MHz trunked radio system
- Installation of a microwave backhaul network
- Purchase and installation of dispatch consoles for the Milwaukee County Office of the Sheriff (MCSO), Emergency Medical Services Division (EMS) and Milwaukee County Transit Department (Transit)
- Radio tower site analysis, site development and remediation
- Mobile and portable subscriber radios for MCSO, EMS, Milwaukee County House of Correction, the Milwaukee County District Attorney's Office, Transit, Milwaukee County Department of Transportation and Public Works, Milwaukee County Zoo, General Mitchel International Airport, Milwaukee County Parks and the Department of Administrative Services – Facilities Division
- Training
- Ongoing licensing and maintenance services (Operational Costs)

The overall project will also account for all costs associated with the Department of Administrative Services – Architectural and Engineering services, project management, owner's representation and radio site services. These and all other soft costs will be identified and detailed through a Project Kick-off Detailed Design Analysis meeting and will be funded through the current capital allocation.

In May of 2012, IMSD was granted authorization to execute a Memorandum of Understanding (MOU) and partner with Waukesha County Department of Emergency

Preparedness/Radio Services (Waukesha County) to jointly retain the services of a communications consulting firm. A Request for Proposal (RFP) was issued and Milwaukee and Waukesha Counties contracted with CDX Wireless Inc. (CDX) for those services. CDX's role was to:

- Understand and document Milwaukee County and Waukesha County public safety communication requirements
- Describe alternative radio infrastructure design and implementation concepts
- Develop documentation for the technical specifications
- Calculate budgets (both capital and on-going)
- Draft and assist in administering a RFP for the replacement of each aging radio system.

In November of 2012, CDX completed the study of the Bi-County radio system and an RFP was let on April 12, of 2013. The RFP was sent to nine (9) radio vendors, advertised through the Daily Reporter and posted on the Milwaukee and Waukesha County Websites. Three respondents representing four different manufacturers of radio technology submitted proposals. Proposals were rated based on technology, cost, experience/qualifications, implementation and thoroughness in response as it relates to project plan and support. Upon review of the proposals during September, 2013, it was determined that Motorola Solutions, Inc. (Motorola) was the responsive, responsible vendor who scored the highest total on the evaluation criteria.

IMSD, in conjunction with Waukesha County, Risk Management and Corporation Counsel, has been negotiating a contract with Motorola to purchase a public safety radio system as well as the purchase of on-going annual support and maintenance. Negotiations have been successful to date. It is IMSD's intent to have the contract finalized, approved by Risk Management, Corporation Counsel and the Community Business Development Partners and executed by year end. If the Milwaukee County/Motorola contract is executed by year end, for a period of two years, Motorola will commit to a significant discount (50%) for Milwaukee County as well as municipal County radio system users on Motorola's product list of subscriber units. It must be noted that the contract is substantially complete and that the financial details have been solidified. The contract with Motorola is for a not to exceed cost of \$17,751,797 and includes system build, licensing and maintenance costs (operational cost) for a period of ten (10) years beyond warranty expiration. Key cost components of the contract are as follows:

<b><u>Capital Cost</u></b>	
Radio Infrastructure	\$ 5,675,537
Network - Microwave Backhaul	\$ 485,082
Radio Tower Site Work	\$ 1,312,674
Dispatch Consoles and Network	\$ 645,745
Subscriber Costs	\$ 5,410,698
Training	\$ 79,841
<b>Total Milwaukee County Contract Cost (one time)</b>	<b>\$ 13,609,577</b>

<u>Operational Cost</u>	<u>Annual (Ave)</u>	<u>10 Yr Cost</u>
License and Maintenance	\$ 414,222	\$ 4,142,220

The contract with Motorola does not, however, include the build and implementation of the Milwaukee County/Waukesha County shared core. The core will be installed in Waukesha County; therefore Waukesha is purchasing the core and invoicing Milwaukee County for its portion of the cost. Milwaukee County's share of the purchase and installation of the core will be a not to exceed dollar amount of \$450,668.

Maintenance and licensing are fixed costs that Milwaukee County will incur annually. Upon project completion, IMSD will work with the Department of Administrative Services and user groups to determine a fair and equitable means to allocate costs across Milwaukee County radio system participants.

Milwaukee County currently contracts with Motorola for system infrastructure service and repair for the existing and obsolete analog radio system. IMSD is considering contracting for the same services but not until approximately 2016. System infrastructure service and repair includes preventative maintenance, dispatch service, and on-site infrastructure response and repair. If it is determined that system service and repair is necessary, a contract will be negotiated and IMSD will return to the County Board of Supervisors and the County Executive for review and approval.

#### RECOMMENDATION

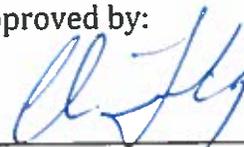
The Chief Information Officer respectfully requests the authority to enter into a contract with Motorola Solutions, Inc. to purchase and install a public safety radio system as well as provide for on-going annual license and maintenance services

A resolution and fiscal note are attached for your review and referral to the appropriate committee(s) of the County.

Prepared by:

  
 Laurie Panella, IMSD  
 Deputy Chief Information Officer

Approved by:

  
 Chris Lindberg, IMSD  
 Chief Information Officer

cc: Chris Abele, County Executive  
 Amber Moreen, Chief of Staff, County Executive's Office  
 Supervisor Willie Johnson, Jr., Co-Chair, Finance, Personnel and Audit Cte  
 Supervisor David Cullen, Co-Chair, Finance, Personnel and Audit Cte  
 Supervisor Theo Lipscomb, Sr., Chair, Judiciary, Safety, and General Services Cte

Supervisor Jason Haas, Vice Chair, Finance, Personnel and Audit Cte  
Supervisor Mark Borkowski, Vice Chair, Judiciary, Safety, and General Services Cte  
Kelly Bablitch, Chief of Staff, County Board  
Raisa Koltun, Director of Legislative Affairs, County Executive's Office  
Don Tyler, Director, DAS  
Josh Fudge, Budget Director, DAS  
Steve Cady, Research Analyst, County Board  
Martin Weddle, Pol. Res. Analyst, County Board  
Janelle Jensen, Committee Clerk, Finance and Audit Committee  
Alexis Gassenhuber, Committee Clerk, Judiciary, Safety, and General Services Cte  
Pamela Bryant, Capital Finance Manager  
Vince Masterson, Fiscal Management Analyst, DAS  
Justin Rodriguez, Capital Finance Planning Analyst  
Dan Laurila, Fiscal Management Analyst, DAS  
Rich Foscato, IT Director of Applications, IMSD  
Marlinda Sisk, Fiscal and Budget Manager, IMSD  
Hugh Morris, Business Systems Project Manager, IMSD

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4 (ITEM \*) Request for authorization to execute a contract with Motorola Solutions, Inc. to  
5 purchase and install a public safety radio system by recommending adoption of the  
6 following:

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8 **A RESOLUTION**

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10 WHEREAS, as part of the approved 2010 Capital Budget, the County Board of  
11 Supervisors and the County Executive both approved capital project WO614-Build-Out  
12 Ten Sites to Digital; and

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14 WHEREAS, the project scope is comprehensive and includes the following  
15 deliverables from the contracted radio provider:

- 16  
17 • Purchase and implementation of a simulcast, digital 800 MHz trunked radio system  
18 • Installation of a microwave backhaul network  
19 • Purchase and installation of dispatch consoles for the Milwaukee County Office of  
20 the Sheriff (MCSO), Emergency Medical Services Division (EMS) and Milwaukee  
21 County Transit Department (Transit)  
22 • Radio tower site analysis, site development and remediation  
23 • Mobile and portable subscriber radios for MCSO, EMS, Milwaukee County House  
24 of Correction, the Milwaukee County District Attorney's Office, Transit, Milwaukee  
25 County Department of Transportation and Public Works, Milwaukee County Zoo,  
26 General Mitchel International Airport, Milwaukee County Parks and the Department  
27 of Administrative Services – Facilities Division  
28 • Training  
29 • Ongoing licensing and maintenance services (Operational Costs); and  
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31 WHEREAS, the overall project will also account for all costs associated with the  
32 Department of Administrative Services – Architectural and Engineering services, project  
33 management, owner's representation and radio site services; and

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35 WHEREAS, May of 2012, IMSD was granted authorization to execute a  
36 Memorandum of Understanding (MOU) and partner with Waukesha County Department of  
37 Emergency Preparedness/Radio Services (Waukesha County) to jointly retain the services of  
38 a communications consulting firm; and

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40 WHEREAS, In November of 2012, the communications consulting firm completed  
41 the study of the Bi-County radio system and an RFP was let on April 12, of 2013; and

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43 WHEREAS, three respondents representing four different manufacturers of radio  
44 technology submitted proposals; and

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WHEREAS, upon review of the proposals during September, 2013, it was determined that Motorola Solutions, Inc. (Motorola) was the responsive, responsible vendor who scored the highest total on the evaluation criteria; and

WHEREAS, IMSD, in conjunction with Waukesha County, Risk Management, Community Business Development Partners and Corporation Counsel, has been negotiating a contract with Motorola to purchase a public safety radio system as well as on-going licensing and maintenance services; and

WHEREAS, the contract with Motorola is for a not to exceed cost of \$17,751,797 and includes system build, licensing and maintenance costs for a period of ten (10) years beyond warranty expiration; and

WHEREAS, the contract with Motorola does not, however, include the build and implementation of the Milwaukee County/Waukesha County shared core. The core will be installed in Waukesha County; therefore Waukesha is purchasing the core and invoicing Milwaukee County for its portion of the cost. Milwaukee County's share of the purchase and installation of the core will be a not to exceed dollar amount of \$450,668; and

WHEREAS, maintenance and licensing are fixed costs that Milwaukee County will incur annually. Upon project completion, IMSD will work with the Department of Administrative Services and user groups to determine a fair and equitable means to allocate costs across Milwaukee County radio system participants; and

WHEREAS, IMSD is considering contracting for system infrastructure service and repair in approximately 2016. System infrastructure service and repair includes preventative maintenance, dispatch service, and on-site infrastructure response and repair; and

WHEREAS, if it is determined that system service and repair is necessary, a contract will be negotiated and IMSD will return to the County Board of Supervisors and the County Executive for review and approval; and, now, therefore,

BE IT RESOLVED, that the Director of the Information Management Services Division, is hereby authorized to execute a contract with Motorola Solutions, Inc. to purchase and install a public safety radio system as well as provide for on-going annual license and maintenance services for a not to exceed value of \$17,751,797; and

BE IT FURTHER RESOLVED, that the Director of the Information Management Services Division is hereby authorized to execute a purchase order to Waukesha County for \$450,668, Milwaukee County's portion of the purchase and installation of the 800 MHz bi-County public safety radio system core.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/14/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request for authorization to execute a contract with Motorola Solutions, Inc. to purchase and install an 800 MHz Public Safety Radio System (WO614 - Build Out Ten Sites to Digital)

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure		\$6,303,473
	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

- A. The approval of the requested action will allow IMSD to contract with Motorola Solutions Inc. for the purchase and installation of an 800 MHz Public Safety Radio System and related radio components. This action will result in a capital cost of \$13,609,577 to Motorola Solutions Inc. for the purchase and installation of the system and, through a separate initiative with Waukesha County, \$450,688, for the purchase and installation of the system core. The contract with Motorola Solutions, Inc. also provides authority for on-going license and maintenance cost at an average of \$414,222 per year for up to ten years. The overall project will be responsible for all costs associated with the Department of Administrative Services – Architectural and Engineering services, project management, owner’s representation and radio site services. These and all other soft costs will be identified and detailed through a Project Kick-off Detailed Design Analysis. 2014 expense for aforementioned services will be funded through the current capital allocation. IMSD is currently assessing the need for on-going operational system infrastructure service and repair. If it is determined that system service and repair is necessary, a contract will be negotiated and IMSD will return to the County Board of Supervisors and the County Executive for review and approval.
  
- B. The cost related to the proposed contract is \$13,609,577 for the purchase and implementation services of the broader project. IMSD has been appropriated funds in 2010, 2013 and is anticipating funds in 2014 to begin the execution of the 800 MHz Public Safety digital migration project (WO614 – Build Out Ten Sites to Digital). It is anticipated that IMSD will return to the County Executive and the County Board to request a 2015 allocation to complete the project build. Additional expense related to license and maintenance fees is anticipated for 2016 and beyond. License and Maintenance costs of \$414,222 (average) are anticipated for a period of ten (10) years after warranty expiration.
  
- C. IMSD has been appropriated funds in 2010, 2013 and is anticipating funds in 2014 to begin the execution of the digital migration project. IMSD will return to the County Board and the County Executive for approval of the costs to fund the project in 2015.
  
- D. IMSD will be calculating project contingency for unseen or unknown cost. Contingency is calculated at 8% of the Motorola contract price.

Department/Prepared By Laurie Panella, Deputy Chief Information Officer

Authorized Signature  \_\_\_\_\_

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

MILWAUKEE COUNTY BOARD OF SUPERVISORS

DATE: December 5, 2013

AMENDMENT NO: 1

Resolution File No: 13-886  
Item No: 5

COMMITTEE: Committee on Judiciary, Safety, and General Services

OFFERED BY SUPERVISOR(S): Weishan

1. Amend the resolution on lines 66-68 as follows:

~~WHEREAS, maintenance and licensing are fixed costs that Milwaukee County will incur annually. Upon project completion, IMSD will work with the Department of Administrative Services and user groups to determine a fair and equitable means to allocate costs across Milwaukee County radio system participants; and~~

2. Add the following BIFR Clauses to the resolution:

BE IT FURTHER RESOLVED, that Milwaukee County shall adhere the current practice of not charging participants any fees for use of the radio system services; and

BE IT FUTHER RESOLVED, that any future proposed participant fee structure shall be subject to County Board approval.

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

**DATE:** November 19, 2013

**TO:** Chairwoman Marina Dimitrijevic, Milwaukee County Board of Supervisors  
Supervisor Peggy Romo West, Chair, Committee on Health and Human Needs  
Supervisor Willie Johnson Jr., Co-Chair, Committee on Finance, Audit and Personnel  
Supervisor David Cullen, Co-Chair, Committee on Finance, Audit and Personnel

**FROM:** Maria Ledger, Director, Department of Family Care *ML*

**SUBJECT:** Request authorization to enter into a Hosting and Access Agreement with *Care Wisconsin First* Managed Care Organization (MCO) and *Community Care Central Wisconsin (CCCW)* MCO to use MIDAS to support their care management and claims processing systems and to receive the revenues thereunder.

I respectfully request that the attached resolution be scheduled for consideration by the Committee on Health and Human Needs at its meeting on December 11, 2013 and the Committee on Finance, Audit and Personnel on December 13, 2013.

The Department developed a proprietary data application system called MIDAS (Member Information, Documentation, and Authorization System) to assist the Department – MCO in managing the Family Care program. MIDAS is a multi-featured database/web application system to maintain client records, enrollment data, eligibility information, care plans and case notes, Medicare and Medicaid information, assessments, service authorizations, member obligation receivables, provider network and support contact information, and other features critical to effective administration of the Family Care program.

*Care Wisconsin First* and *Community Care Central Wisconsin (CCCW)* operate MCOs in Wisconsin and desire a Hosting and Access Agreement with MCDFC to use the MIDAS system.

The term of the Hosting and Access Agreement for *Care Wisconsin First* will be for 5 years. A five-year agreement is the most cost effective and beneficial option for the County providing consistent revenue to support a hosting environment, support and

maintenance necessary to assure a reliably high level (99%) of server and application availability to users.

The term of the Hosting and Access Agreement for *CCCW* will be for one year. A one-year agreement with *CCCW* will allow the use of MIDAS while members' data currently held in MIDAS is being transitioned into their own data management software system.

A 2013 Professional Services contract with Superior Support Resources to provide MIDAS Hosting and Support Services for multiple users will be funded through rates and fees charged to external users, including *Care Wisconsin First*; *CCCW*; *ContinuUs* and *Lakeland Care District* in 2014 and thereafter. Enhancements necessary to the most effective hosting and access to MIDAS for multiple users are fully funded through this agreement.

The Director, Department of Family Care, is hereby requesting authorization to enter into Hosting and Access Agreement with *Care Wisconsin First* and *CCCW* to receive the revenues thereunder to include:

1. *Care Wisconsin First, Inc.* shall pay a one-time setup fee of \$75,000 immediately.
2. *Care Wisconsin First, Inc.* shall timely pay monthly Hosting and Access fees to MCDFC at the rate of eight dollars (\$8.00) per enrolled Family Care member and thirteen dollars fifty cents (\$13.50) per enrolled Partnership members, with estimated enrollment in *Care Wisconsin First, Inc.* based upon enrollment as reported to the State in August 2013 of 3,655 Family Care members per month and 1,371 Partnership members per month.
3. Total monthly payment received from *Care Wisconsin First, Inc.* is approximately \$47,749/month commencing on February 1, 2014, with total estimated payments in 2014 to MCDFC of \$525,239.
4. *Community Care Central Wisconsin* shall pay monthly Hosting and Access fees to MCDFC at the rate up to ten dollars fifty cents (\$10.50) per enrolled Family Care member with estimated enrollment of 1,980 Family Care members.
5. Total monthly payment received form *Community Care Central Wisconsin* is approximately \$20,790/month commencing on January 1, 2014.

If you have questions concerning the agreement, please contact Maria Ledger at 287-7610.

Attachment

Cc: Chris Abele, County Executive  
Amber Moreen, Chief of Staff, Office of the County Executive  
Kelly Bablitch, Chief of Staff, County Board

Don Tyler, Director, DAS

Josh Fudge, Director, Office of Performance, Strategy & Budget, DAS

Mathew Fortman, Fiscal & Management Analyst, DAS

Steve Cady, Analyst, County Board Staff

Janelle M. Jensen, Committee Clerk, County Board Staff

Jodi Mapp, Committee Clerk, County Board Staff

Molly Pahl, Budget and Management Coordinator, Office of the Comptroller

Jim Hodson, Chief Financial Officer, MCDFC

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From the Director, Milwaukee County Department of Family Care (MCDFC), requesting authorization to enter into a Hosting and Access Agreement with Care Wisconsin First, Inc. and Community Care Central Wisconsin which are Managed Care Organizations (MCO's) to use the Member Information, Documentation, and Authorization System (MIDAS) to support its own care management and claims processing systems and to receive the revenues thereunder, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, the Milwaukee County Department of Family Care (MCDFC) Managed Care Organization (MCO) has worked to develop a proprietary data application system called MIDAS (Member Information, Documentation, and Authorization System) to assist MCDFC in managing the Family Care Program; and

WHEREAS, MIDAS is a multi-featured database/web application system that maintains client records, enrollment data, eligibility information, care plans and case notes, Medicare and Medicaid information, assessments, service authorizations, member obligation receivables, provider network and support contact information, and other features critical to effective administration of the Family Care Program; and

WHEREAS, MIDAS is also designed to provide a large number of user and management reports and maintain flexibility within its internal security system to allow numerous combinations of rights and access levels to the system, i.e. MCDFC management, MCDFC and Care Management Unit case managers, service providers, etc.; and

WHEREAS, Care Wisconsin First, Inc. and Community Care Central Wisconsin First operate MCO's in Wisconsin and desire a Hosting and Access Agreement with MCDFC to use MIDAS; and

WHEREAS, the term of the Hosting and Access Agreement with Care Wisconsin First, Inc. will be for five years; and

WHEREAS, a five-year agreement with Care Wisconsin First, Inc. is the most cost effective and beneficial option for the County providing consistent revenue to support a hosting environment, support, and maintenance necessary to assure a reliably high level (99%) of server and application availability to users including Care Wisconsin First, Inc. and

WHEREAS, the term of the Hosting and Access Agreement with Community Care Central Wisconsin will be for up to one year,

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WHEREAS, a term of one year with Community Care Central Wisconsin will allow the use of MIDAS while members data currently held in MIDAS is being transitioned into their own data management software system,

WHEREAS, a Professional Services Contract with SSR to provide MIDAS Hosting and Support Services for multiple users will be funded through rates and fees charged to external users, and

WHEREAS, enhancements necessary to the most effective hosting and access to MIDAS for multiple users are fully funded through this agreement; now, therefore,

BE IT RESOLVED, that the Director, Milwaukee County Department of Family Care, is hereby authorized to enter into a Hosting and Access Agreement with Care Wisconsin First, Inc. and Community Care Central Wisconsin and to receive the revenues thereunder to include:

1. *Care Wisconsin First, Inc.* shall pay a one-time setup fee of \$75,000 immediately.
2. *Care Wisconsin First, Inc.* shall timely pay monthly Hosting and Access fees to MCDFC at the rate of eight dollars (\$8.00) per enrolled Family Care member and thirteen dollars fifty cents (\$13.50) per enrolled Partnership members, with estimated enrollment in Care Wisconsin First, Inc. based upon enrollment as reported to the State in August 2013 of 3,655 Family Care members per month and 1,371 Partnership members per month.
3. Total monthly payment received from *Care Wisconsin First, Inc.* is approximately \$47,749/month commencing on February 1, 2014, with total estimated payments in 2014 to MCDFC of \$525,239.
4. *Community Care Central Wisconsin* shall pay monthly Hosting and Access fees to MCDFC at the rate up to ten dollars fifty cents (\$10.50) per enrolled Family Care member with estimated enrollment of 1,980 Family Care members.
5. Total monthly payment received form *Community Care Central Wisconsin* is approximately \$20,790/month commencing on January 1, 2014.

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/22/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request authorization to enter into a Hosting and Access Agreement with *Care Wisconsin First* Managed Care Organization (MCO) and *Community Care Central Wisconsin* (CCCW) MCO to use MIDAS to support their care management and claims processing systems and to receive the revenues thereunder.

**FISCAL EFFECT:**

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|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
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*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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	546,000
	Net Cost	0	(546,000)
<b>Capital Improvement Budget</b>	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The Department of Family Care is requesting authorization to enter into a hosting and Access agreement with Care Wisconsin First and Community Care of Central Wisconsin two MCO's to use the MIDAS care management and claims processing system. These contracts will provide an estimated revenue of \$546,000 to the Department of Family Care that will be used to cover its administrative program costs. The request to the county does not have a direct fiscal impact to Milwaukee County's general fund as the Family Care budget does not utilize any property tax levy.

Department/Prepared By Jim Hodson

Authorized Signature Valerie R. Woods Assistant Director

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

**DATE:** November 19, 2013

**TO:** Supervisor Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors  
Supervisor Peggy Romo-West, Chair, Committee on Health and Human Needs  
Supervisor Willie Johnson Jr., Co-Chair, Committee on Finance, Personnel and Audit  
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel and Audit

**FROM:** Maria Ledger, Director, Department of Family Care *ML*

**SUBJECT:** Request authorization to execute a contract with the Department of Health Services to provide Family Care benefit in Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties for the period January 1, 2014 through December 31, 2014, with up to four (4) one-year contract extensions as long as the MCO continues meet the certification and permit standards of the State Department of Health Services and the Office of the Commissioner of Insurance, and to accept the funding provided thereunder

I respectfully request that the attached resolution be scheduled for consideration by the Committee on Health and Human Needs at its meeting on December 11, 2013 and the Committee on Finance, Personnel and Audit on December 12, 2013.

The State of Wisconsin authorized the long-term care program known as Family Care via enactment of 1999 Wisconsin Act 9. Milwaukee County was one of five pilot counties authorized to provide the Family Care benefit to eligible residents and Milwaukee County has provided the Family Care benefit to residents of Milwaukee County since July 2000 previously through the Milwaukee County Department on Aging and currently through the Milwaukee County Department of Family Care.

The State of Wisconsin Department of Health Services (DHS) and the legislature authorized the expansion of Family Care to all target groups, including all adults with an intellectual disability, developmental disability, physical disability or frailties of aging over the age of 18 who reside in Milwaukee County. The Family Care benefit has been available to eligible and enrolled adult residents of Milwaukee County since November 2009.

The process for awarding contracts to continue to provide the Family Care benefit is set forth at s. 46.284 (2) of the Wisconsin Statutes as follows: "The department may contract with counties, long-term care districts, the governing body of a tribe or band or the Great Lakes inter-tribal council, inc., or under a joint application of any of these, or with a private organization that has no significant connection to an entity that operates a resource center. Proposals for contracts under this subdivision shall be solicited under a competitive sealed proposal process under s. 16.75 (2m) and the department shall evaluate the proposals primarily as to the quality of care that is proposed to be provided, certify those applicants that meet the requirements specified in sub. (3) (a), select certified applicants for contract and contract with the selected applicants."

The Director of the Department of Family Care requests authorization to execute a contract with the Department of Health Services to provide the Family Care benefit in Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties for the period January 1, 2014 through December 31, 2014, with up to four one-year contract extensions as long as the MCO continues meet the certification and permit standards of the State Department of Health Services and the Office of the Commissioner of Insurance, to accept the funding provided thereunder.

If you have questions concerning the proposed professional services contract between MCDFC and the State of Wisconsin Department of Health Services, please contact Maria Ledger at 287-7610.

#### Attachment

Cc: County Executive Chris Abele  
Amber Moreen, Chief of Staff, Office of the County Executive  
Raisa Koltun, Office of County Executive  
Kelly Bablitch, Chief of Staff, County Board  
Don Tyler, Director, DAS  
Matthew Fortmann, Fiscal & Management Analyst, DAS  
Molly Pahl, Budget and Management Coordinator, Office of the Comptroller  
Steve Cady, Analyst, County Board Staff  
Janelle Jensen, Analyst, County Board Staff  
Jodi Mapp, Committee Clerk, County Board Staff  
Jim Hodson, Chief Financial Officer, MCDFC

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5 From the Department of Family Care (DFC), requesting authorization to execute a  
6 contract with the Department of Health Services to provide the Family Care benefit in  
7 Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and  
8 Walworth Counties for the period January 1, 2014 through December 31, 2014, with the  
9 option for annual one-year renewals, not to exceed five years in total, if the MCO  
10 continues to meet performance requirements and to accept the funding provided there  
11 under, by recommending the adoption of the following :

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13 **A RESOLUTION**

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15 WHEREAS, the state authorized the long-term care program known as Family  
16 Care via enactment of 1999 Wisconsin Act 9; and

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18 WHEREAS, Milwaukee County was one of five pilot counties authorized to  
19 provide the Family Care benefit to eligible residents and Milwaukee County has  
20 provided the Family Care benefit to residents of Milwaukee County since July 2000,  
21 previously through the Milwaukee County Department on Aging and currently through  
22 the Milwaukee County Department of Family Care (MCDFC); and

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24 WHEREAS, the State of Wisconsin Department of Health Services (DHS) and  
25 the legislature authorized the expansion of family care to all target groups, including all  
26 adults with a developmental disability, physical disability over age 18 or frailties of aging  
27 over the age of 60 who reside in Milwaukee County, and the Family Care benefit has  
28 been available to eligible and enrolled adult residents of Milwaukee County since  
29 November 2009; and

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31 WHEREAS, the process for awarding contracts to continue to provide the Family  
32 Care benefit is set forth at s. 46.284 (2) of the Wisconsin Statutes as follows: "The  
33 department may contract with counties, long-term care districts, the governing body of a tribe or  
34 band or the Great Lakes inter-tribal council, inc., or under a joint application of any of these, or  
35 with a private organization that has no significant connection to an entity that operates a resource  
36 center. Proposals for contracts under this subdivision shall be solicited under a competitive  
37 sealed proposal process under s. 16.75 (2m) and the department shall evaluate the proposals  
38 primarily as to the quality of care that is proposed to be provided, certify those applicants that  
39 meet the requirements specified in sub. (3) (a), select certified applicants for contract and  
40 contract with the selected applicants."; and

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42 WHEREAS, in August 2008 the State of Wisconsin issued a Request for  
43 Proposals (RFP #1645-DLTC-SM) to provide the Family Care benefit in Milwaukee  
44 County consistent with the above-referenced statute; and

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46 WHEREAS, MCDFC submitted a timely response to RFP #1645-DLTC-SM; and

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WHEREAS, following review of the response to the RFP submitted by MCDFC, DHS on February 2, 2009 issued a Letter of Intent to pursue contract negotiations with DFC for Long-Term Managed Care in Milwaukee in 2009 as described in the above-referenced RFP with the option for one-year contract renewals for calendar years 2010, 2011, 2012 and 2013, therefore,

WHEREAS, in June 2011 the State of Wisconsin issued a Request for Proposals (RFP #1720-DLTC-JB) to provide the Family Care benefit in Kenosha and Racine Counties consistent with the above-referenced statute; and

WHEREAS, DFC submitted a timely response to RFP #1720 - DLTC-JB; and

WHEREAS, following review of the response to the RFP submitted by DFC, DHS on September 2, 2011 issued a Letter of Intent to pursue contract negotiations with DFC for Long-Term Managed Care in Racine and Kenosha in 2012 as described in the above-referenced RFP with the option for one-year contract renewals for calendar years 2013, 2014, 2015 and 2016, and

WHEREAS, in August, 2012 the State of Wisconsin issued a Request for Proposals (RFP #1737-DLTC-JB) to provide the Family Care benefit in Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties consistent with the above-referenced statute; and

WHEREAS, DFC submitted a timely response to RFP # 1737-DLTC-JB- and,

WHEREAS, following review of the response to the RFP submitted by DFC, DHS on October 26, 2012 issued a Letter of Intent to pursue contract negotiations with DFC for Long-Term Managed Care in Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties as described in the above-referenced RFP with the option for one year contract renewals for calendar years 2014, 2015, 2016 and 2017, and,

WHEREAS, on June 7th, 2013 the State of Wisconsin issued a Request for Proposals (RFP #3038-DLTC-JH) to provide the Family Care benefit in Milwaukee County consistent with the above-referenced statute; and,

WHEREAS, on July 18th, 2013 DFC submitted a timely response to RFP # 3038-DLTC-JH and,

WHEREAS, following review of the response to the RFP submitted by DFC, DHS on September 5th, 2013 issued a Letter of Intent to pursue contract negotiations with DFC for Long-Term Managed Care in Milwaukee County as described in the above-referenced RFP with the option for one year contract renewals for calendar years 2015, 2016, 2017 and 2018, and,

92           WHEREAS, the Department of Family Care does not utilize any Milwaukee  
93 County tax levy and,  
94

95           WHEREAS the Department of Family Care continues to meet or exceed the  
96 performance expectations of the State Department of Health Services and the Office of  
97 the Commissioner of Insurance, therefore,  
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99           BE IT RESOLVED, The Director, Department of Family Care is hereby  
100 authorized to execute a contract with the Department of Health Services enabling the  
101 Milwaukee County Department of Family Care to provide the Family Care benefit to  
102 residents of Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington,  
103 Waukesha and Walworth Counties for the period January 1, 2014 through December  
104 31, 2014, and up to five one-year renewals, to accept the funding thereunder, and  
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106           BE IT FURTHER RESOLVED, that contract performance by Milwaukee County  
107 Department of Family Care shall be contingent upon continued funding from the State of  
108 Wisconsin Department of Health Services for administration and delivery of the Family  
109 Care benefit by the Department of Family Care.  
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## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** 11/22/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Request authorization to execute a contract with the Department of Health Services to provide Family Care benefit in Milwaukee, Racine, Kenosha, Sheboygan, Ozaukee, Washington, Waukesha and Walworth Counties for the period January 1, 2014 through December 31, 2014, with up to four (4) one-year contract extensions as long as the MCO continues to meet the certification and permit standards of the State Department of Health Services and the Office of the Commissioner of Insurance, and to accept the funding provided there under.

**FISCAL EFFECT:**

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| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><br><input type="checkbox"/> Existing Staff Time Required<br><br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><br><input type="checkbox"/> Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Decrease Operating Expenditures<br><br><input type="checkbox"/> Increase Operating Revenues<br><br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><br><input type="checkbox"/> Decrease Capital Expenditures<br><br><input type="checkbox"/> Increase Capital Revenues<br><br><input type="checkbox"/> Decrease Capital Revenues<br><br><input type="checkbox"/> Use of contingent funds |
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*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
<b>Operating Budget</b>	Expenditure	286,195,632	284,166,631
	Revenue	285,413,861	284,166,631
	Net Cost	781,771	0
<b>Capital Improvement Budget</b>	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The Department of Family Care is requesting authorization to enter into a contract with the Wisconsin Department of Health Services to provide the Family Care benefit to the above-referenced counties. The Family Care Department will be serving more than 8,100 members and contracting with more than 1,100 agencies with an annual budget of \$284.1 million. The request to the county does not have a direct fiscal impact to Milwaukee County's general fund as the Family Care budget does not utilize any property tax levy.

Department/Prepared By Jim Hodson

Authorized Signature Valerie R. Wood - Assistant Director

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.



CHRIS ABELE, MILWAUKEE COUNTY EXECUTIVE  
JOHN DARGLE, JR., DIRECTOR OF PARKS, RECREATION AND CULTURE

Date: November 26, 2013  
To: Chairwoman Marina Dimitrijevic, County Board of Supervisors  
From: John Dargle, Jr., Director, Department of Parks, Recreation and Culture  
Subject: **Agricultural Lease Agreements - ACTION**

### **POLICY**

The Department of Parks, Recreation and Culture (DPRC) is seeking authorization to enter into Agricultural Lease Agreements with individual farmers and community-based organizations.

### **BACKGROUND**

The DPRC manages 898 acres of agricultural land for the purpose of growing and harvesting agricultural row-crops, vegetable crops and hay. The agricultural lands held by DPRC are located within designated primary environmental corridors as defined by Southeastern Wisconsin Regional Planning Commission (SEWRPC). A primary environmental corridor is defined as “concentrations of significant natural resources at least 400 acres in area, at least two miles in length, and at least 200 feet in width.” The majority of these sites are located along the Oak Creek, Ryan Creek, and Root River and are prone to high water tables or seasonal flooding. In addition, keeping these lands in production deters invasive plant species from overtaking the land.

The DRPC leases this land to both individual farmers and non-profit community-based organizations. Each lessee is responsible for working with the DPRC on the development of a Conservation Plan specific to their parcel(s) to reduce soil loss, achieve water quality goals and protect the natural resource base. The DPRC’s Natural Areas section manages all agricultural leases for the department.

Terms of the attached leases are for one (1) year each. Rent payments vary due to the size of the parcel and were developed based on United States Department of Agriculture and State of Wisconsin Department of Agriculture, Trade and Consumer Protection fair market value rates for southeastern Wisconsin (2009 rates).

The following leases are under consideration:



<u>Lessee</u>	<u>Annual Rent</u>	<u>Acreage</u>
Growing Power	\$1,720	17.2
Vincent Schmit	\$1,530	17
Robert Petzold	\$4,157	52.8
Fred Wobick	\$613	8.6

### **RECOMMENDATION**

The Parks Director recommends that the DPRC be authorized to execute the Agricultural Lease Agreements with Growing Power, Inc., Mr. Vincent Schmit, Mr. Robert Petzold, and Mr. Fred Wobick.

Prepared by: Laura Schloesser, Chief of Administration and External Affairs

**Recommended by:**

**Approved by:**

---

Laura Schloesser, Chief of  
Administration and External Affairs

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John Dargle, Jr., Director

Attachment – Draft Agricultural Lease Agreements

copy: County Executive Chris Abele  
 Amber Moreen, Chief of Staff, County Executive's Office  
 Kelly Bablitch, Chief of Staff, County Board  
 Sup. Gerry Broderick, Chair, Parks, Energy & Environment Committee  
 Sup. Khalif Rainey, Vice-Chair, Parks, Energy & Environment Committee  
 Daniel Laurila, Fiscal Mgt. Analyst, Admin & Fiscal Affairs/DAS  
 Alexis Gassenhuber, Parks, Energy & Environment Committee Clerk  
 Jessica Janz-McKnight, Research Analyst, County Board  
 Scott Manske, Comptroller, Office of the Comptroller  
 Brian Russart, Natural Areas Coordinator, DPRC/UW-Cooperative Extension

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(ITEM NO. ) From the Director, Department of Parks, Recreation and Culture (DPRC) requesting authorization to enter into Agricultural Lease Agreements (Agreements) with individual farmers and community-based organizations.

A RESOLUTION

WHEREAS, the DPRC manages 898 acres of agricultural land for the purpose of growing and harvesting agricultural row-crops, vegetable crops and hay; and

WHEREAS, the agricultural lands held by DPRC are located within designated primary environmental corridors as defined by Southeastern Wisconsin Regional Planning Commission; and

WHEREAS, keeping these agricultural lands in production deters invasive plant species from overtaking the land; and

WHEREAS, each lessee is responsible for working with the DPRC on the development of a Conservation Plan specific to their parcels to reduce soil loss, achieve water quality goals and protect the natural resource base; and

WHEREAS, the terms of these Agreements are for one (1) year each; and

WHEREAS, rent payments vary due to the size of the parcel and were developed based on United States Department of Agriculture and State of Wisconsin Department of Agriculture, Trade and Consumer Protection fair market value rates for southeastern Wisconsin (2009 rates); and

WHEREAS, the following Agreements are under consideration:

<u>Lessee</u>	<u>Annual Rent</u>	<u>Acreage</u>
Growing Power	\$1,720	17.2
Vincent Schmit	\$1,530	17.0
Robert Petzold	\$4,157	52.8
Fred Wobick	\$613	8.6

;now, therefore

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby authorizes and directs the Department of Parks, Recreation and Culture to execute Agricultural Lease Agreements with Growing Power, Inc., Mr. Vincent Schmit, Mr. Robert Petzold, and Mr. Fred Wobick.

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** November 26, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to enter into Agricultural Lease Agreements with Growing Power, Inc., Mr. Vincent Schmit, Mr. Robert Petzold, and Mr. Fred Wobick

**FISCAL EFFECT:**

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|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
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*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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Authorization to enter into Agricultural Lease Agreements with Growing Power, Inc., Mr. Vincent Schmit, Mr. Robert Petzold, and Mr. Fred Wobick
- B. Annual payments of \$1,720 (Growing Power), \$1,530 (Schmit), \$4,157 (Petzold), and \$613 (Wobick)
- C. No impact
- D. None

Department/Prepared By    Laura Schloesser/Chief of Admin & External Affairs, DPRC

Authorized Signature       \_\_\_\_\_

Did DAS-Fiscal Staff Review?        Yes        No

Did CDBP Review?<sup>2</sup>                    Yes        No     Not Required

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**AGRICULTURAL LEASE AGREEMENT**

**BETWEEN**

**MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

**AND**

**GROWING POWER, INC.**

This Lease is made and entered into \_\_\_\_\_, 20\_\_\_\_, by and between the MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE, a municipal body corporate, duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Lessor") and GROWING POWER, INC., as represented by: Will Allen (hereinafter called the "Lessee").

WITNESSETH, Lessor does hereby lease, demise, and let unto the Lessee, subject to the terms stated herein, the following described Leased Premises situated in the County of Milwaukee and State of Wisconsin, to-wit:

Parcel # 10 located in the NW 1/4 of Section 22, Township 5 North, Range 22 East  
consisting of 17.2 Acres                      Rotation Code n/a      Term 1 year      Rental Payment \$ 1720.00 per year

PARCEL #	ACREAGE	FARM #	TRACK #	DISTRICT #	LOCATION
10	17.2	1618	4548	9	West of Pennsylvania, south Puetz

**USE:** This Lease is to allow the growing and harvesting of agricultural row-crops, vegetable crops and hay land located within Milwaukee County parkland while preserving the soils, water and other related natural resources consistent with the terms, conditions and payment schedules of this Lease, as well as with the provisions contained in the Agricultural Land Lease Policy as adopted by the Milwaukee County Board of Supervisors on September 29, 1994, and revised January 2010, which are hereby incorporated herein by reference.

**TERM:** This Lease shall be effective beginning January 1, 2014 and shall remain in effect through December 31, 2014 unless terminated per the provisions defined herein or by mutual agreement. Lessor retains the sole right to determine the Lease length, its conditions or whether the Lease will be renewed. The evaluation for renewal of any lease may be based partially on the degree of compliance with the terms of the lease.

**RENTAL PAYMENT SCHEDULE:** Lessee shall provide rental payments to Lessor according to the following payment schedule for each year of the Lease term:

\$ 860.00 due on or before April 1 and \$ 860.00 due on or before November 30.

Lessor will not provide rental rate adjustments for crop failures due to extreme weather conditions. If renters wish to receive subsidies or payments to offset crop losses they should work with the United States Department of Agriculture ("USDA"), Farm Service Agency ("FSA"), Natural Resource Conservation Service ("NRCS"), or the University of Wisconsin Extension Service to identify any available programs or funding sources.

**IT IS MUTUALLY AGREED AND UNDERSTOOD BETWEEN THE LESSOR AND THE LESSEE that:**

**1. Conservation Plan:** Lessee shall be required to work with NRCS and Lessor to develop a Conservation Plan ("CP"), if a CP does not already exist, for the parcel(s) of land listed above, the provisions of which are hereby made a part of this Lease and shall be complied with at all times by Lessee; failure by Lessee to so comply shall be considered a default under this Lease. The conservation plan describes and specifies a crop rotation schedule, tillage methods, nutrient and pest management, stream banks and other best management practices required to reduce soil loss, achieve water quality goals

and protect the natural resource base. Any modifications to the CP during the term of the Lease shall require written approval by Lessor in consultation with NCRS.

2. **Crop Acreage Certification:** Lessee shall coordinate with FSA on crop acreage certification and submit said certification documentation to Lessor.
3. **Records:** Lessee shall maintain a log, listing information about all fertilizer and pesticide use on each of the leased parcels. These records shall be submitted to Lessor annually prior to each December 31.
4. **Waste Disposal:** Milwaukee County lands are not to be used to store or to dispose of full or empty fertilizer or pesticide containers or any unused fertilizer, pesticide or other waste or material of any kind.
5. **Notice of Planned Construction:** Lessee shall be notified of any utility construction or other activity that is proposed for any Milwaukee County parcel leased under this agreement. Compensation for any loss in use of the rented parcel will be determined on a case-by-case basis at the discretion of the Lessor.
6. **Access:** Milwaukee County employees, agents and representatives have the right to enter any Milwaukee County-owned parcel covered in this Lease at any time without any prior notice to Lessee.
7. **Compliance With Law:** Lessee shall obey, observe and comply with all rules, regulations, ordinances and laws, as adopted from time-to-time, which shall be applicable to the property, (including any improvements now or hereafter erected), and shall promptly comply with all orders, rules, rulings and directives of any governmental authority or agency having jurisdiction thereof.
8. **Utility Charges:** Lessee shall pay, in addition to all other sums required to be paid by it under the provisions of this Lease, all utility charges for the Leased Premises.
9. **Indemnification by Lessee:** Lessee agrees to protect and save Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by Lessee or those holding under the Lessee. Lessee further agrees to protect, indemnify and save Lessor harmless from and against any and all claims, and against any and all loss, damage, expense, liabilities, demands and causes of action, and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor, arising out of any failure of Lessee in any respect to comply with and perform all of the requirements and provisions of this Lease, and against any and all loss, damage expense, liabilities, demands and causes of action and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor resulting from injury or death of persons or damage to property, including without limitation the person and property of Lessee, its agents, employees and invites, occurring on the Leased Premises or on the adjoining sidewalks, street, alleys or ways, or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Leased Premises, or any part thereof, or any improvement now or hereafter located thereon by Lessee or any person holding under the Lessee. Lessee further agrees to indemnify and hold Lessor harmless against any and from all liabilities which may arise by virtue of environmental degradation of the Leased Premises or surrounding area caused by actions or omissions of the Lessee. Such indemnification and hold-harmless requirement applies to any damages governed by, but not limited to, the statutory law and case law of the State of Wisconsin and the United States government. Violation indicates violations of any rules or regulations of the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency. Liability is deemed to include responsibility for all remedial steps including liability for the costs of any court proceedings, necessitated by the environmental damage caused by Lessee. Liability shall also extend to any claims filed against Milwaukee County or to Lessee by third-parties alleging damages to such parties arising out of the actions of the Lessee.
10. **Insurance:** Lessee shall keep in effect, at its sole expense, a comprehensive general liability policy or policies satisfactory to the Lessor covering the Leased Premises and providing coverage with combined single limits of \$1,000,000.00 for bodily injury and property damage. The County shall be afforded a thirty day (30) written notice of cancellation or non-renewal. Coverage shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best Key Rating Guide. In the event Lessor reasonably anticipates that such coverage is inadequate, Lessee shall, upon the written request of Lessor, increase such insurance to amounts reasonably requested by Lessor. Such policy

shall name the Lessor as an additional insured, and a copy of such policy, or a certificate thereof, shall be delivered to Lessor prior to the execution of this Lease for review and approval by Milwaukee County's Director of Risk Management.

**11. Additions, Changes, Alterations and Demolition:** Lessee shall not construct improvements upon the Leased Premises, demolish improvements upon Leased Premises, and/or make additions to or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of the Lessor, which consent shall not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of the Lessee. Any wetlands or farmed wetlands on any Milwaukee County property shall not be graded, filled or drained in any way. Any surface or subsurface drainage alterations of any parcel included in this Lease shall be conducted only with the prior written permission of the Lessor. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed part of the Leased Premises and shall be rendered to the Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of the Lessee excepted. Removal, cutting or pruning of any trees or other woody vegetation on any Milwaukee County-owned land is prohibited unless conducted with the prior written permission of Lessor.

**12. Mechanic or Construction Liens:** Lessee shall not permit, create, incur or impose or cause or suffer others to permit, create incur or impose any lien or other obligation against the Leased Premises or the Lessor by reason of any work performed or materials furnished by, to or for the account of the Lessee, and the Lessee agrees to hold the Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, material man, laborer or any other third person against the Leased Premises or the Lessor relating to or arising because of such work or materials.

**13. Warranty of Quiet Possession:** Lessor hereby warrants and covenants that it has good and marketable title to the Leased Premises and has full authority to execute this Lease, and further agrees that the Lessee, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, may have and shall quietly have, hold, and enjoy the Leased Premises during the term hereof.

**14. Assignment and Subletting:** Lessee shall not assign or sublease all or any interest in this Lease without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion.

**15. Termination of Lease:** This Lease shall terminate at the end of the term or earlier if by mutual agreement. The Lease may also be terminated at the option of the Lessor, for nonpayment of any rental amounts due by the dates specified, for noncompliance with any of the terms of this Lease or if the property is required for another use. If a parcel included in this agreement is required for a new use and will not be available for leasing for agricultural purposes, compensation will be made on a case-by-case basis at the discretion of the Lessor.

**16. Remedies:** Rent payment shall be made as stated herein without delay. If payment is not received, Lessee shall have ten (10) days to make such payment or Lessor shall notify Lessee that the Lease has been terminated. Termination shall be effective on the date specified by the Lessor in its notice to the Lessee which date shall allow for any grace period specified in this Lease. Upon such termination, Lessor may reenter the Leased Premises with or without process of law using such force as may be necessary, and remove all persons and chattels therefrom and Lessor shall not be liable for damages or otherwise by reason of reentry or termination of the term of this Lease. Any crops remaining on the Leased Premises at the time notice of termination is given shall become the property of the Lessor.

No receipt of money by Lessor from Lessee after termination of this Lease or after the service of any notice or after the commencement of any suit, or after final judgment for possession of the Leased Premises shall reinstate, continue or extend the term of this Lease or affect any such notice, demand or suit.

All rights and remedies of the Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law or equity, and such rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises. The failure or forbearance on the part of the Lessor to enforce any of its rights or remedies in connection with any default shall not be deemed a waiver of such default, nor a consent to any continuation thereof, nor a waiver of the same default at any subsequent date.

Any actions taken by the Lessor under the provisions of this Lease, or to enforce the provisions of this Lease, or to declare a termination of the Lessee's interest under this Lease, or to repossess itself of the Leased Premises (whether through the medium of legal proceedings instituted for that purpose or otherwise), shall not, in any event, release or relieve the Lessee from its continuing obligations hereunder, including, without limitation, its continuing obligation to make all payments herein provided.

**17. Abandonment of Lessee's Property:** If, upon termination of this Lease (whether by lapse of time or otherwise), the Lessee fails to remove any property belonging to it, the same shall be deemed abandoned by the Lessee and shall become the property of Lessor.

**18. Surrender at Termination:** At the termination of this Lease for any reason, the Lessee shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to the Lessor, maintained as herein provided and free of any and all claims thereto by the Lessee or any party holding under the Lessee.

**19. Successors and Assigns:** Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as the case maybe unless the Lessee violates the provisions hereof or Lessor determines, at its sole and absolute discretion, to cancel the Lease.

**20. Consent of Lessor:** Whenever the consent of the Lessor is required under this lease, such consent shall be obtained from the Lessor in writing at the address listed below.

**21. Notices:** All notices with respect to this Lease shall be in writing. Except as otherwise expressly provided in this Lease, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party addressed as follows:

**If to Lessor:** Milwaukee County Department of Parks, Recreation and Culture  
Natural Areas Coordinator  
9480 Watertown Plank Road  
Wauwatosa, WI 53226  
(414) 257-6521

**If to Lessee:** Will Allen  
Growing Power, Inc.  
5500 W. Silver Spring Dr.  
Milwaukee, WI 53218-3261  
(414) 527-1546

Either party may designate a new address for purposes of this Lease by written notice to the other party. This Lease can be revised only by written mutual agreement by all Parties.

**22. Acknowledgement:** Lessee acknowledges that it has received a copy of (1) this Agricultural Lease Agreement; and (2) the Agricultural Land Lease Policy, and has read the documents and fully understands the terms and conditions of each and that Lessee will comply with all the terms and conditions. Lessee further acknowledges that it has had sufficient time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

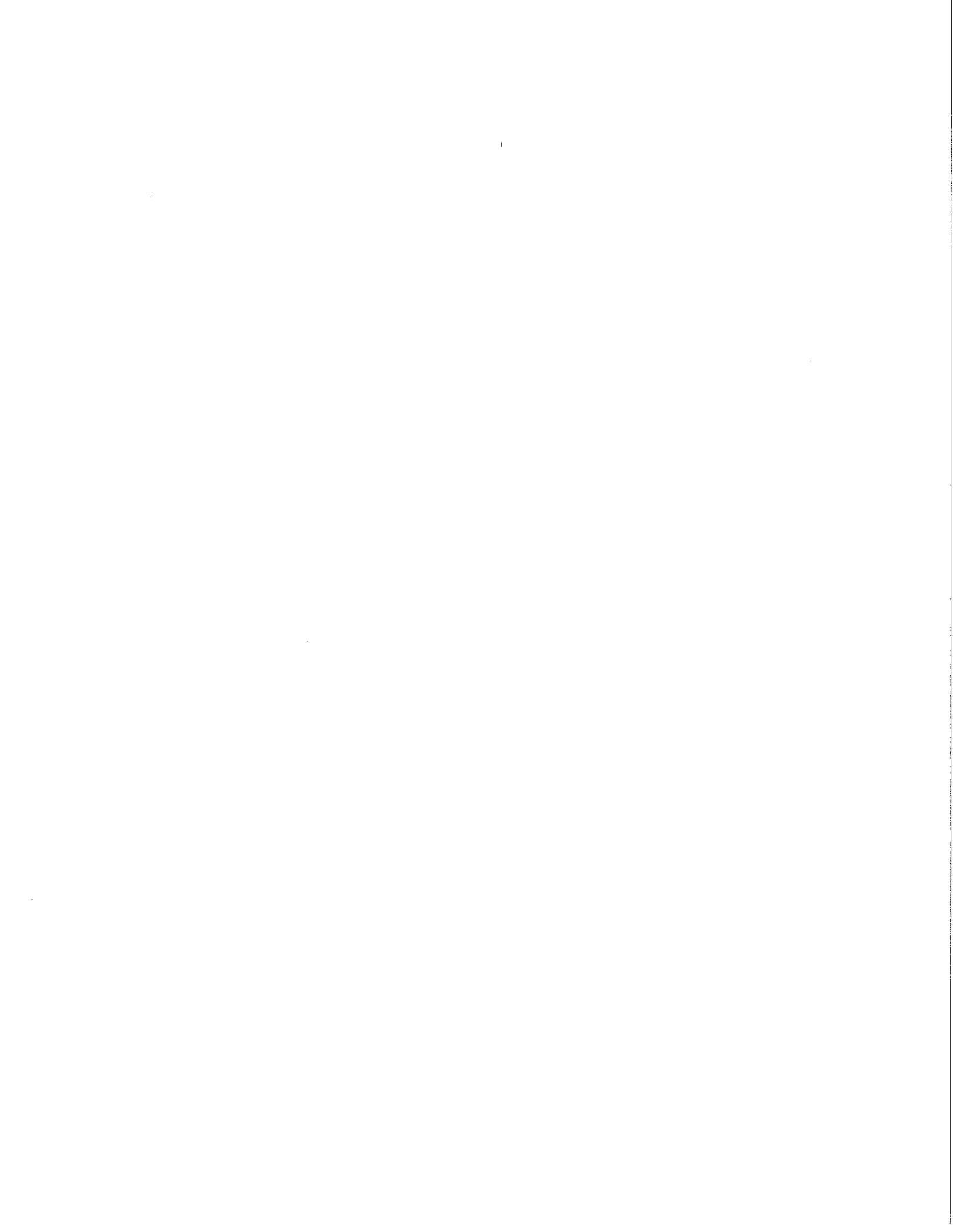
**IN WITNESS WHEREOF, the Parties hereto have set their hands as follows:**

**Milwaukee County Dept. of Parks, Recreation & Culture**

by \_\_\_\_\_ Date \_\_\_\_\_  
John Dargle, Interim Director

**Growing Power, Inc.**

by \_\_\_\_\_ Date \_\_\_\_\_  
Will Allen, CEO



**AGRICULTURAL LEASE AGREEMENT**

**BETWEEN**

**MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

**AND**

**VINCENT SCHMIT**

This Lease is made and entered into \_\_\_\_\_, 20\_\_\_\_, by and between the MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE, a municipal body corporate, duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Lessor") and VINCENT SCHMIT (hereinafter called the "Lessee").

WITNESSETH, Lessor does hereby lease, demise, and let unto the Lessee, subject to the terms stated herein, the following described Leased Premises situated in the County of Milwaukee and State of Wisconsin, to-wit:

Parcel # 1 located in the NW 1/4 of Section 3, Township 8 North, Range 21 East consisting of 17 Acres      Rotation Code n/a      Term 1 years      Rental Payment \$ 1,530.00 per year

PARCEL #	ACREAGE	FARM #	TRACK #	DISTRICT #	LOCATION
1	17	2071	862	6	Southwest corner of County Line and 67 <sup>th</sup> St.

**USE:** This Lease is to allow the growing and harvesting of agricultural row-crops, vegetable crops and hay land located within Milwaukee County parkland while preserving the soils, water and other related natural resources consistent with the terms, conditions and payment schedules of this Lease, as well as with the provisions contained in the Agricultural Land Lease Policy as adopted by the Milwaukee County Board of Supervisors on September 29, 1994, and revised January 2010, which are hereby incorporated herein by reference.

**TERM:** This Lease shall be effective beginning January 1, 2014 and shall remain in effect through December 31, 2014 unless terminated per the provisions defined herein or by mutual agreement. Lessor retains the sole right to determine the Lease length, its conditions or whether the Lease will be renewed. The evaluation for renewal of any lease may be based partially on the degree of compliance with the terms of the lease.

**RENTAL PAYMENT SCHEDULE:** Lessee shall provide rental payments to Lessor according to the following payment schedule for each year of the Lease term:

\$ 765.00 due on or before April 1 and \$ 765.00 due on or before November 30.

Lessor will not provide rental rate adjustments for crop failures due to extreme weather conditions. If renters wish to receive subsidies or payments to offset crop losses they should work with the United States Department of Agriculture ("USDA"), Farm Service Agency ("FSA"), Natural Resource Conservation Service ("NRCS"), or the University of Wisconsin Extension Service to identify any available programs or funding sources.

**IT IS MUTUALLY AGREED AND UNDERSTOOD BETWEEN THE LESSOR AND THE LESSEE that:**

**1. Conservation Plan:** Lessee shall be required to work with NRCS and Lessor to develop a Conservation Plan ("CP"), if a CP does not already exist, for the parcel(s) of land listed above, the provisions of which are hereby made a part of this Lease and shall be complied with at all times by Lessee; failure by Lessee to so comply shall be considered a default under this Lease. The conservation plan describes and specifies a crop rotation schedule, tillage methods, nutrient and pest

management, stream banks and other best management practices required to reduce soil loss, achieve water quality goals and protect the natural resource base. Any modifications to the CP during the term of the Lease shall require written approval by Lessor in consultation with NCRS.

2. **Crop Acreage Certification:** Lessee shall coordinate with FSA on crop acreage certification and submit said certification documentation to Lessor.
3. **Records:** Lessee shall maintain a log, listing information about all fertilizer and pesticide use on each of the leased parcels. These records shall be submitted to Lessor annually prior to each December 31.
4. **Waste Disposal:** Milwaukee County lands are not to be used to store or to dispose of full or empty fertilizer or pesticide containers or any unused fertilizer, pesticide or other waste or material of any kind.
5. **Notice of Planned Construction:** Lessee shall be notified of any utility construction or other activity that is proposed for any Milwaukee County parcel leased under this agreement. Compensation for any loss in use of the rented parcel will be determined on a case-by-case basis at the discretion of the Lessor.
6. **Access:** Milwaukee County employees, agents and representatives have the right to enter any Milwaukee County-owned parcel covered in this Lease at any time without any prior notice to Lessee.
7. **Compliance With Law:** Lessee shall obey, observe and comply with all rules, regulations, ordinances and laws, as adopted from time-to-time, which shall be applicable to the property, (including any improvements now or hereafter erected), and shall promptly comply with all orders, rules, rulings and directives of any governmental authority or agency having jurisdiction thereof.
8. **Utility Charges:** Lessee shall pay, in addition to all other sums required to be paid by it under the provisions of this Lease, all utility charges for the Leased Premises.
9. **Indemnification by Lessee:** Lessee agrees to protect and save Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by Lessee or those holding under the Lessee. Lessee further agrees to protect, indemnify and save Lessor harmless from and against any and all claims, and against any and all loss, damage, expense, liabilities, demands and causes of action, and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor, arising out of any failure of Lessee in any respect to comply with and perform all of the requirements and provisions of this Lease, and against any and all loss, damage expense, liabilities, demands and causes of action and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor resulting from injury or death of persons or damage to property, including without limitation the person and property of Lessee, its agents, employees and invites, occurring on the Leased Premises or on the adjoining sidewalks, street, alleys or ways, or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Leased Premises, or any part thereof, or any improvement now or hereafter located thereon by Lessee or any person holding under the Lessee. Lessee further agrees to indemnify and hold Lessor harmless against any and from all liabilities which may arise by virtue of environmental degradation of the Leased Premises or surrounding area caused by actions or omissions of the Lessee. Such indemnification and hold-harmless requirement applies to any damages governed by, but not limited to, the statutory law and case law of the State of Wisconsin and the United States government. Violation indicates violations of any rules or regulations of the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency. Liability is deemed to include responsibility for all remedial steps including liability for the costs of any court proceedings, necessitated by the environmental damage caused by Lessee. Liability shall also extend to any claims filed against Milwaukee County or to Lessee by third-parties alleging damages to such parties arising out of the actions of the Lessee.
10. **Insurance:** Lessee shall keep in effect, at its sole expense, a comprehensive general liability policy or policies satisfactory to the Lessor covering the Leased Premises and providing coverage with combined single limits of \$1,000,000.00 for bodily injury and property damage. The County shall be afforded a thirty day (30) written notice of cancellation or non-renewal. Coverage shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best Key Rating Guide. In the event Lessor reasonably anticipates that such coverage is inadequate, Lessee

shall, upon the written request of Lessor, increase such insurance to amounts reasonably requested by Lessor. Such policy shall name the Lessor as an additional insured, and a copy of such policy, or a certificate thereof, shall be delivered to Lessor prior to the execution of this Lease for review and approval by Milwaukee County's Director of Risk Management.

**11. Additions, Changes, Alterations and Demolition:** Lessee shall not construct improvements upon the Leased Premises, demolish improvements upon Leased Premises, and/or make additions to or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of the Lessor, which consent shall not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of the Lessee. Any wetlands or farmed wetlands on any Milwaukee County property shall not be graded, filled or drained in any way. Any surface or subsurface drainage alterations of any parcel included in this Lease shall be conducted only with the prior written permission of the Lessor. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed part of the Leased Premises and shall be rendered to the Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of the Lessee excepted. Removal, cutting or pruning of any trees or other woody vegetation on any Milwaukee County-owned land is prohibited unless conducted with the prior written permission of Lessor.

**12. Mechanic or Construction Liens:** Lessee shall not permit, create, incur or impose or cause or suffer others to permit, create incur or impose any lien or other obligation against the Leased Premises or the Lessor by reason of any work performed or materials furnished by, to or for the account of the Lessee, and the Lessee agrees to hold the Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, material man, laborer or any other third person against the Leased Premises or the Lessor relating to or arising because of such work or materials.

**13. Warranty of Quiet Possession:** Lessor hereby warrants and covenants that it has good and marketable title to the Leased Premises and has full authority to execute this Lease, and further agrees that the Lessee, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, may have and shall quietly have, hold, and enjoy the Leased Premises during the term hereof.

**14. Assignment and Subletting:** Lessee shall not assign or sublease all or any interest in this Lease without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion.

**15. Termination of Lease:** This Lease shall terminate at the end of the term or earlier if by mutual agreement. The Lease may also be terminated at the option of the Lessor, for nonpayment of any rental amounts due by the dates specified, for noncompliance with any of the terms of this Lease or if the property is required for another use. If a parcel included in this agreement is required for a new use and will not be available for leasing for agricultural purposes, compensation will be made on a case-by-case basis at the discretion of the Lessor.

**16. Remedies:** Rent payment shall be made as stated herein without delay. If payment is not received, Lessee shall have ten (10) days to make such payment or Lessor shall notify Lessee that the Lease has been terminated. Termination shall be effective on the date specified by the Lessor in its notice to the Lessee which date shall allow for any grace period specified in this Lease. Upon such termination, Lessor may reenter the Leased Premises with or without process of law using such force as may be necessary, and remove all persons and chattels therefrom and Lessor shall not be liable for damages or otherwise by reason of reentry or termination of the term of this Lease. Any crops remaining on the Leased Premises at the time notice of termination is given shall become the property of the Lessor.

No receipt of money by Lessor from Lessee after termination of this Lease or after the service of any notice or after the commencement of any suit, or after final judgment for possession of the Leased Premises shall reinstate, continue or extend the term of this Lease or affect any such notice, demand or suit.

All rights and remedies of the Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law or equity, and such rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises. The failure or forbearance on the part of the Lessor to enforce any of its rights or remedies in connection with any default shall not be deemed a waiver of such default, nor a consent to any

continuation thereof, nor a waiver of the same default at any subsequent date.

Any actions taken by the Lessor under the provisions of this Lease, or to enforce the provisions of this Lease, or to declare a termination of the Lessee's interest under this Lease, or to repossess itself of the Leased Premises (whether through the medium of legal proceedings instituted for that purpose or otherwise), shall not, in any event, release or relieve the Lessee from its continuing obligations hereunder, including, without limitation, its continuing obligation to make all payments herein provided.

**17. Abandonment of Lessee's Property:** If, upon termination of this Lease (whether by lapse of time or otherwise), the Lessee fails to remove any property belonging to it, the same shall be deemed abandoned by the Lessee and shall become the property of Lessor.

**18. Surrender at Termination:** At the termination of this Lease for any reason, the Lessee shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to the Lessor, maintained as herein provided and free of any and all claims thereto by the Lessee or any party holding under the Lessee.

**19. Successors and Assigns:** Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as the case maybe unless the Lessee violates the provisions hereof or Lessor determines, at its sole and absolute discretion, to cancel the Lease.

**20. Consent of Lessor:** Whenever the consent of the Lessor is required under this lease, such consent shall be obtained from the Lessor in writing at the address listed below.

**21. Notices:** All notices with respect to this Lease shall be in writing. Except as otherwise expressly provided in this Lease, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party addressed as follows:

**If to Lessor:** Milwaukee County Department of Parks, Recreation and Culture  
Natural Areas Coordinator  
9480 Watertown Plank Road  
Wauwatosa, WI 53226  
(414) 257-6521

**If to Lessee:** Vincent Schmit  
8013 W. Freistadt Rd.  
Mequon, WI 53097  
(262) 242-4421 / (414) 750-5966

Either party may designate a new address for purposes of this Lease by written notice to the other party. This Lease can be revised only by written mutual agreement by all Parties.

**22. Acknowledgement:** Lessee acknowledges that it has received a copy of (1) this Agricultural Lease Agreement; and (2) the Agricultural Land Lease Policy, and has read the documents and fully understands the terms and conditions of each and that Lessee will comply with all the terms and conditions. Lessee further acknowledges that it has had sufficient time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

**IN WITNESS WHEREOF, the Parties hereto have set their hands as follows:**

**Milwaukee County Dept. of Parks, Recreation & Culture**

by \_\_\_\_\_ Date \_\_\_\_\_  
John Dargle, Interim Director

**Vincent Schmit**

by \_\_\_\_\_ Date \_\_\_\_\_  
Vincent Schmit

**AGRICULTURAL LEASE AGREEMENT**

**BETWEEN**

**MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

**AND**

**ROBERT PETZOLD**

This Lease is made and entered into \_\_\_\_\_, 20\_\_\_\_, by and between the MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE, a municipal body corporate, duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Lessor") and ROBERT PETZOLD (hereinafter called the "Lessee").

WITNESSETH, Lessor does hereby lease, demise, and let unto the Lessee, subject to the terms stated herein, the following described Leased Premises situated in the County of Milwaukee and State of Wisconsin, to-wit:

Parcel # 2 located in the NE 1/4 of Section 4, Township 8 North, Range 21 East  
consisting of 14.2 Acres                      Rotation Code n/a      Term 1 years      Rental Payment \$ 1,065.00 per year

Parcel # 3 located in the NE 1/4 of Section 4, Township 8 North, Range 21 East  
consisting of 19.7 Acres                      Rotation Code n/a      Term 1 years      Rental Payment \$ 1,674.50 per year

Parcel # 4A located in the NE 1/4 of Section 4, Township 8 North, Range 21 East  
consisting of 11.8 Acres                      Rotation Code n/a      Term 1 years      Rental Payment \$ 885.00 per year

Parcel # 4B located in the NE 1/4 of Section 4, Township 8 North, Range 21 East  
consisting of 7.1 Acres                      Rotation Code n/a      Term 1 years      Rental Payment \$ 532.50 per year

PARCEL #	ACREAGE	FARM #	TRACK #	DISTRICT #	LOCATION
2	14.2	1712	2070	6	Southwest corner of County Line and 76th St.
3	19.7	1712	2069	6	South of County Line Rd. west adjacent to #2
4A	11.8	1712	2068	6	South of County Line Rd. west adjacent to #4B
4B	7.1	1712	2068	6	South of County Line Rd. west adjacent to #3

**USE:** This Lease is to allow the growing and harvesting of agricultural row-crops, vegetable crops and hay land located within Milwaukee County parkland while preserving the soils, water and other related natural resources consistent with the terms, conditions and payment schedules of this Lease, as well as with the provisions contained in the Agricultural Land Lease Policy as adopted by the Milwaukee County Board of Supervisors on September 29, 1994, and revised January 2010, which are hereby incorporated herein by reference.

**TERM:** This Lease shall be effective beginning January 1, 2014 and shall remain in effect through December 31, 2014 unless terminated per the provisions defined herein or by mutual agreement. Lessor retains the sole right to determine the Lease length, its conditions or whether the Lease will be renewed. The evaluation for renewal of any lease may be based partially on the degree of compliance with the terms of the lease.

**RENTAL PAYMENT SCHEDULE:** Lessee shall provide rental payments to Lessor according to the following payment schedule for each year of the Lease term:

\$ 2,078.50 due on or before April 1 and \$ 2,078.50 due on or before November 30.

Lessor will not provide rental rate adjustments for crop failures due to extreme weather conditions. If renters wish to receive subsidies or payments to offset crop losses they should work with the United States Department of Agriculture ("USDA"), Farm Service Agency ("FSA"), Natural Resource Conservation Service ("NRCS"), or the University of Wisconsin Extension Service to identify any available programs or funding sources.

**IT IS MUTUALLY AGREED AND UNDERSTOOD BETWEEN THE LESSOR AND THE LESSEE that:**

1. **Conservation Plan:** Lessee shall be required to work with NRCS and Lessor to develop a Conservation Plan ("CP"), if a CP does not already exist, for the parcel(s) of land listed above, the provisions of which are hereby made a part of this Lease and shall be complied with at all times by Lessee; failure by Lessee to so comply shall be considered a default under this Lease. The conservation plan describes and specifies a crop rotation schedule, tillage methods, nutrient and pest management, stream banks and other best management practices required to reduce soil loss, achieve water quality goals and protect the natural resource base. Any modifications to the CP during the term of the Lease shall require written approval by Lessor in consultation with NRCS.
2. **Crop Acreage Certification:** Lessee shall coordinate with FSA on crop acreage certification and submit said certification documentation to Lessor.
3. **Records:** Lessee shall maintain a log, listing information about all fertilizer and pesticide use on each of the leased parcels. These records shall be submitted to Lessor annually prior to each December 31.
4. **Waste Disposal:** Milwaukee County lands are not to be used to store or to dispose of full or empty fertilizer or pesticide containers or any unused fertilizer, pesticide or other waste or material of any kind.
5. **Notice of Planned Construction:** Lessee shall be notified of any utility construction or other activity that is proposed for any Milwaukee County parcel leased under this agreement. Compensation for any loss in use of the rented parcel will be determined on a case-by-case basis at the discretion of the Lessor.
6. **Access:** Milwaukee County employees, agents and representatives have the right to enter any Milwaukee County-owned parcel covered in this Lease at any time without any prior notice to Lessee.
7. **Compliance With Law:** Lessee shall obey, observe and comply with all rules, regulations, ordinances and laws, as adopted from time-to-time, which shall be applicable to the property, (including any improvements now or hereafter erected), and shall promptly comply with all orders, rules, rulings and directives of any governmental authority or agency having jurisdiction thereof.
8. **Utility Charges:** Lessee shall pay, in addition to all other sums required to be paid by it under the provisions of this Lease, all utility charges for the Leased Premises.
9. **Indemnification by Lessee:** Lessee agrees to protect and save Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by Lessee or those holding under the Lessee. Lessee further agrees to protect, indemnify and save Lessor harmless from and against any and all claims, and against any and all loss, damage, expense, liabilities, demands and causes of action, and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor, arising out of any failure of Lessee in any respect to comply with and perform all of the requirements and provisions of this Lease, and against any and all loss, damage expense, liabilities, demands and causes of action and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor resulting from injury or death of persons or damage to property, including without limitation the person and property of Lessee, its agents, employees and invites, occurring on the Leased Premises

or on the adjoining sidewalks, street, alleys or ways, or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Leased Premises, or any part thereof, or any improvement now or hereafter located thereon by Lessee or any person holding under the Lessee. Lessee further agrees to indemnify and hold Lessor harmless against any and from all liabilities which may arise by virtue of environmental degradation of the Leased Premises or surrounding area caused by actions or omissions of the Lessee. Such indemnification and hold-harmless requirement applies to any damages governed by, but not limited to, the statutory law and case law of the State of Wisconsin and the United States government. Violation indicates violations of any rules or regulations of the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency. Liability is deemed to include responsibility for all remedial steps including liability for the costs of any court proceedings, necessitated by the environmental damage caused by Lessee. Liability shall also extend to any claims filed against Milwaukee County or to Lessee by third-parties alleging damages to such parties arising out of the actions of the Lessee.

**10. Insurance:** Lessee shall keep in effect, at its sole expense, a comprehensive general liability policy or policies satisfactory to the Lessor covering the Leased Premises and providing coverage with combined single limits of \$1,000,000.00 for bodily injury and property damage. The County shall be afforded a thirty day (30) written notice of cancellation or non-renewal. Coverage shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best Key Rating Guide. In the event Lessor reasonably anticipates that such coverage is inadequate, Lessee shall, upon the written request of Lessor, increase such insurance to amounts reasonably requested by Lessor. Such policy shall name the Lessor as an additional insured, and a copy of such policy, or a certificate thereof, shall be delivered to Lessor prior to the execution of this Lease for review and approval by Milwaukee County's Director of Risk Management.

**11. Additions, Changes, Alterations and Demolition:** Lessee shall not construct improvements upon the Leased Premises, demolish improvements upon Leased Premises, and/or make additions to or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of the Lessor, which consent shall not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of the Lessee. Any wetlands or farmed wetlands on any Milwaukee County property shall not be graded, filled or drained in any way. Any surface or subsurface drainage alterations of any parcel included in this Lease shall be conducted only with the prior written permission of the Lessor. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed part of the Leased Premises and shall be rendered to the Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of the Lessee excepted. Removal, cutting or pruning of any trees or other woody vegetation on any Milwaukee County-owned land is prohibited unless conducted with the prior written permission of Lessor.

**12. Mechanic or Construction Liens:** Lessee shall not permit, create, incur or impose or cause or suffer others to permit, create incur or impose any lien or other obligation against the Leased Premises or the Lessor by reason of any work performed or materials furnished by, to or for the account of the Lessee, and the Lessee agrees to hold the Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, material man, laborer or any other third person against the Leased Premises or the Lessor relating to or arising because of such work or materials.

**13. Warranty of Quiet Possession:** Lessor hereby warrants and covenants that it has good and marketable title to the Leased Premises and has full authority to execute this Lease, and further agrees that the Lessee, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, may have and shall quietly have, hold, and enjoy the Leased Premises during the term hereof.

**14. Assignment and Subletting:** Lessee shall not assign or sublease all or any interest in this Lease without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion.

**15. Termination of Lease:** This Lease shall terminate at the end of the term or earlier if by mutual agreement. The Lease may also be terminated at the option of the Lessor, for nonpayment of any rental amounts due by the dates specified, for noncompliance with any of the terms of this Lease or if the property is required for another use. If a parcel included in this agreement is required for a new use and will not be available for leasing for agricultural purposes, compensation will be made on a case-by-case basis at the discretion of the Lessor.

**16. Remedies:** Rent payment shall be made as stated herein without delay. If payment is not received, Lessee shall have ten (10) days to make such payment or Lessor shall notify Lessee that the Lease has been terminated. Termination shall be effective on the date specified by the Lessor in its notice to the Lessee which date shall allow for any grace period specified in this Lease. Upon such termination, Lessor may reenter the Leased Premises with or without process of law using such force as may be necessary, and remove all persons and chattels therefrom and Lessor shall not be liable for damages or otherwise by reason of reentry or termination of the term of this Lease. Any crops remaining on the Leased Premises at the time notice of termination is given shall become the property of the Lessor.

No receipt of money by Lessor from Lessee after termination of this Lease or after the service of any notice or after the commencement of any suit, or after final judgment for possession of the Leased Premises shall reinstate, continue or extend the term of this Lease or affect any such notice, demand or suit.

All rights and remedies of the Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law or equity, and such rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises. The failure or forbearance on the part of the Lessor to enforce any of its rights or remedies in connection with any default shall not be deemed a waiver of such default, nor a consent to any continuation thereof, nor a waiver of the same default at any subsequent date.

Any actions taken by the Lessor under the provisions of this Lease, or to enforce the provisions of this Lease, or to declare a termination of the Lessee's interest under this Lease, or to repossess itself of the Leased Premises (whether through the medium of legal proceedings instituted for that purpose or otherwise), shall not, in any event, release or relieve the Lessee from its continuing obligations hereunder, including, without limitation, its continuing obligation to make all payments herein provided.

**17. Abandonment of Lessee's Property:** If, upon termination of this Lease (whether by lapse of time or otherwise), the Lessee fails to remove any property belonging to it, the same shall be deemed abandoned by the Lessee and shall become the property of Lessor.

**18. Surrender at Termination:** At the termination of this Lease for any reason, the Lessee shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to the Lessor, maintained as herein provided and free of any and all claims thereto by the Lessee or any party holding under the Lessee.

**19. Successors and Assigns:** Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as the case maybe unless the Lessee violates the provisions hereof or Lessor determines, at its sole and absolute discretion, to cancel the Lease.

**20. Consent of Lessor:** Whenever the consent of the Lessor is required under this lease, such consent shall be obtained from the Lessor in writing at the address listed below.

**21. Notices:** All notices with respect to this Lease shall be in writing. Except as otherwise expressly provided in this Lease, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party addressed as follows:

**If to Lessor:** Milwaukee County Department of Parks, Recreation and Culture  
Natural Areas Coordinator  
9480 Watertown Plank Road  
Wauwatosa, WI 53226  
(414) 257-6521

**If to Lessee:** Robert Petzold  
8030 N. 37th St.  
Brown Deer, WI 53209  
(414) 354-8218

Either party may designate a new address for purposes of this Lease by written notice to the other party. This Lease can be revised only by written mutual agreement by all Parties.

**22. Acknowledgement:** Lessee acknowledges that it has received a copy of (1) this Agricultural Lease Agreement; and (2) the Agricultural Land Lease Policy, and has read the documents and fully understands the terms and conditions of each and that Lessee will comply with all the terms and conditions. Lessee further acknowledges that it has had sufficient time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

**IN WITNESS WHEREOF, the Parties hereto have set their hands as follows:**

**Milwaukee County Dept. of Parks, Recreation & Culture**

by \_\_\_\_\_ Date \_\_\_\_\_  
John Dargle, Interim Director

**Robert Petzold**

by \_\_\_\_\_ Date \_\_\_\_\_  
Robert Petzold

**AGRICULTURAL LEASE AGREEMENT**

**BETWEEN**

**MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

**AND**

**FRED WOBICK**

This Lease is made and entered into \_\_\_\_\_, 20\_\_\_\_, by and between the MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE, a municipal body corporate, duly organized and existing under the laws of the State of Wisconsin (hereinafter called the "Lessor") and FRED WOBICK (hereinafter called the "Lessee").

WITNESSETH, Lessor does hereby lease, demise, and let unto the Lessee, subject to the terms stated herein, the following described Leased Premises situated in the County of Milwaukee and State of Wisconsin, to-wit:

Parcel # 80 located in the SW 1/4 of Section 7, Township 5 North, Range 22 East  
consisting of 5.4 Acres      Rotation Code n/a      Term 1 year      Rental Payment \$ 405.00 per year

Parcel # 81 located in the NW 1/4 of Section 7, Township 5 North, Range 22 East  
consisting of 3.2 Acres      Rotation Code n/a      Term 1 year      Rental Payment \$ 208.00 per year

PARCEL #	ACREAGE	FARM #	TRACK #	DISTRICT #	LOCATION
80	5.4	1520	4516	9	South of W. Minnesota Ave., east of S. 27 <sup>th</sup> St.
81	3.2	1716	4684	9	South of W. Minnesota Ave., east of S. 27 <sup>th</sup> St.

**USE:** This Lease is to allow the growing and harvesting of agricultural row-crops, vegetable crops and hay land located within Milwaukee County parkland while preserving the soils, water and other related natural resources consistent with the terms, conditions and payment schedules of this Lease, as well as with the provisions contained in the Agricultural Land Lease Policy as adopted by the Milwaukee County Board of Supervisors on September 29, 1994, and revised January 2010, which are hereby incorporated herein by reference.

**TERM:** This Lease shall be effective beginning January 1, 2014 and shall remain in effect through December 31, 2014 unless terminated per the provisions defined herein or by mutual agreement. Lessor retains the sole right to determine the Lease length, its conditions or whether the Lease will be renewed. The evaluation for renewal of any lease may be based partially on the degree of compliance with the terms of the lease.

**RENTAL PAYMENT SCHEDULE:** Lessee shall provide rental payments to Lessor according to the following payment schedule:

\$ 306.50 due on or before April 1 and \$ 306.50 due on or before November 30.

Lessor will not provide rental rate adjustments for crop failures due to extreme weather conditions. If renters wish to receive subsidies or payments to offset crop losses they should work with the United States Department of Agriculture ("USDA"), Farm Service Agency ("FSA"), Natural Resource Conservation Service ("NRCS"), or the University of Wisconsin Extension Service to identify any available programs or funding sources.

**IT IS MUTUALLY AGREED AND UNDERSTOOD BETWEEN THE LESSOR AND THE LESSEE that:**

1. **Conservation Plan:** Lessee shall be required to work with NRCS and Lessor to develop a Conservation Plan ("CP"), if a CP does not already exist, for the parcel(s) of land listed above, the provisions of which are hereby made a part of this Lease and shall be complied with at all times by Lessee; failure by Lessee to so comply shall be considered a default under this Lease. The conservation plan describes and specifies a crop rotation schedule, tillage methods, nutrient and pest management, stream banks and other best management practices required to reduce soil loss, achieve water quality goals and protect the natural resource base. Any modifications to the CP during the term of the Lease shall require written approval by Lessor in consultation with NRCS.
2. **Crop Acreage Certification:** Lessee shall coordinate with FSA on crop acreage certification and submit said certification documentation to Lessor.
3. **Records:** Lessee shall maintain a log, listing information about all fertilizer and pesticide use on each of the leased parcels. These records shall be submitted to Lessor prior to December 31.
4. **Waste Disposal:** Milwaukee County lands are not to be used to store or to dispose of full or empty fertilizer or pesticide containers or any unused fertilizer, pesticide or other waste or material of any kind.
5. **Notice of Planned Construction:** Lessee shall be notified of any utility construction or other activity that is proposed for any Milwaukee County parcel leased under this agreement. Compensation for any loss in use of the rented parcel will be determined on a case-by-case basis at the discretion of the Lessor.
6. **Access:** Milwaukee County employees, agents and representatives have the right to enter any Milwaukee County-owned parcel covered in this Lease at any time without any prior notice to Lessee.
7. **Compliance With Law:** Lessee shall obey, observe and comply with all rules, regulations, ordinances and laws, as adopted from time-to-time, which shall be applicable to the property, (including any improvements now or hereafter erected), and shall promptly comply with all orders, rules, rulings and directives of any governmental authority or agency having jurisdiction thereof.
8. **Utility Charges:** Lessee shall pay, in addition to all other sums required to be paid by it under the provisions of this Lease, all utility charges for the Leased Premises.
9. **Indemnification by Lessee:** Lessee agrees to protect and save Lessor harmless and indemnified against and from any penalty or damage or charge imposed for any violation of any laws or ordinances, whether occasioned by Lessee or those holding under the Lessee. Lessee further agrees to protect, indemnify and save Lessor harmless from and against any and all claims, and against any and all loss, damage, expense, liabilities, demands and causes of action, and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor, arising out of any failure of Lessee in any respect to comply with and perform all of the requirements and provisions of this Lease, and against any and all loss, damage expense, liabilities, demands and causes of action and any reasonable expenses (including attorney fees) incidental to the defense thereof by Lessor resulting from injury or death of persons or damage to property, including without limitation the person and property of Lessee, its agents, employees and invites, occurring on the Leased Premises or on the adjoining sidewalks, street, alleys or ways, or in any manner directly or indirectly growing out of or in connection with the use and occupancy or disuse of the Leased Premises, or any part thereof, or any improvement now or hereafter located thereon by Lessee or any person holding under the Lessee. Lessee further agrees to indemnify and hold Lessor harmless against any and from all liabilities which may arise by virtue of environmental degradation of the Leased Premises or surrounding area caused by actions or omissions of the Lessee. Such indemnification and hold-harmless requirement applies to any damages governed by, but not limited to, the statutory law and case law of the State of Wisconsin and the United States government. Violation indicates violations of any rules or regulations of the Wisconsin Department of Natural Resources or the United States Environmental Protection Agency. Liability is deemed to include responsibility for all remedial steps including liability for the costs of any court proceedings, necessitated by the environmental damage caused by Lessee. Liability shall also extend to any claims filed against Milwaukee County or to Lessee by third-parties alleging damages to such parties arising out of the actions of the Lessee.

**10. Insurance:** Lessee shall keep in effect, at its sole expense, a comprehensive general liability policy or policies satisfactory to the Lessor covering the Leased Premises and providing coverage with combined single limits of \$1,000,000.00 for bodily injury and property damage. The County shall be afforded a thirty day (30) written notice of cancellation or non-renewal. Coverage shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best Key Rating Guide. In the event Lessor reasonably anticipates that such coverage is inadequate, Lessee shall, upon the written request of Lessor, increase such insurance to amounts reasonably requested by Lessor. Such policy shall name the Lessor as an additional insured, and a copy of such policy, or a certificate thereof, shall be delivered to Lessor prior to the execution of this Lease for review and approval by Milwaukee County's Director of Risk Management.

**11. Additions, Changes, Alterations and Demolition:** Lessee shall not construct improvements upon the Leased Premises, demolish improvements upon Leased Premises, and/or make additions to or structural changes or alterations in and upon, any or all of such improvements, or other improvements upon the Leased Premises, without the written consent of the Lessor, which consent shall not be unreasonably withheld. Such work shall be performed in a good and workmanlike manner at the sole expense of the Lessee. Any wetlands or farmed wetlands on any Milwaukee County property shall not be graded, filled or drained in any way. Any surface or subsurface drainage alterations of any parcel included in this Lease shall be conducted only with the prior written permission of the Lessor. Any improvements or additions upon the Leased Premises at the expiration of this Lease shall be deemed part of the Leased Premises and shall be rendered to the Lessor in good condition and repair, reasonable wear and tear and damage by fire or other casualty not occurring through the neglect of the Lessee excepted. Removal, cutting or pruning of any trees or other woody vegetation on any Milwaukee County-owned land is prohibited unless conducted with the prior written permission of Lessor.

**12. Mechanic or Construction Liens:** Lessee shall not permit, create, incur or impose or cause or suffer others to permit, create incur or impose any lien or other obligation against the Leased Premises or the Lessor by reason of any work performed or materials furnished by, to or for the account of the Lessee, and the Lessee agrees to hold the Lessor harmless of and from any and all claims or demands by any contractor, subcontractor, material man, laborer or any other third person against the Leased Premises or the Lessor relating to or arising because of such work or materials.

**13. Warranty of Quiet Possession:** Lessor hereby warrants and covenants that it has good and marketable title to the Leased Premises and has full authority to execute this Lease, and further agrees that the Lessee, upon paying rent at the time and manner aforesaid, and performing and keeping all of the covenants and conditions of this Lease by it to be kept and performed, may have and shall quietly have, hold, and enjoy the Leased Premises during the term hereof.

**14. Assignment and Subletting:** Lessee shall not assign or sublease all or any interest in this Lease without the prior written consent, in each instance, of Lessor, which consent may be withheld or denied by Lessor at its sole and absolute discretion.

**15. Termination of Lease:** This Lease shall terminate at the end of the term or earlier if by mutual agreement. The Lease may also be terminated at the option of the Lessor, for nonpayment of any rental amounts due by the dates specified, for noncompliance with any of the terms of this Lease or if the property is required for another use. If a parcel included in this agreement is required for a new use and will not be available for leasing for agricultural purposes, compensation will be made on a case-by-case basis at the discretion of the Lessor.

**16. Remedies:** Rent payment shall be made as stated herein without delay. If payment is not received, Lessee shall have ten (10) days to make such payment or Lessor shall notify Lessee that the Lease has been terminated. Termination shall be effective on the date specified by the Lessor in its notice to the Lessee which date shall allow for any grace period specified in this Lease. Upon such termination, Lessor may reenter the Leased Premises with or without process of law using such force as may be necessary, and remove all persons and chattels therefrom and Lessor shall not be liable for damages or otherwise by reason of reentry or termination of the term of this Lease. Any crops remaining on the Leased Premises at the time notice of termination is given shall become the property of the Lessor.

No receipt of money by Lessor from Lessee after termination of this Lease or after the service of any notice or after the commencement of any suit, or after final judgment for possession of the Leased Premises shall reinstate, continue or extend the term of this Lease or affect any such notice, demand or suit.

All rights and remedies of the Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law or equity, and such rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises. The failure or forbearance on the part of the Lessor to enforce any of its rights or remedies in connection with any default shall not be deemed a waiver of such default, nor a consent to any continuation thereof, nor a waiver of the same default at any subsequent date.

Any actions taken by the Lessor under the provisions of this Lease, or to enforce the provisions of this Lease, or to declare a termination of the Lessee's interest under this Lease, or to repossess itself of the Leased Premises (whether through the medium of legal proceedings instituted for that purpose or otherwise), shall not, in any event, release or relieve the Lessee from its continuing obligations hereunder, including, without limitation, its continuing obligation to make all payments herein provided.

**17. Abandonment of Lessee's Property:** If, upon termination of this Lease (whether by lapse of time or otherwise), the Lessee fails to remove any property belonging to it, the same shall be deemed abandoned by the Lessee and shall become the property of Lessor.

**18. Surrender at Termination:** At the termination of this Lease for any reason, the Lessee shall quietly and peaceably surrender possession of the Leased Premises (and any improvements located thereon) to the Lessor, maintained as herein provided and free of any and all claims thereto by the Lessee or any party holding under the Lessee.

**19. Successors and Assigns:** Except as otherwise herein provided, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as the case maybe unless the Lessee violates the provisions hereof or Lessor determines, at its sole and absolute discretion, to cancel the Lease.

**20. Consent of Lessor:** Whenever the consent of the Lessor is required under this lease, such consent shall be obtained from the Lessor in writing at the address listed below.

**21. Notices:** All notices with respect to this Lease shall be in writing. Except as otherwise expressly provided in this Lease, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party addressed as follows:

**If to Lessor:** Milwaukee County Department of Parks, Recreation and Culture  
Natural Areas Coordinator  
9480 Watertown Plank Road  
Wauwatosa, WI 53226  
(414) 257-6521

**If to Lessee:** Fred Wobick  
1201 E. Forest Hill Ave.  
Oak Creek, WI 53154  
(414) 762-1354

Either party may designate a new address for purposes of this Lease by written notice to the other party. This Lease can be revised only by written mutual agreement by all Parties.

**22. Acknowledgement:** Lessee acknowledges that it has received a copy of (1) this Agricultural Lease Agreement; and (2) the Agricultural Land Lease Policy, and has read the documents and fully understands the terms and conditions of each and that Lessee will comply with all the terms and conditions. Lessee further acknowledges that it has had sufficient time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

**IN WITNESS WHEREOF, the Parties hereto have set their hands as follows:**

**Milwaukee County Dept. of Parks, Recreation & Culture**

by \_\_\_\_\_ Date \_\_\_\_\_  
John Dargle, Interim Director

**Fred Wobick**

by \_\_\_\_\_ Date \_\_\_\_\_  
Fred Wobick




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CHRIS ABELE, MILWAUKEE COUNTY EXECUTIVE  
JOHN DARGLE, JR., DIRECTOR OF PARKS, RECREATION AND CULTURE

Date: November 26, 2013

To: Chairwoman Marina Dimitrijevic, County Board of Supervisors

From: John Dargle, Jr., Director, Department of Parks, Recreation and Culture

Subject: **Sign Location Lease Agreement - ACTION**

### **POLICY**

The Department of Parks, Recreation and Culture (DPRC) is seeking authorization to enter into a Sign Location Lease Agreement (Agreement) with The Lamar Company (Lamar).

### **BACKGROUND**

The DPRC and Lamar have partnered since 2000 for mutually-beneficial advertising efforts. Lamar has leased a small portion of land in Estabrook Park for the installation and maintenance of a sign used for advertising. The term of this Agreement is one (1) year and Lamar has agreed to pay annual rent of \$2,000. In addition, Lamar will provide the DPRC free freeway and street static board advertising and digital advertising as defined in the Agreement.

### **RECOMMENDATION**

The Parks Director recommends that the DPRC be authorized to execute the Sign Location Lease Agreement with The Lamar Company for use of a portion of land within Estabrook Park.

Prepared by: Laura Schloesser, Chief of Administration and External Affairs

**Recommended by:**

**Approved by:**

---

Laura Schloesser, Chief of  
Administration and External Affairs

---

John Dargle, Jr., Director

Attachment – Sign Location Lease Agreement

copy: County Executive Chris Abele  
Amber Moreen, Chief of Staff, County Executive's Office  
Kelly Bablitch, Chief of Staff, County Board  
Sup. Gerry Broderick, Chair, Parks, Energy & Environment Committee  
Sup. Khalif Rainey, Vice-Chair, Parks, Energy & Environment Committee  
Daniel Laurila, Fiscal Mgt. Analyst, Admin & Fiscal Affairs/DAS  
Alexis Gassenhuber, Parks, Energy & Environment Committee Clerk  
Jessica Janz-McKnight, Research Analyst, County Board  
Scott Manske, Comptroller, Office of the Comptroller  
Barbara Campbell, Leasing Manager, Lamar Advertising of Milwaukee

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(ITEM NO. ) From the Director, Department of Parks, Recreation and Culture (DPRC) requesting authorization to enter into a Sign Location Lease Agreement with The Lamar Company (Lamar).

A RESOLUTION

WHEREAS, the DPRC and Lamar have partnered since 2000 for mutually-beneficial advertising efforts; and

WHEREAS, Lamar has leased a small portion of land in Estabrook Park for the installation and maintenance of a sign used for advertising; and

WHEREAS, the term of this Agreement is one (1) year; and

WHEREAS, Lamar has agreed to pay \$2,000 for rent; and

WHEREAS, Lamar has agreed to provide the DPRC free freeway and street static board advertising and digital advertising as defined in the Agreement; now, therefore

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby authorizes and directs the Department of Parks, Recreation and Culture to execute the Sign Location Lease Agreement with The Lamar Company for use of a portion of land within Estabrook Park.

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** November 26, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to enter into a Sign Location Lease Agreement with The Lamar Company for use of a portion of land within Estabrook Park.

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><input checked="" type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Authorization to enter into a Sign Location Lease Agreement with The Lamar Company for use of a portion of land within Estabrook Park.
- B. Annual rent payment of \$2,000 and free static and digital advertising as defined in the Agreement.
- C. No impact
- D. None

Department/Prepared By    Laura Schloesser/Chief of Admin & External Affairs, DPRC

Authorized Signature       \_\_\_\_\_

Did DAS-Fiscal Staff Review?        Yes        No

Did CDBP Review?<sup>2</sup>                    Yes        No        Not Required

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Lamar Co # 258

This Instrument Prepared by:  
James R. McIlwain  
5321 Corporate Boulevard  
Baton Rouge, Louisiana 70808

\_\_\_\_\_  
Yes \_\_\_\_\_ New  
2925-01 \_\_\_\_\_ Renewal  
Lease #

*James R. McIlwain*

James R. McIlwain

**SIGN LOCATION LEASE**

THIS LEASE AGREEMENT, made this \_\_\_\_\_ day of December, 2013, by and between: **MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE** (hereinafter referred to as "Lessor") and **THE LAMAR COMPANIES** (hereinafter referred to as "Lessee"), provides

**WITNESSETH**

"LESSOR hereby leases to LESSEE, its successors or assigns, as much of the hereinafter described lease premises as may be necessary for the construction, repair and relocation of an outdoor advertising structure ("sign"), including necessary structures, advertising devices, utility service, power poles, communications devices and connections, with the right of unobstructed access to and unobstructed egress from the sign by LESSEE's employees, contractors, agents and vehicles and the right to survey, post, illuminate and maintain advertisements on the sign, and to modify the sign to have as many advertising faces, including changeable copy faces or electronic faces, as are allowed by local and state law, and to maintain telecommunications devices or other activities necessary or useful in LESSEE's use of the sign. Any discrepancies or errors in the location and orientation of the sign are deemed waived by LESSOR upon LESSOR's acceptance of the first rental payment due after the construction of the sign.

The premises are a portion of the property located in the County/Parish of Milwaukee, State of Wisconsin, more particularly described as:

**COMSTOCK & WILLIAMS SUBD OF LOTS 1 TO 5 SEC 5 & SE 1/4 SEC 5 & NW 1/4 SEC 4-7-22 100' R O W RUNNING N W'LY & S E'LY THRU LOT 133.  
4377 NORTH SANTA MONICA BOULEVARD.  
Tax Key #2420220000**

1. This Lease shall be for a term of one (1) years commencing on the first day of the calendar month following the date of completion of construction of the sign; provided, however, that if this is a renewal Lease, the term and payments shall begin November 1, 2013 ("commencement date").

This Lease shall renew for an additional term, of equal length, on the same terms and conditions. Said extension shall automatically go into effect unless either party shall give to the other party written notice of non-extension at least sixty (60) days prior to the expiration of the original term.

2. LESSEE shall pay to LESSOR an annual rental of Two Thousand and 00/100 Dollars (\$2,000.00), payable annually in advance in one installment of \$2,000.00 due on the first day of the month following commencement. Rent shall be considered tendered upon due mailing or attempted hand delivery during reasonable business hours at the address designated by LESSOR, whether or not actually received by LESSOR. Should LESSEE fail to pay rent or perform any other obligation under this lease within thirty (30) days after such performance is due, LESSEE will be in default under the lease. In the event of such default, LESSOR must give LESSEE written notice by certified mail and allow LESSEE thirty (30) days thereafter to cure any default.

3. LESSOR agrees not to erect or allow any other off-premise advertising structure(s), other than LESSEE's, on property owned or controlled by LESSOR within two thousand (2000) feet of LESSEE's sign. LESSOR further agrees not to erect or allow any other obstruction of highway view or any vegetation that may obstruct the highway view of LESSEE's sign. LESSEE is hereby authorized to remove any such other advertising structure, obstruction or vegetation at LESSEE's option.

4. LESSEE may terminate this lease upon giving thirty (30) days written notice in the event that the sign becomes entirely or partially obstructed in any way or in LESSEE's opinion the location becomes economically or otherwise undesirable. If LESSEE is prevented from constructing or maintaining a sign at the premises by reason of any final governmental law, regulation, subdivision or building restriction, order or other action, LESSEE may elect to terminate this lease. In the event of termination of this Lease prior to expiration, pursuant to this section, LESSOR will return to LESSEE any unearned rentals on a pro rata basis.

5. All structures, equipment and materials placed upon the premises by the LESSEE or its predecessor shall remain the property of LESSEE and may be removed by LESSEE at any time prior to or within a reasonable time after expiration of the term hereof or any renewal. At the termination of this lease, LESSEE agrees to restore the surface of the premises to its original condition. The LESSEE shall have the right to make any necessary applications with, and obtain permits from, governmental bodies for the construction and maintenance of LESSEE's sign, at the sole discretion of LESSEE. All such permits and any nonconforming rights pertaining to the premises shall be the property of LESSEE.

6. LESSOR represents that he is the owner or lessee under written lease of the premises and has the right to make this agreement and to grant LESSEE free access to the premises to perform all acts necessary to exercise its rights pursuant to this

lease. LESSOR is not aware of any recorded or unrecorded rights, servitudes, easements, subdivision or building restrictions, or agreements affecting the premises that prohibit the erection, posting, painting, illumination or maintenance of the sign. LESSOR acknowledges that the terms and conditions of this agreement are confidential and proprietary and shall not be disclosed to any third-party without the written consent of LESSEE; provided, however, that this provision shall not apply to LESSOR's obligations pursuant to the Wisconsin Open Records Law, Wisconsin Statutes s. 19.31 *et seq.*

7. In the event of any change of ownership of the property herein leased, LESSOR agrees to notify LESSEE promptly of the name, address, and phone number of the new owner, and LESSOR further agrees to give the new owner formal written notice of the existence of this lease and to deliver a copy thereof to such new owner at or before closing. In the event that LESSEE assigns this lease, assignee will be fully obligated under this Lease and LESSEE will no longer be bound by the lease. This lease is binding upon the personal representatives, heirs, executors, successors, and assigns of both LESSEE and LESSOR.

8. In the event of condemnation of the subject premises or any part thereof by proper authorities, or relocation of the highway, the LESSOR grants to the LESSEE the right to relocate its sign on LESSOR's remaining property adjoining the condemned property or the relocated highway. Any condemnation award for LESSEE's property shall accrue to LESSEE.

9. LESSEE agrees to indemnify LESSOR from all claims of injury and damages to LESSOR or third parties caused by the installation, operation, maintenance, or dismantling of LESSEE's sign during the term of this lease. LESSEE further agrees to repair any damage to the premises or property at the premises resulting from the installation, operation, maintenance, or dismantling of the sign, less ordinary wear and tear.

10. LESSOR agrees to indemnify LESSEE from any and all damages, liability, costs and expenses, including attorney's fees, resulting from any inaccuracy in or nonfulfillment of any representation, warranty or obligation of LESSOR herein.

11. Either party may terminate this Lease if the other party breaches its obligations hereunder and fails to cure such breach upon thirty (30) days' prior written notice. In the event LESSOR terminates the Lease pursuant to this Section 11, LESSEE shall remove all equipment from the Premises at its sole expense.

12. If required by LESSEE, LESSOR will execute and acknowledge a memorandum of lease suitable for recordation. In addition to the foregoing, LESSOR authorizes and appoints LESSEE as LESSOR's agent, representative, and attorney in fact for the limited purpose of executing on behalf of LESSOR such memorandum of lease and any amended memoranda of lease that are necessary or desirable to correct, amend, or supplement any matter set forth in such memorandum. LESSOR further authorizes LESSEE to perform all acts that are incidental to or necessary for the execution and recordation of such memorandum or memoranda.

13. This Lease is **NOT BINDING UNTIL ACCEPTED** by the General Manager of a Lamar Advertising Company.

DATE: / /2013

DATE: / /2013

LESSEE: THE LAMAR COMPANIES

LESSOR: MILWAUKEE COUNTY  
DEPARTMENT OF PARKS, RECREATION  
AND CULTURE

By: \_\_\_\_\_  
Kurt Weis, Vice-President/General Manager

By: \_\_\_\_\_  
Milwaukee County Parks Director

Reviewed By:

\_\_\_\_\_  
Milwaukee County Risk Management

Approved as to Form and Independent Status:

\_\_\_\_\_  
Milwaukee County Corporation Counsel

414-257-4575  
LESSOR's TELEPHONE NUMBER

39-6005720  
LESSOR's SOCIAL SECURITY NUMBER /  
EMPLOYER IDENTIFICATION NUMBER

2420220000  
Tax ID Parcel # (for land on which sign is located)

Address of LESSEE:  
Lamar Advertising of Milwaukee  
2809 South Fifth Court  
Milwaukee, WI 53207

Address of LESSOR:  
Milwaukee County Department of Parks,  
Recreation and Culture  
Milwaukee County Treasurer  
9480 Watertown Plank Road  
Wauwatosa, WI 53226

**THE  COMPANIES**

Rider #1 to Lease#2925-01 dated the 1<sup>st</sup> day of November, 2013, by and between Milwaukee County Department of Parks, Recreation and Culture, as LESSOR and The Lamar Companies, as LESSEE.

LESSOR and LESSEE agree to the following additional provisions:

1. The LESSOR will receive:
  - Two (2) freeway static boards or three (3) street static boards for a period of not more than eight (8) weeks per lease year.
    - County has the option, in its sole discretion, to change the skins of the board(s) at any time during the lease term at a rate of \$1,250.00 per change.
    - The locations(s) of the board(s) shall be mutually agreeable to both parties.
  - Ten (10) days of digital advertising when a spot is available.
    - The LESSOR to supply art.
    - The locations(s) of the board(s) shall be mutually agreeable to both parties.
2. LESSEE agrees not contract for any advertising display on the sign for any firm or product that is distasteful or offensive at any time during the term of this Lease. LESSOR shall have the right to approve any and all advertising or other use of the sign, said approval not to be unreasonably withheld or delayed.
3. LESSEE shall pay all electricity and utility costs in connection with the sign.
4. LESSOR shall have no responsibility to LESSEE or any third party for the security, maintenance, repair, or removal of the sign or its contents.
5. LESSEE agrees to evidence and maintain proof of financial responsibility to cover costs as may arise from claims of tort, statutes and benefits under Workers' Compensation laws and/or vicarious liability arising from employees. Such evidence shall include insurance coverage for Workers' Compensation claims as required by the State of Wisconsin, including Employer's Liability and insurance covering General and Automobile Liability coverage in the following minimum amounts

<u>Type of Coverage</u>	<u>Minimum Limits</u>
Wisconsin Worker's Compensation or Proof of All States Coverage with Waiver of Subrogation	Statutory
Employer's Liability	\$100,000/\$500,000/\$100,000
Commercial General Liability	
Bodily Injury & Property Damage (Incl. Personal Injury, Fire Legal Contractual & Products/Completed Operations)	\$1,000,000 per Occurrence \$1,000,000 General Aggregate
Automobile Liability	
Bodily Injury & Property Damage	\$1,000,000 per Accident
All Autos-Owned, non-owned and/or hired Uninsured Motorists	Per Wisconsin Requirements

Milwaukee County, as its interests may appear, shall be named as an additional insured for General and Automobile Liability and be afforded a thirty (30) day written notice of cancellation or non-renewal. Waiver of Subrogation by Workers Compensation by policy endorsement in favor of Milwaukee County and Milwaukee County Parks Department is required. Disclosure must be made of any non-standard or restrictive additional insured endorsement, and any use of non-standard or restrictive additional insured endorsement will not be acceptable. A certificate indicating the above coverage's shall be submitted for review and approval by the County for the duration of this Agreement.

Coverage's shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best's Key Rating Guide. Additional information as to policy form, retroactive date, discovery provisions and applicable retentions shall be submitted to County, if requested, to obtain approval of insurance requirements. Any deviations including use of purchasing groups, risk retention groups, etc., or requests for waiver from the above requirements shall be submitted in writing to the County for approval prior to the commencement of activities under this Agreement.

The insurance requirements contained within this Agreement are subject to periodic review and adjustment by the County Risk Manager.

**LESSEE: THE LAMAR COMPANIES**

**LESSOR: MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

\_\_\_\_\_  
Kurt Weis, Vice-President/General Manager

\_\_\_\_\_  
Milwaukee County Parks Director

**Reviewed By:**

\_\_\_\_\_  
Milwaukee County Risk Management

**Approved as to Form and Independent Status:**

\_\_\_\_\_  
Milwaukee County Corporation Counsel




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CHRIS ABELE, MILWAUKEE COUNTY EXECUTIVE  
JOHN DARGLE, JR., DIRECTOR OF PARKS, RECREATION AND CULTURE

Date: November 26, 2013

To: Chairwoman Marina Dimitrijevic, County Board of Supervisors

From: John Dargle, Jr., Director, Department of Parks, Recreation and Culture

Subject: **Lease Agreement with Milwaukee Christian Center, Inc. - ACTION**

### **POLICY**

The Department of Parks, Recreation and Culture (DPRC) is seeking authorization to enter into a Lease Agreement with Milwaukee Christian Center, Inc. (MCC) for use of certain parts of Kosciuszko Community Center.

### **BACKGROUND**

The DPRC and MCC have had a mutually-beneficial programming partnership for many years at the Kosciuszko Community Center (Center). MCC is a 501(c)3 not-for-profit privately funded agency that provides a variety of services to youth in Milwaukee.

MCC occupies 1,982 square feet, or 3%, of the Center with use of office and meeting rooms, and common areas such as the gymnasium and restroom facilities. The term of this Lease is five years and rent is \$7,200 annually (\$600 per month). MCC has agreed to pay an annual maintenance fee of \$500. In addition, all participants in MCC programs at the Center purchase an annual membership which contributes approximately \$8,000 per year in revenue.

### **RECOMMENDATION**

The Parks Director recommends that the DPRC be authorized to execute the Lease Agreement with Milwaukee Christian Center, Inc. for use of certain parts of Kosciuszko Community Center.

Prepared by: Laura Schloesser, Chief of Administration and External Affairs

**Recommended by:**

**Approved by:**

ADDRESS  
9480 Watertown Plank Road  
Wauwatosa, WI 53226-3560

PHONE/FAX  
ph: **414 / 257 PARK** (7275)  
fax: 414 / 257 6466

EMAIL  
parks@milwcnty.com

WEBSITE  
countyparks.com

---

Laura Schloesser, Chief of  
Administration and External Affairs

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John Dargle, Jr., Director

Attachment – Draft Lease Agreement

copy: County Executive Chris Abele  
Amber Moreen, Chief of Staff, County Executive's Office  
Kelly Bablitch, Chief of Staff, County Board  
Sup. Gerry Broderick, Chair, Parks, Energy & Environment Committee  
Sup. Khalif Rainey, Vice-Chair, Parks, Energy & Environment Committee  
Daniel Laurila, Fiscal Mgt. Analyst, Admin & Fiscal Affairs/DAS  
Alexis Gassenhuber, Parks, Energy & Environment Committee Clerk  
Jessica Janz-McKnight, Research Analyst, County Board  
Scott Manske, Comptroller, Office of the Comptroller  
Karen Higgins, Executive Director, MCC

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(ITEM NO. ) From the Director, Department of Parks, Recreation and Culture (DPRC) requesting authorization to enter into a Lease Agreement with Milwaukee Christian Center, Inc. for use of certain parts of Kosciuszko Community Center.

A RESOLUTION

WHEREAS, the DPRC and Milwaukee Christian Center, Inc. (MCC) have had a mutually-beneficial programming partnership for many years; and

WHEREAS, since that time MCC has had a significant positive impact in Kosciuszko Park and surrounding neighborhood; and

WHEREAS, the term of this Lease Agreement is five (5) years; and

WHEREAS, MCC has agreed to pay rent in the amount of \$600 per month; and

WHEREAS, MCC has agreed to pay a maintenance fee of \$500 annually; and

WHEREAS, MCC has agreed to require all participants to purchase annual memberships to the Center; now, therefore

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby authorizes and directs the Department of Parks, Recreation and Culture to execute the Lease Agreement between Milwaukee Christian Center, Inc.; and

BE IT FURTHER RESOLVED, to ensure there are no liabilities related to the proposed lease and any potential outstanding bonds, the final agreement is contingent upon approval of the Office of the Comptroller.

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** November 26, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Authorization to enter into a Lease Agreement with Milwaukee Christian Center, Inc. for use of certain parts of Kosciuszko Community Center.

**FISCAL EFFECT:**

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact<br><br><input checked="" type="checkbox"/> Existing Staff Time Required<br><br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><br><input type="checkbox"/> Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><br><input type="checkbox"/> Decrease Operating Expenditures<br><br><input type="checkbox"/> Increase Operating Revenues<br><br><input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><br><input type="checkbox"/> Decrease Capital Expenditures<br><br><input type="checkbox"/> Increase Capital Revenues<br><br><input type="checkbox"/> Decrease Capital Revenues<br><br><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
<b>Operating Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Authorization to enter into a Lease Agreement with Milwaukee Christian Center, Inc. for use of certain parts of Kosciuszko Community Center.
- B. Annual rent payment of \$7,200 and an annual maintenance fee of \$500. Annual membership revenue from participants of MCC programming totals approximately \$8,000.
- C. No impact
- D. None

Department/Prepared By    Laura Schloesser/Chief of Admin & External Affairs, DPRC

Authorized Signature       \_\_\_\_\_

Did DAS-Fiscal Staff Review?        Yes        No

Did CDBP Review?<sup>2</sup>                    Yes        No     Not Required

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**LEASE AGREEMENT**

**BETWEEN**

**MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE**

**AND**

**MILWAUKEE CHRISTIAN CENTER, INC.**

This Lease Agreement (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 2013 (the "Effective Date") by and between MILWAUKEE COUNTY DEPARTMENT OF PARKS, RECREATION AND CULTURE ("County" or "Lessor") and the MILWAUKEE CHRISTIAN CENTER, INC, a Wisconsin non-stock, non-profit corporation ("Lessee"), 2137 W. Greenfield Avenue, Milwaukee, WI 53204. Together these agencies constitute the "Parties" to this Agreement.

**WITNESSETH:**

**WHEREAS**, Lessor and Lessee were Parties to that certain Lease Agreement dated as of November 29, 2007, made pursuant to Adopted County Board Resolution No. 07-290 (the "2007 Lease"), pursuant to which Lessee leased from the County certain rooms within the Kosciuszko Community Center located at 2201 South Seventh Street, Milwaukee, Wisconsin (the "Center") for its various programs serving the youth of the community;

**WHEREAS**, the Parties recognize that the development of a subsequent multiple year lease for the use of these rooms is advantageous to both the Lessee and the Lessor; and

**WHEREAS**, the Milwaukee County Board of Supervisors, by virtue of adopting Resolution \_\_\_ on \_\_\_, 2013, has authorized the Director of the Department of Parks, Recreation and Culture to enter into this Agreement with Lessee for and on behalf of Milwaukee County.

**NOW THEREFORE**, in exchange of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**PROVISIONS:**

1. **Exclusive Use of Space.** Lessee shall have the exclusive right for the use of the rooms within the Center, as indicated in yellow on Exhibit A to this Agreement with an approximate total size of 1,982 square feet and further defined as rooms 110 (office), 112, 113 and 118 (meeting rooms), and the office across the corridor from the boxing room (the "Exclusive Space").
2. **Scope of Use.** The exclusive right to use the Exclusive Space by Lessee for the purpose of conducting recreational programs and other associated activities shall extend from approximately 3:00 p.m. until 8:00 p.m. Monday through Friday during the MPS school year and 9:00 a.m. until 8:00 p.m. Monday through Friday during the summer and MPS holiday recesses, but shall not extend beyond the normal business hours of the Center if such business hours end earlier on any day, for any reason. The County may restrict access to the Center before 9:00 a.m. or after 8:00 p.m. Monday through Friday and on weekends and holidays.
3. **Storage.** Lessee shall also have the exclusive right to store its computers, furniture, equipment and other personal property (the "Stored Property") in the Exclusive Space twenty-four (24) hours a day,

seven (7) days a week throughout the term of this Agreement. The County shall not enter into rental agreements with any other parties for the use of this Exclusive Space or allow this Exclusive Space to be used or occupied by any other parties at any time throughout the Term of this Agreement (as hereinafter defined). The title to the Stored Property will remain with Lessee at all times, and Lessee will be responsible for the security of the Stored Property and any risk of loss or damage thereto. Lessee certifies that the Stored Property does not include any of the following items: (a) cash or securities; (b) food or perishable goods; (c) living plants or animals; (d) waste; (e) flammable or hazardous goods; (f) illegal goods; (g) toxic, polluted or hazardous goods; (h) firearms, munitions or explosives; or (i) radioactive materials.

4. Use of Common Rooms. All common use rooms within the Center shall be available to be used by the Lessee on a scheduled basis, according to the policies and procedures established by the Center Manager which shall be applied equally to all Center tenants. In the event of any scheduling conflict, the Parties shall work together in good faith to resolve the issue.
5. Use Beyond Program Hours. Lessee may request authorization from the Center Manager for occasional use of the Exclusive Space or any other part of the Center beyond its regularly scheduled program hours.
6. Term. This Agreement shall commence on the first day of the first month following the Effective Date and terminate on the fifth (5th) anniversary thereof (the "Term").
7. Rent. Lessee shall pay, as rent for the use of the Exclusive Space, to the Lessor Six Hundred Dollars (\$600) per month. Payments shall be made within thirty (30) days upon receipt of monthly invoice from the Lessor. Checks shall be made payable to the Milwaukee County Treasurer and mailed or delivered to: Milwaukee County Parks Department, Milwaukee County Treasurer, 9480 Watertown Plank Rd., Wauwatosa, Wisconsin, 53226.
8. Maintenance Fee. In addition to the rental payments detailed above, the Lessee shall pay an annual maintenance fee of Five Hundred and 00/100 Dollars (\$500.00) on or before February 1st of each year to assist the County in covering the costs of general maintenance for the gym, weight rooms, boxing room, kitchens, and/or other areas utilized by the Lessee on a scheduled basis.
9. Maintenance and Utilities. The Lessee is responsible for the daily cleaning and general maintenance of the Exclusive Space or for other areas it may be permitted to use from time to time, including placing of trash in receptacles provided by the County. The County shall be responsible for trash removal and general maintenance of the common areas. The County will provide utilities (heat, electricity, water) for all areas utilized by the Lessee.
10. Youth Membership Card Requirement. It is mutually agreed that Lessee will provide programming for youth from the ages of 11-17 and will continue to use its best efforts to obtain funding to provide programming for youth 7-10 years old. Lessee is to provide adequate staffing and supervision and shall have sole supervisory responsibility for its program participants at all times. Lessee agrees to require that all youth participants who attend programming or activities on a regular basis MUST purchase and use a County "Membership Card," which shall be sold at the most current County fee structure. Participants attending one time special events or tournaments are exempt from purchasing the Membership Card.
11. Alterations Prohibited. County must approve all physical modifications to the Exclusive Space and installation of any equipment or data lines. Lessee shall make no permanent alterations to the Exclusive Space without the prior written consent of County. Any improvements to the Exclusive Space will become the property of the County, at no expense to the County, upon termination of this

Agreement. Lessee agrees to repair or replace any equipment or property that may become damaged due to negligence or inappropriate usage.

12. Installation of Telephone, Internet and Alarm Service. Lessee may, at its expense, install and maintain telephone and internet service for its programs within the Exclusive Space. Lessee also agrees to pay for the installation, maintenance, and monitoring fees for any alarm systems, which Lessee may decide to install. Installation locations for phones or alarm systems are subject to the approval of the County.
13. Center Use Restrictions. Use of the Center is restricted to office, recreational and community activities that are conducted by the Lessee. County must approve any other activities. The Center may not be used for political purposes.
14. Return of Exclusive Space. Upon expiration or termination of this Agreement for any reason, the Exclusive Space shall be returned to the County in as good or better condition than when originally leased, normal wear and tear excepted.
15. Grant Applications. Upon request by the County, Lessee shall provide copies of all grant applications related to programming at the Center. Lessee shall not apply for any grants that would place any conditions or requirements upon the County, unless agreed to in writing by the County. Lessee shall provide to the County copies of all grant awards related to programming at the Center.
16. Indemnification. To the fullest extent permitted by law, Lessee shall indemnify County for, and hold it harmless from all liability, claims and demands on account of personal injuries, property damage and loss of any kind whatsoever, including workers' compensation claims, which arise out of or are in any manner connected with this Agreement, based on any injury, damage or loss being caused by the negligence or other fault of the Lessee, its agents or employees. Lessee shall, at its own expense, investigate all claims and demands, attend to their settlement or disposition, defend all actions based thereon and pay all charges of attorneys and other costs and expenses arising from any such injury, damage or loss, claim, demand or action.
17. Insurance. Lessee agrees to evidence and maintain proof of financial responsibility to cover costs as may arise from claims of tort and/or vicarious liability arising from employees. Such evidence shall include insurance coverage for Workers' Compensation claims as required by the State of Wisconsin, including Employer's Liability and insurance covering General and Automobile Liability coverages in the following minimum amounts:

<u>Type of Coverage</u>	<u>Minimum Limits</u>
Wisconsin Workers' Compensation or Proof of All States Coverage (with waiver of subrogation)	Statutory
Employers' Liability	\$100,000/\$500,000/\$100,000
Commercial General Liability	
Bodily Injury and Property Damage (incl. Personal Injury, Fire, Legal, Contractual & Products/Completed Operations)	\$1,000,000 Per Occurrence \$1,000,000 General Aggregate

Automobile Liability

Bodily Injury & Property Damage	\$1,000,000 Per Accident
All Autos-Owned, non-owned and/or hired	
Uninsured Motorists	Per Wisconsin Requirements

Milwaukee County, as its interests may appear, shall be named as an additional insured for General Liability and Automobile Liability and be afforded a thirty (30) day written notice of cancellation or non-renewal. Disclosure must be made of any non-standard or restrictive additional insured endorsement, and any use of non-standard or restrictive additional insured endorsement will not be acceptable. A certificate indicating the above coverages shall be submitted for review and approval by the County for the duration of this Agreement.

Coverages shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best's Key Rating Guide.

Additional information as to policy form, retroactive date, discovery provisions and applicable retentions shall be submitted to County, if requested, to obtain approval of insurance requirements. Any deviations, including use of purchasing groups, risk retention groups, etc., or requests for waiver from the above requirements shall be submitted in writing to the County for approval prior to the commencement of activities under this Agreement.

18. Damage to Exclusive Space. If the Center, or any portion thereof, is damaged or destroyed by fire, explosion, or any other casualty, and the County chooses not to repair or restore such damage, then Lessee may elect to terminate this Agreement effective as of the date of such damage or destruction. If the County elects to repair or restore such damage, it shall notify Lessee, in writing, within sixty (60) business days from the date of the damage. If the County chooses to repair or restore such damage, both parties shall mutually agree upon the date on which repairs and restoration are to be completed by the County. If the Center is not repaired, restored, and delivered to Lessee upon the mutually agreeable date, Lessee may terminate the Agreement thirty (30) days thereafter.
19. Audit. Pursuant to §56.30(6)(d) of the Milwaukee County Code of Ordinances, Lessee shall allow Milwaukee County, the Milwaukee County Department of Audit, or any other party Milwaukee County may name, when and as they demand, to audit, examine and make copies of, excerpts or transcripts from any records or other information directly relating to matters under this Agreement. Any subcontracting by the Lessee in performing the duties described under this contract shall subject the subcontractor and/or associates to the same audit terms and conditions as the Lessee. Lessee (or any subcontractor) shall maintain and make available to Milwaukee County the aforementioned audit information for no less than three (3) years after the conclusion of the Agreement term.
20. Interest. Unless waived by the County Board of Supervisors, Lessee shall be responsible for payment of interest on amounts not remitted in accordance with the terms of the Agreement with Milwaukee County. The rate of interest shall be the statutory rate in effect for delinquent County property taxes (1% per month or fraction of a month) as described in Subsection 74.80(1) Wis. Stats. The obligation for payment and calculation thereof shall commence upon the day following the due dates established herein.
  - 20.1 Penalty: In addition to the interest described above, Lessee may be responsible for payment of penalty on amounts not remitted in accordance with the terms of the Agreement with Milwaukee County, as may be determined by the administrator of this Agreement, or his designee. The penalty shall be the statutory rate in effect for delinquent County property taxes

(.5% per month, or fraction of a month) as described in Milwaukee County Ordinance Subsection 6.06(1) and Subsection 74.80(2), Wis. Stats. The obligation for payment and calculation thereof shall commence upon the day following the due dates established herein.

20.2 Audit Results: If, as a result of the annual audit required herein, additional amounts are disclosed to be due and owing to Milwaukee County, interest and penalty shall be calculated thereon in accordance with the above method. Lessee shall remit to Milwaukee County any additional amounts due and owing for the audit including interest and penalty thereon within thirty (30) days following receipt of the audit report by Milwaukee County.

20.3 Nonexclusivity: This provision permitting collection of interest and penalty by Milwaukee County on delinquent payments is not to be considered Milwaukee County's exclusive remedy for Lessee's default or breach with respect to delinquent payment. The exercise of this remedy is not a waiver by Milwaukee County of any other remedy permitted under the Agreement, including but not limited to termination of this Agreement.

21. Nondiscrimination and Affirmative Action. There shall be no discrimination against or segregation of any person, or group of persons, on account of gender, age, race, color, religion, creed, national origin or ancestry in the use of the Exclusive Space, and Lessee (or any person claiming under or through Lessee) shall not establish or permit any such practice or practices of discrimination or segregation with reference to the Exclusive Space. In accordance with Section 56.17 of the Milwaukee County General Ordinances and Title 41 of the Code of Federal Regulations, Chapter 60, Lessee certifies to the County as to the following:

21.1 Non-Discrimination: Lessee certifies that it will not discriminate against any employee or applicant for employment because of race, color, national origin, age, sex or handicap which includes, but is not limited to, the following: employment, upgrading, demotion or transfer, recruitment, or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training, including apprenticeship. Lessee will post in conspicuous places, available for employment, notices setting forth the provisions of the non-discriminatory clause. Attached hereto as Exhibit B is an Equal Opportunity Certificate that shall be executed and delivered by Lessee simultaneously with the execution and delivery of the Agreement.

21.2 Affirmative Action Program: Lessee certifies that it will strive to implement the principles of equal employment opportunity through an effective affirmative action program which shall have as its objective to increase the utilization of women, minorities and handicapped persons and other protected groups, at all levels of employment in all divisions of its work force, where these groups may have been previously under-utilized and under-represented. Lessee also agrees that in the event of any disputes as to compliance with the aforementioned requirements, it shall be its responsibility to show that it has exercised good faith efforts to meet all requirements.

21.3 Affirmative Action Plan: Lessee certifies that if it has 50 or more employees, it has filed or will develop and submit a written Affirmative Action Plan. Current Affirmative Action Plan, if required, must be filed with any of the following: The Office of Federal Contract Compliance Programs, the State of Wisconsin, or the Milwaukee County Department of Audit, City Campus, 9th Floor.

21.4 Non-Segregated Facilities: Lessee certifies that it does not and will not maintain or provide segregated facilities for its employees, and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained.

- 21.5 Reporting Requirement: When applicable, Lessee certifies that it will comply with all reporting requirements and procedures established in Title 41 Code of Federal Regulations, Chapter 60.
- 21.6 Compliance: Lessee certifies that it is not currently in receipt of any outstanding letters of deficiencies, show cause, probable cause, or other such notification of noncompliance with EEO regulations.
22. No Joint Venture. Nothing contained in this Agreement shall constitute or be construed to create a partnership or joint venture between the County or its successors or assigns and Lessee or its successors or assigns.
23. Assignment and Subletting. Lessee may not assign this Agreement, in whole or in part, or sublease any part of the Exclusive Space without the prior written approval of the County.
24. Termination of Agreement.
- 24.1 Due to Lessee's Failure to Fund Programs: This Agreement may be terminated by Lessee, without cause, upon ninety (90) days written notice to the County, in the event that Lessee fails to obtain necessary funding to continue operating its programs from the Center.
- 24.2 With Cause: Either County or Lessee may terminate this Agreement for cause upon thirty (30) days' written notice. However, prior to termination for cause, either party shall be afforded a period of thirty (30) days to cure the defect(s) after having been notified of such.
- 24.3 Closure of Center: In addition, the Agreement may be terminated in the event that the Milwaukee County Board of Supervisors, via official action and resolution, elect to close the Center during the term of this Agreement. In such event, the Lessee shall be afforded an opportunity to present an alternative proposal to the County to continue operating its program in the Center or any other facility owned by the County with available space to house the Center's programming.
25. Public Center. Lessee understands and agrees that the Center is fundamentally public and that the Center is to remain accessible to the public in a manner that is compatible with both the historical uses of the Center as well as the uses authorized by this Agreement.
26. Holdover. In the event the Lessee remains in possession of the Exclusive Space after the expiration of this Agreement, and without any renewal or extension hereof having been agreed to in writing, the Lessee shall be deemed to be occupying the Exclusive Space on a month-to-month basis. All obligations contained herein shall continue to be applicable to such month-to-month tenancy until renewed or terminated.
27. Compliance. Each party agrees that it will perform its obligations under this Agreement in accordance with all applicable laws, governmental rules and regulations now or hereinafter in effect.
28. Severability. If any provision of this Agreement is found to be illegal or unenforceable, the remaining provisions of this Agreement shall not be affected, thereby, and shall remain in full force and effect as though the illegal or unenforceable provisions were not contained herein; provided that, if said illegal or unenforceable provisions go to the heart of this Agreement, then the Agreement is terminated.

29. Force Majeure. Neither party shall be responsible for delays or failures in performance as a result of an Act of God, war, civil disturbance or other cause beyond a reasonable control of such party, and such failure to perform shall not be grounds for termination or default.
30. Governing Law. This Agreement is made pursuant to, and shall be construed in accordance with the laws of the State of Wisconsin.
31. Notice. All notices with respect to this Agreement shall be in writing. Except as otherwise expressly provided in this Agreement, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party as addressed as follows:

Milwaukee Christian Center  
Karen Higgins, Executive Director  
2137 W. Greenfield Avenue  
Milwaukee, WI 53204

Milwaukee County Dept of Parks  
John Dargle, Director  
9480 Watertown Plank Road  
Wauwatosa, WI 53226

Either party may designate a new address for purposes of this Agreement by written notice to the other party.

***Signature page follows***

IN WITNESS WHEREOF, the Parties hereto have set their hands as follows:

**Milwaukee Christian Center, Inc.**

by \_\_\_\_\_ Date \_\_\_\_\_  
Karen Higgins, Executive Director

**Milwaukee County Dept of Parks, Recreation & Culture**

by \_\_\_\_\_ Date \_\_\_\_\_  
John Dargle, Director

***Approved as to form and independent status:***

by \_\_\_\_\_ Date \_\_\_\_\_  
Corporation Counsel

***Reviewed by:***

by \_\_\_\_\_ Date \_\_\_\_\_  
Risk Management

**EXHIBIT A**  
**EXCLUSIVE SPACE**

**[Attached.]**



CHRIS ABELE, MILWAUKEE COUNTY EXECUTIVE  
JOHN DARGLE, JR., DIRECTOR OF PARKS, RECREATION AND CULTURE

Date: November 27, 2013  
To: Chairwoman Marina Dimitrijevic, County Board of Supervisors  
From: John Dargle, Jr., Director, Department of Parks, Recreation and Culture  
Subject: **Temporary Assignment to a Higher Classification (TAHC) for Jill Organ - ACTION ITEM**

### **POLICY**

Chapter 17.085 of the Milwaukee County Code of General Ordinances requires that an extension of temporary assignment beyond 180 days be approved by the Milwaukee County Board of Supervisors.

### **BACKGROUND**

The Department of Parks, Recreation and Culture (DPRC) is requesting an extension of Ms. Jill Organ's temporary assignment to Assistant Chief of Recreation and Business Development for an additional 90 days until March 2, 2014.

The DPRC is currently participating in the Countywide Compensation Study and, as such, is evaluating all current positions and their functions. The timing of this study and resulting recommendations for position actions necessitates the need to extend this TAHC at this time.

Ms. Organ has been instrumental in the development of the DPRC's capital development program and has acted as a lead contact that requires her continued attention.

### **RECOMMENDATION**

The Parks Director recommends the Temporary Assignment to a Higher Classification of Ms. Jill Organ be granted for an additional 90 days.

Prepared by: Laura Schloesser, Chief of Administration & External Affairs



**Recommended by:**

**Approved by:**

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James Keegan, Chief of Planning &  
Development

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John Dargle, Jr., Director

copy: County Executive Chris Abele  
Amber Moreen, Chief of Staff, County Executive's Office  
Kelly Bablitch, Chief of Staff, County Board  
Sup. Willie Johnson, Jr., Co-Chair, Finance, Personnel and Audit Committee  
Sup. David Cullen, Co-Chair, Finance, Personnel and Audit Committee  
Sup. Jason Haas, Vice Chair, Finance, Personnel and Audit Committee  
Steve Cady, Fiscal and Budget Analyst, County Board  
Daniel Laurila, Fiscal Mgt. Analyst, Admin & Fiscal Affairs/DAS  
Janelle Jensen, Finance, Personnel and Audit Committee Clerk  
Scott Manske, Comptroller, Office of the Comptroller  
Greg High, Director, DAS/Facilities Management - AE&ES  
Kerry Mitchell, Director, Department of Human Resources

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(ITEM NO. ) From the Director, Department of Parks, Recreation and Culture (DPRC) requesting a Temporary Assignment to a Higher Classification (TAHC) for Ms. Jill Organ be approved for an additional 90 days.

**A RESOLUTION**

WHEREAS, Chapter 17.085 of the Milwaukee County Code of General Ordinances requires that an extension of temporary assignment beyond 180 days be approved by the Milwaukee County Board of Supervisors; and

WHEREAS, the DPRC is requesting extension of Ms. Jill Organ’s temporary assignment to the Assistant Chief of Recreation and Business Development position for an additional 90 days until March 2, 2014; and

WHEREAS, the DRPC is currently participating in the Countywide Compensation Study and, as such, is evaluating all current positions and their functions; and

WHEREAS, the timing of this study and resulting recommendations for position actions necessitates the need to extend this TAHC at this time; and

WHEREAS, Ms. Organ has been instrumental in the development of the DPRC’s capital development program and has acted as a lead contact that requires her continued attention; now, therefore,

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby approves the extension of Ms. Jill Organ’s Temporary Assignment to a Higher Classification to the position of Assistant Chief of Recreation and Business Development for an additional 90 days.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** November 27, 2013

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Approval of a Temporary Assignment to a Higher Classification (TAHC) for Ms. Jill Organ to the Assistant Chief of Recreation and Business Development for an additional 90 days.

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

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

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Approval of a Temporary Assignment to a Higher Classification (TAHC) for Ms. Jill Organ to the Assistant Chief of Recreation and Business Development for an additional 90 days.
- B. The TAHC rate for Ms. Organ is less than the hourly rate of the previous Asst. Chief of Recreation and Business Development
- C. No impact
- D. None

Department/Prepared By    Laura Schloesser/Chief of Admin & External Affairs, DPRC

Authorized Signature       \_\_\_\_\_

Did DAS-Fiscal Staff Review?        Yes        No

Did CBDP Review?<sup>2</sup>                    Yes        No     Not Required

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE  
INTER-OFFICE COMMUNICATION**

**DATE:** November 19, 2013

**TO:** Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors  
Gerry Broderick, Chairperson, Parks, Energy and Environment

**FROM:** Don Tyler, Director, Department of Administrative Services

**SUBJECT:** **Milwaukee County Doyne Park and Franklin Landfills  
Request Authority to Award Contracts for the Operation and Maintenance Of  
Landfill Gas Systems**

POLICY

The Director of the Department of Administrative Services (DAS) requests authority to award professional service contracts for the operation and maintenance of the landfill gas control systems at Doyne Park and Franklin Landfill (Crystal Ridge).

BACKGROUND

Milwaukee County owns a closed landfill located in the City of Franklin on County parkland. A portion of the site is being leased for use by the Rock Sports Complex. Milwaukee County also owns another closed landfill located under what is now Doyne Park. The landfills were closed in 1981 and 1976, respectively, but continue to generate landfill gas, which is potentially explosive under certain conditions. Concerns over the migration of landfill gas from these landfills into adjacent residential areas prompted the County to undertake investigations and ultimately the installation of landfill gas migration control systems in the late 1990's. Construction of the Doyne Park system was performed in cooperation with the City of Milwaukee, who now shares the cost of operation of that system.

The County now operates the gas migration control systems at both sites and monitors groundwater quality and leachate levels at the Franklin site to stay in compliance with Wisconsin Department of Natural Resources (DNR) requirements. Since 1999, Milwaukee County DAS has contracted for the service of maintenance and testing of the landfill gas control systems on an annual contract basis. Recognizing the economies of scale associated with the work, a single firm has been contracted to perform the work at both sites. Two contracts (one for each site), however, are required to simplify cost-sharing of the Doyne Park system with the City of Milwaukee.

In October of 2013 Milwaukee County issued an RFP for the operation and maintenance of both landfills. Proposals were due on November 13<sup>th</sup> 2013. The proposal review team reviewed the proposals and selected SCS Engineers based on qualifications. Milwaukee

County will award the selected consultant two not-to-exceed contracts, one for each landfill. The sum of these contracts is \$103,015. The contract is for one year with the possibility to extend the contracts for two additional years if agreeable to Milwaukee County and the consultant. SCS Engineers meets the DBE goal of 17% established for this project.

RECOMMENDATION

The Director of DAS recommends and requests that DAS be authorized to enter into a contract with SCS Engineers for Operation and Maintenance of landfill systems for the one year period beginning January 15, 2014 with the possibility to extend two more years through January 15, 2016 if the consultant performs adequately.

Prepared by: Sean Hayes, PE, Environmental Engineer

Approved by:

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Don Tyler, Director  
Department of Administrative Services

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Greg High, Director  
DAS-AE&ES

cc: Chris Abele, Milwaukee County Executive  
Amber Moreen, Chief of Staff, County Executive's Office  
Scott Manske, Comptroller  
Josh Fudge, Fiscal and Budget Administrator, DAS  
Vince Masterson, Strategic Asset Coordinator, DAS  
John Dargle, Director, Department of Parks Recreation and Culture  
Stevan Keith, Environmental Engineer, DAS-FM

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4 (ITEM NO. ) From the Director of Administrative Services requesting authority to  
5 award professional service contracts for the operation and maintenance of the  
6 remediation systems at the Franklin and Doyne Park landfills.  
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8 A RESOLUTION  
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10 WHEREAS, Milwaukee County owns a former landfill in the City of Franklin  
11 that was closed in 1981, and a former landfill under what is now Doyne Park that was  
12 closed in 1976; and  
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14 WHEREAS, the former landfill sites presented environmental and public health  
15 concerns due to their generation of landfill gas and leachate; and  
16

17 WHEREAS, the Wisconsin Department of Natural Resources required  
18 Milwaukee County to install, operate and maintain landfill gas control systems at the  
19 former landfill sites in order to comply with chs. NR500 to 520 Wis. Adm. Code; and  
20

21 WHEREAS, the County Board, in late 1996, authorized construction of the gas  
22 collection and venting system for the Doyne Park landfill and, in early 1997,  
23 authorized construction of the gas collection and flare system, landfill cap and  
24 vegetative cover for the Franklin landfill; and  
25

26 WHEREAS, Milwaukee County has continued to effectively operate and  
27 maintain the gas control systems since 1998 with the assistance of professional  
28 service contractors; and  
29

30 WHEREAS, In October of 2013 Milwaukee County issued an RFP for the  
31 operation and maintenance of both landfills. Proposals were due on November 13<sup>th</sup>  
32 2013. The proposal review team reviewed the proposals and selected SCS  
33 Engineers based on qualifications. Milwaukee County will award the selected  
34 consultant two not-to-exceed contracts, one for each landfill. The sum of these  
35 contracts is \$103,015. The contract is for one year; and  
36

37 WHEREAS, the contract provides for two one-year extensions if the services  
38 are performed adequately; and  
39

40 WHEREAS, SCS Engineers meets the DBE goal of 17% established for this  
41 project; and  
42

43 WHEREAS, at its December, 2013 meeting, the Committee on Parks, Energy  
44 and Environment recommended approval of the said request; now, therefore,  
45

46 BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby

47 authorizes the Director of Administrative Services to enter into a professional service  
48 agreement with SCS Engineers for operation and maintenance of landfill systems for  
49 the one year period beginning January 15, 2014 with the possibility to extend two  
50 more years through January 15, 2016 if the consultant performs adequately.

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**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/19/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** O&M of the Landfill Gas Systems at Doyne Park and Franklin Landfill

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	108,684	\$103,015
	Revenue	0	0
	Net Cost	0	0
<b>Capital Improvement Budget</b>	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

## DESCRIPTION OF FISCAL EFFECT

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

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Requesting approval to award professional services contracts to SCS Engineers for the operation and maintenance of gas control systems at two closed landfills for one year with the possibility to extend the contracts for two additional years if agreeable to Milwaukee County and the consultant.

B. Direct costs include the consultant/contractor fees of \$103,015.

C. The contract amounts will be funded from existing operating budget accounts set up for this purpose. The amount in the accounts is sufficient to offset the cost of the requested action.

D. None.

---

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Department/Prepared By DAS-Environmental Services, Sean Hayes, PE

Approved by:

\_\_\_\_\_  
Don Tyler, Director  
Department of Administrative Services

\_\_\_\_\_  
Greg High, Director  
DAS-AE&ES

Did DAS-Fiscal Staff Review?       Yes       No

Did CBDP Review?<sup>2</sup>       Yes       No      Not Required

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

**COUNTY OF MILWAUKEE**  
**INTER-OFFICE COMMUNICATION**

**DATE:** November 25, 2013

**TO:** Willie Johnson, Jr., Co-Chairman, Finance, Personnel and Audit Committee  
David Cullen, Co-Chairman, Finance, Personnel and Audit Committee

**FROM:** Josh Fudge, Director, Department of Administrative Services – Office of Performance,  
Strategy & Budget

**SUBJECT: 2012 MILWAUKEE COUNTY FISCAL TRENDS ANALYSIS**

**Request**

Please find attached the annual Fiscal Trends Analysis, which is produced by staff within the Office of Performance, Strategy and Budget (DAS-PSB). The Fiscal Trends Analysis utilizes a model created by the International City/County Management Association to help determine the financial health of a local unit of government. This analysis represents a best practice that helps policymakers identify important financial and socioeconomic trends that impact the County's fiscal position.

This report has been updated based on year-end 2012 data and is attached.

**Recommendation**

This report is for informational purposes only. No action is required.

**Report Prepared By:** Daniel Laurila, Fiscal and Management Analyst

  
\_\_\_\_\_  
Josh Fudge  
Director, DAS-PSB

pc: Chris Abele, County Executive  
Marina Dimitrijevic, Chairwoman, Milwaukee County Board of Supervisors  
Scott Manske, Comptroller  
Don Tyler, Director, Department of Administrative Services

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## **Introduction**

### **Financial Trend Monitoring System**

The Department of Administrative Services, Performance, Strategy & Budget (DAS-PSB) is pleased to present the 2012 Fiscal Trends Analysis. The Fiscal Trends Analysis is based on the Financial Trend Monitoring System (FTMS), which was developed by the International City/County Management Association (ICMA) as a method for monitoring the financial condition of local governments. This analysis was provided to policymakers until the late 1990s and was reintroduced by DAS-PSB after fiscal year 2010.

This system identifies factors that affect financial condition and sets the framework for their analysis. The indicators described in the ICMA publication, *Evaluating Financial Condition, A Handbook for Local Government*, are designed to give local governments a method of monitoring financial condition using data that is easily accessible. Using this model local governments can provide a report to policy makers, citizens, employees, bond rating agencies, and anyone else who may be interested in their financial wellbeing. The FTMS is intended to be used, along with the five-year financial forecast (Municast) as a management tool that can help to shape long term policy priorities.

### **Financial Condition**

Financial condition, as defined by the FTMS, is the ability of a locality to maintain existing service levels, withstand local and regional economic disruptions, and meet the demands of natural growth, decline and change. These conditions are examined by looking at four areas of a locality's fiscal condition as follows:

1. Cash Solvency – the ability to pay the bills over the next 30 or 60 days.
2. Budgetary Solvency – the ability to cover expenditures with revenues and other resources over the normal budget period.
3. Long-Run Solvency – the ability to meet expenditures as they come due in the future.
4. Service Level Solvency – the ability to provide services at the level and quality that are required for the health, safety, and welfare of the community and that the citizens desire and expect.

### **Milwaukee County's Financial Trend Monitoring System**

ICMA provides a list of over 40 indicators that can serve as a litmus test for the financial condition of a locality. These indicators are broken down into specific categories for further analysis. For 2012, 27 indicators are evaluated for the most recent five consecutive years available.

The five-year period for each indicator will be from FY 2008 to FY 2012, unless noted otherwise in the graphs. In each indicator, a description and analysis is presented in narrative form. Accompanying the text is a chart illustrating the related data, and a detail box that displays the indicator's warning trend, trend health, and formula. Trend health for each indicator is described as positive, neutral, or negative.

The Comprehensive Annual Financial Report (CAFR) is the source for the majority of the financial and statistical data presented in this report. This includes audited financial statements and unaudited economic and statistical data. As for the indicators adjusted for inflation, the Consumer Price Index (CPI) for the Milwaukee-Racine area is used to project the real growth or decline of the indicators.

It is intended that indicators omitted from this report be included in future year reports where appropriate. For quick reference, the table below provides an overview of the trend conclusions:

<b>Community Needs and Resources</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Population	Positive	Positive	
Personal Income per Capita	Negative	Negative	
Poverty Rate	Negative	Negative	
Equalized Valuation	Negative	Negative	
Top Five Taxpayers	Negative	Negative	
Unemployment Rate	Neutral	Positive	+

<b>Revenue</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Revenues per Capita	Negative	Negative	
Programmatic Revenues ( <b>New</b> )	Positive	Positive	
Intergovernmental Revenues	Positive	Positive	
General County Property Tax Levy	Negative	Negative	
Uncollected Property Taxes	Neutral	Positive	+
Sales Tax Per Capita	Neutral	Neutral	
State Shared Revenues	Neutral	Negative	-
User Fee Coverage ( <b>New</b> )	Negative	Negative	

<b>Expenditures</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Expenditures per Capita	Positive	Positive	
Expenditures by Function	Neutral	Neutral	
Employees per Capita	Positive	Positive	
Fringe Benefits	Negative	Negative	+

<b>Operating Position</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Operating Deficit/Surplus	Neutral	Neutral	
Liquidity	Positive	Positive	

<b>Debt Structure</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Current Liabilities	Negative	Negative	
Long-Term Debt	Negative	Neutral	+
Debt Service	Negative	Negative	
Overlapping Debt	Negative	Negative	

<b>Unfunded Liabilities</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Pension Obligations	Negative	Negative	
Pension Assets	Negative	Negative	

<b>Condition of Capital Plant</b>			
<b>Indicator</b>	<b>2011 Trend Health</b>	<b>2012 Trend Health</b>	<b>Change</b>
Depreciation	Neutral	Neutral	

Of the 25 indicators that were used in the 2011 version of this report, five have changes in the “trend health” based on updated data. Of these, only one changes negatively and four change positively. This generally reflects the improving economy on the positive side.

## **Milwaukee County - Economic Environment Report, 2012**

### **Summary**

The economic base of the Milwaukee metropolitan area, including Milwaukee County, is similar in many ways to that of other major cities in the upper Midwest such as Pittsburgh, Cleveland, and Detroit. Prior to the 1970s, the regional economy was based on heavy manufacturing. As the manufacturing sector has declined nationally since then, the region has struggled to transition to attract economic growth based on high-tech, light manufacturing and service-oriented industries.

This transition was significantly impacted by the global economic downturn of 2008-09. Unemployment and poverty increased while sales tax collections, personal income, and equalized value declined significantly, as shown in the “Community Needs and Resources” category of indicators.

### **2012 Economic Environment**

As in much of the country, the economy in many cases began to show improvement after “bottoming out” in 2010. Home sales continue to improve with 17.6% more units being sold in 2012 than in 2011. <sup>1</sup>The unemployment rate in the metro region declined from 7.8 percent in January of 2012 to 6.9 percent in December. The annualized unemployment rate for the year was 7.4 percent, compared to 8.0 percent for 2011, and the number of employed persons declined from 62,002 in January to 54,791 in December<sup>2</sup>.

### **Financial Pressures**

In Wisconsin, counties provide a wide variety of services, many of which (health and human services) are mandated by the state government. The State of Wisconsin and federal government provide some financial support for these mandated services, however counties often must provide additional resources from the property tax, local option sales tax, and/or user fees. Financial support, in both constant and real dollars, from the State for most mandated services has declined in recent years (note the trend for Intergovernmental Revenues). As this support has declined, the County has been forced to replace these funds property taxes and user fees, and reduce service levels when those alternative resources are not sufficient.

### **Economic Forecast**

So far in 2013, the economy has performed reasonably well both nationally and in Wisconsin. Through August 2013 the unemployment rate, on average, remained flat at 6.9 in the Milwaukee-Waukesha-West Allis, WI Metropolitan Statistical Area to the 6.9 unemployment rate in December 2012. The number of employed individuals had decreased from 64,539 in December 2012 to 61,653<sup>3</sup>. According to the Metropolitan Milwaukee Association of

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<sup>1</sup> “2012 Year-End Statistics” Greater Milwaukee Association of Realtors, online at [http://www.gmar.com/content.cfm?c\\_id=549&s\\_id=20](http://www.gmar.com/content.cfm?c_id=549&s_id=20)

<sup>2</sup> Bureau of Labor Statistics, data for Milwaukee-Waukesha-West Allis MSA. Online at [http://data.bls.gov/timeseries/LAUMT55333403?data\\_tool=XGtable](http://data.bls.gov/timeseries/LAUMT55333403?data_tool=XGtable)

<sup>3</sup> Bureau of Labor Statistics, data for Milwaukee-Waukesha-West Allis MSA. Online at [http://data.bls.gov/timeseries/LAUMT55333403?data\\_tool=XGtable](http://data.bls.gov/timeseries/LAUMT55333403?data_tool=XGtable)

Commerce, 16 of its 23 economic indicators showed improvement in August 2013 over previous-year levels<sup>4</sup>.

The 2013 budget was created when the economy was showing signs of a slow but steady recovery. Investment revenue is reduced due to continued low interest rates, revenues in the Office of the Register of Deeds is reduced to reflect the continued slump in the real estate market, and revenue from delinquent property taxes is increased by more than 20 percent. The County's budget forecasts in 2014 are mixed. Sales tax revenues are projected to remain relatively rise, but at a lower rate than in previous projections. The percentage of property taxes collected is also increasing.

The national economic outlook remains uncertain, but there are signs of stabilization. The Congressional Budget Officer reports that the debt ceiling is likely to be reached in early 2014<sup>5</sup>. Since the federal government has not been able to address its long-term fiscal imbalance in a way that has minimal effect on the economy, any economic growth is likely to be slow and steady. It may take several years for the County to see any substantial positive impacts due to the recovering economy.

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<sup>4</sup> "Metro Milwaukee Economic Trends"; Economic Research Division, Metropolitan Milwaukee Association of Commerce. October 3, 2013. Online at <http://www.mmac.org/external/wcpages/wcmedia/documents/Research/8-13%20MMAC%20trends%20report.pdf>

<sup>5</sup> "Federal Debt and the Statutory Limit"; Congressional Budget Office, November 2013. Online at [http://cbo.gov/sites/default/files/cbofiles/attachments/44877-FederalDebt\\_1.pdf](http://cbo.gov/sites/default/files/cbofiles/attachments/44877-FederalDebt_1.pdf)

## **Community Needs and Resources**

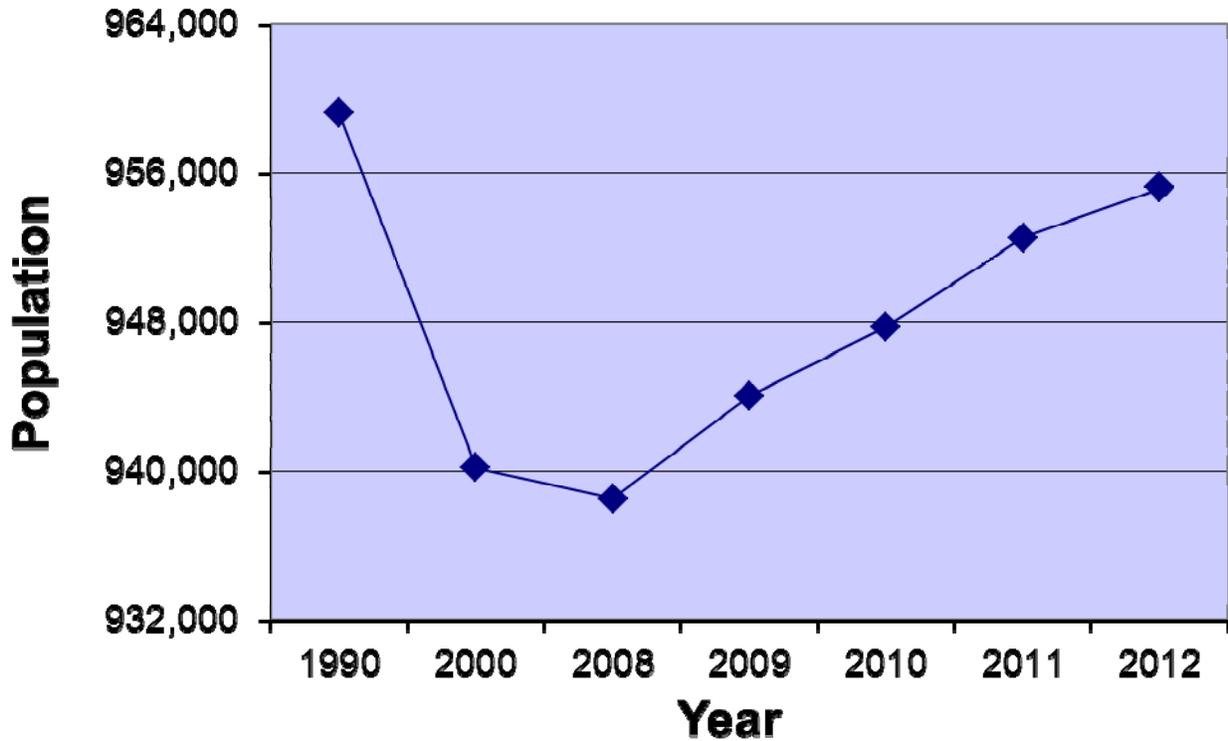
Community Needs and Resources encompass various economic and demographic characteristics including population, employment, personal income, property value, and business activity. Tax base determines a community's wealth and ability to generate revenue, while economic and demographic characteristics affect community demands, such as public safety, capital improvements, and social services.

Changes in community needs and resources are interrelated in a continuous, cumulative cycle of cause and effect. An example of this is the effect that declining populations would have on housing demands and values in housing markets, which in turn reduces property tax base. Community needs and resources are difficult to translate into indicators because the data is not readily available. The indicators detailed in this section represent only those for which data is reasonably available.

The Community Needs and Resources indicators are as follows:

- Population
- Personal Income per Capita
- Poverty Rate
- Equalized Valuation
- Top Five Taxpayers
- Unemployment Rate

**POPULATION**



**Description**

Population change can directly affect economic factors such as employment, income, housing and business activity, and in turn affect governmental revenues. The interrelationship between these factors tends to give population decline a cumulative negative effect on revenues, while a sudden increase in population can create immediate pressures for higher levels of service. Census figures for Milwaukee County are included for the years 1990, 2000, and 2010. For other years, annual estimates of the County’s population are made by the Wisconsin Department of Administration.

**WARNING TREND:**  
Rapid Change in Population

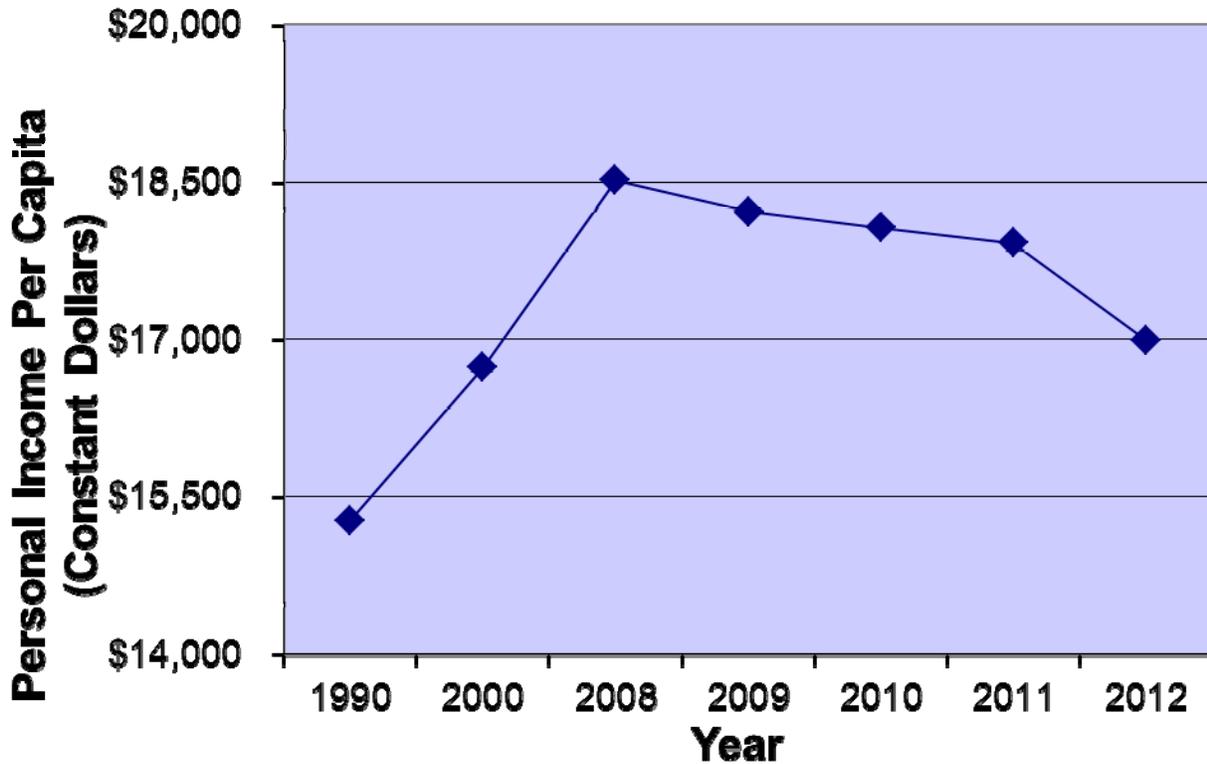
**TREND HEALTH:**  
Positive

**FORMULA:**  
Population

**Analysis**

The trend is considered positive because to the County’s population remained stable over the 5-year period. Since the sharp population decline between 1990 and 2000, there have been minor increases and decreases in population. The 2012 population estimate of 955,205 by the Census Bureau is an increase of 15,041 or 1.6 percent from the 2000 count. Population does not appear to be the cause of any significant changes in the service demands of Milwaukee County residents.

**PERSONAL INCOME PER CAPITA**



**Description**

Personal income per capita is one measure of a community’s ability to pay taxes. Generally, the higher the per capita income, the more property tax, sales tax, and business tax the community will generate. If income is evenly distributed, a higher per capita income will usually mean a lower dependency on government services. A decline in per capita income results in loss of consumer purchasing power and can provide advance notice that businesses, especially in the retail sector, will suffer a decline that can ripple through the rest of the County’s economy. Bond rating agencies use per capita income as an important measure of the County’s ability to repay debt.

**WARNING TREND:**  
Decline in the level, or growth rate, of personal income per capita (constant dollars)

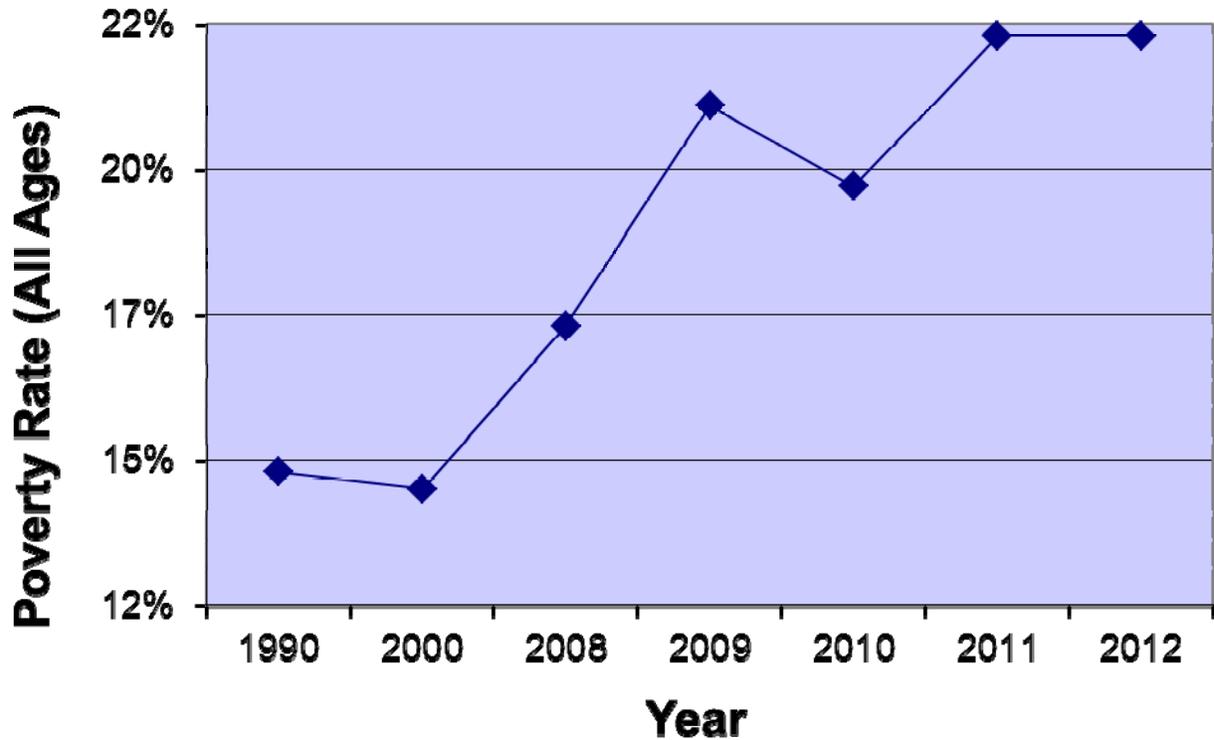
**TREND HEALTH:**  
Negative

**FORMULA:**  
Personal income (constant dollars) / Population

**Analysis**

The trend is negative due to decline from 2008 to present, which is mainly related to the global economic downturn. When measured in constant dollars, personal income per capita peaked at approximately \$18,800 in 2006 and 2007 and then began to decline to \$16,992, or 9.6 percent. This indicates that Milwaukee residents have less disposable income available to purchase goods and services. In comparison, inflation-adjusted personal income per capita increased by \$1,782 or 10.7 percent between 2000 and 2007.

**POVERTY**



**Description**

The percentage of the total population living below the federal poverty level is used to measure a community’s standard of living, employment and income. In addition to measures of overall change in personal income, the poverty rate can signal a future increase in the level and unit cost of some services. This is accredited to the fact that low-income individuals have relatively higher needs and a relative lack of personal wealth. The following data on poverty are from the Small Area Income and Poverty Estimates (SAIPE) of the U.S Census Bureau.

**WARNING TREND:**  
Increasing poverty rate  
(all ages)

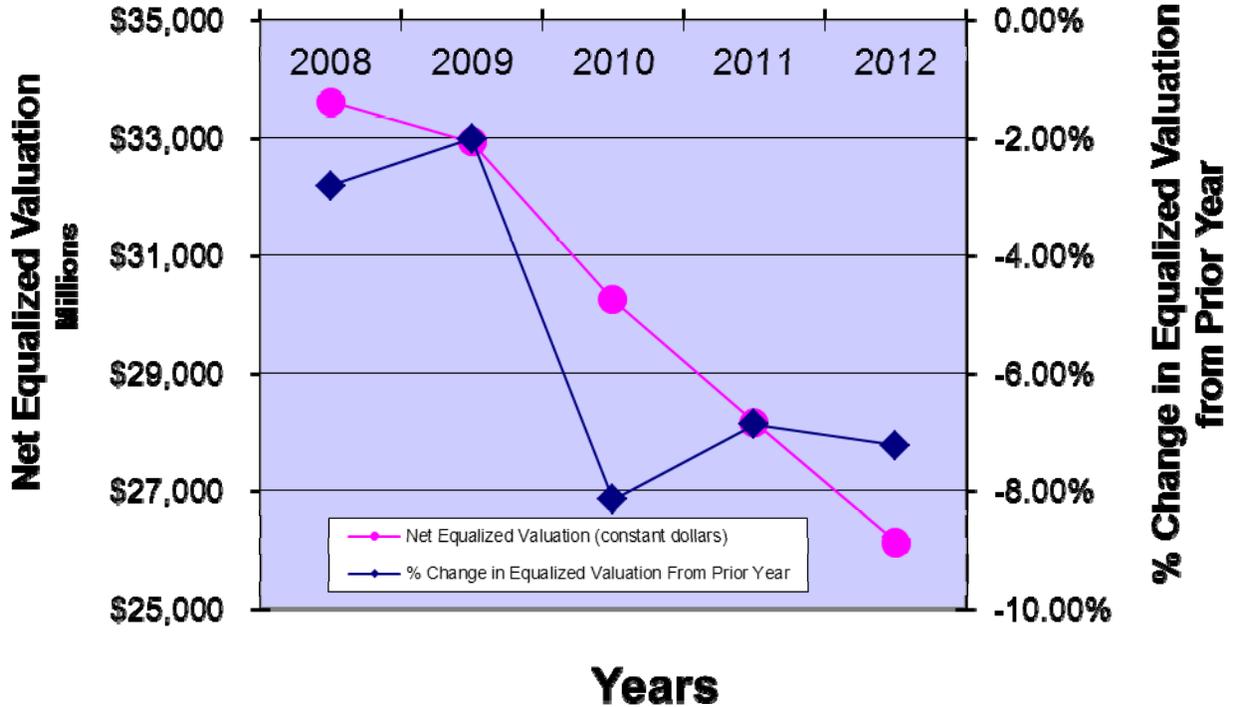
**TREND HEALTH:**  
Negative

**FORMULA:**  
Total population / Individuals  
below federal poverty level  
(all ages)

**Analysis**

Historically, Milwaukee’s poverty rate has been relatively high compared to other large U.S cities. The poverty rate increased to 20 percent during the economic downturn of the early 2000s, then slowly declined to approximately 17 percent in 2008, and then rose sharply again due to the global economic downturn. The decrease in inflation-adjusted personal income shown in the previous indicator suggests the downturn has negatively affected members of every economic class within the County (though not equally). As a result, the County’s citizens contribute less to the tax base (especially sales tax) but likely require additional public services.

**EQUALIZED VALUATION**



**Description** The Wisconsin Department of Revenue annually adjusts or equalizes the assessed values of all property subject to general property taxes to reflect true market value. Changes in property value are important because the County depends on the property tax for a total of 31 percent (2010) of its general fund operating revenues. The extent to which the decline will ripple through the community’s economy, affecting other revenues such as those from sales tax, is more difficult to determine. A decline in property value will be a symptom of other, underlying problems.

**Analysis**

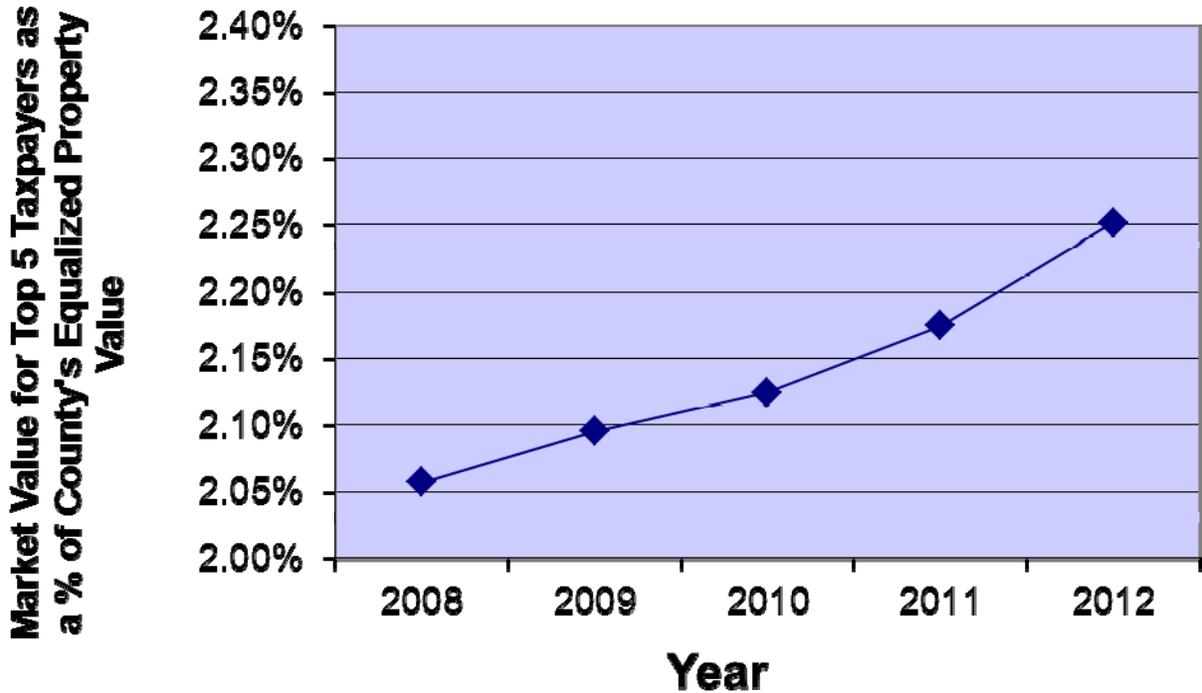
The net equalized valuation of the County, in constant dollars, continues to decline in the aftermath of the global recession. Inflation-adjusted net equalized value dropped by \$2 billion or 7.2 percent in 2012 from its 2011 value. This has a negative impact on the County’s finances because individuals whose homes and real estate assets are declining in value will tend to reduce consumer spending and investment. Recent trends in the real estate market indicate this trend may soon reverse. However, since the rate of decrease equalized value has remained relatively stable since 2010 it may be several more years before this trends significantly improves.

**WARNING TREND:**  
Declining growth or drop in equalized valuation (constant dollars)

**TREND HEALTH:**  
Negative

**FORMULA:**  
Change in equalized valuation (constant dollars) / Equalized valuation in prior year (constant dollars)

**TOP FIVE TAXPAYERS**



**Description**

This indicator measures the concentration of property values in the County and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. The bond rating agencies use this indicator to determine the degree of concentration. The leading taxpayers are profiled and assessed for their direct and indirect effects on the local economy. If the County relies heavily on a few taxpayers for property taxes, it is vulnerable to any changes in these taxpayers' assessments. Generally, it is cause for concern if the top five taxpayers hold more than 5% of the County's equalized property value.

**WARNING TREND:**  
High % or increasing % of overall equalized property value owned by a few taxpayers

**TREND HEALTH:**  
Negative

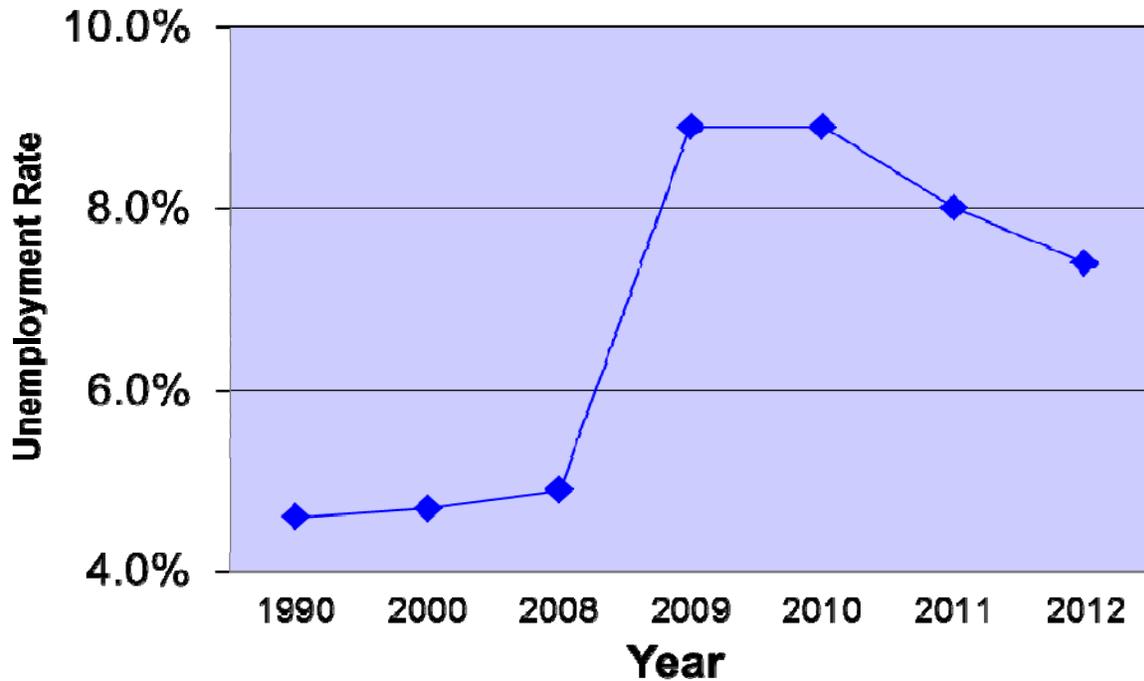
**FORMULA:**  
Full market value for top 5 taxpayers / County's equalized property value

**Analysis**

The five-year trend is negative due to the increasing share of market value held by the top 5 taxpayers. The increasing rate suggests other residents' and businesses' real estate has declined much farther in value relative to these properties. As of December 31, 2012, the top 5 taxpayers include:

1. Bayshore Town Center, LLC
2. Northwestern Mutual Life Insurance Co.
3. US Bank Corporation
4. Mayfair Property Inc
5. Bre Southridge Mall, LLC

**UNEMPLOYMENT RATE**



**Description**

Changes in the rate of employment of the community’s citizens are related to changes in personal income, and are a measure of the health of the local business sector. A decline in employment base, as measured by unemployment and number of jobs available, can be an early warning signal that overall economic activity and County revenues may be declining. A stable or growing employment base indicates a healthy local economy.

**WARNING TREND:**  
Increasing rate of local unemployment

**TREND HEALTH:**  
Positive

**FORMULA:**  
Local unemployment rate

**Analysis**

The trend improves from the 2011 version from neutral to positive due to a continuing decline in the local unemployment rate from a high of 10.2 percent in 2009 to 7.4 percent in 2012. This shows that the local economy is improving and therefore revenues to the County in the form of sales taxes and program revenues should increase while the need for services provided by the County would decline.

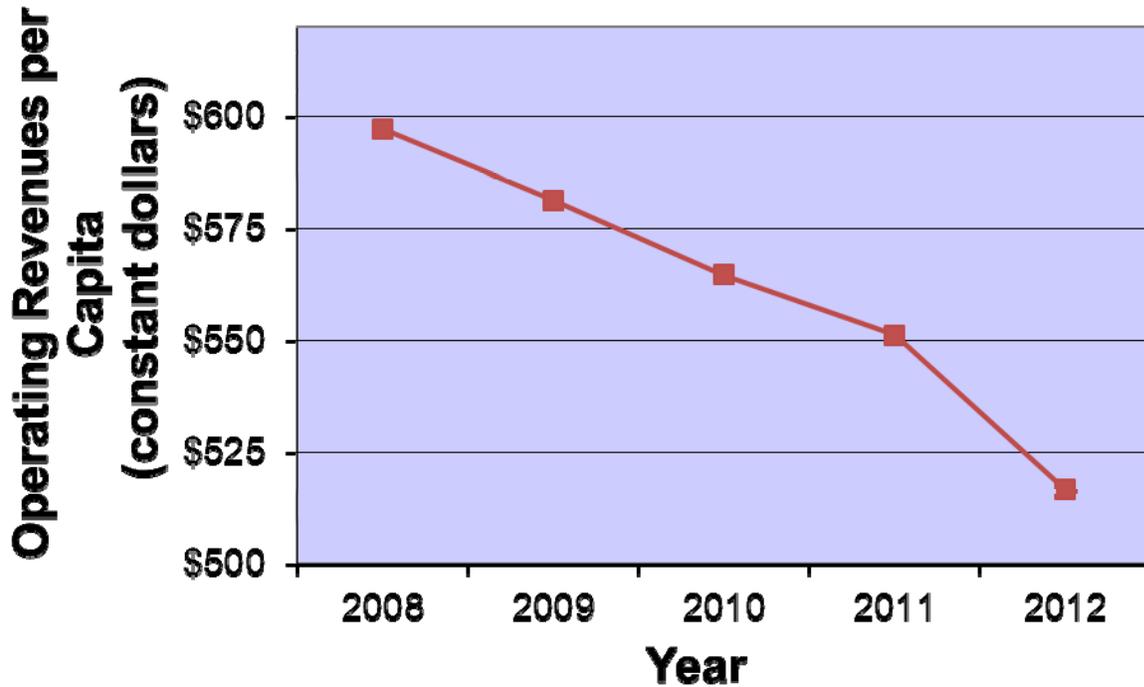
## **Revenue**

Revenue determines the capacity of the County to provide services. Important issues to consider with respect to revenue are economic growth, diversity, reliability, flexibility, and administration. Under ideal conditions, revenue should be growing at a rate equal to or greater than the combined effects of inflation and expenditures. Revenue should be sufficiently unrestricted to allow for necessary adjustments to changing conditions. Revenue should be balanced between elastic and inelastic sources with respect to economic base and inflation. Some revenue sources should grow with the economic base and inflation, while others should remain relatively constant. Revenue sources should be diversified so as not to be overly dependent on residential, commercial, or industrial land uses, or external funding sources such as Federal grants or discretionary State aid.

The Revenue indicators are as follows:

- Operating Revenues per Capita
- Programmatic Revenues (New)
- Intergovernmental Revenues
- General County Property Tax Levy
- Uncollected Property Taxes
- Sales Tax Per Capita
- State Shared Revenue
- User Fee Coverage (New)

**OPERATING REVENUES PER CAPITA**



**Description**

Per capita revenues show changes in revenues relative to change in population size. Operating revenues for this indicator consist of two fund types: governmental and enterprise. This analysis is limited to governmental funds in accordance with generally accepted accounting principles (GAAP). As population increases, it may be expected that the need for services would increase proportionately and, therefore, the level of per capita revenue should remain at least constant in real terms. If per capita revenue is decreasing, it would be expected that the County would be unable to maintain existing service levels unless it finds new revenue sources or efficiency savings. This analysis assumes that the cost of services correlates to population size.

**WARNING TREND:**  
Decreasing general fund operating revenues per capita (constant dollars)

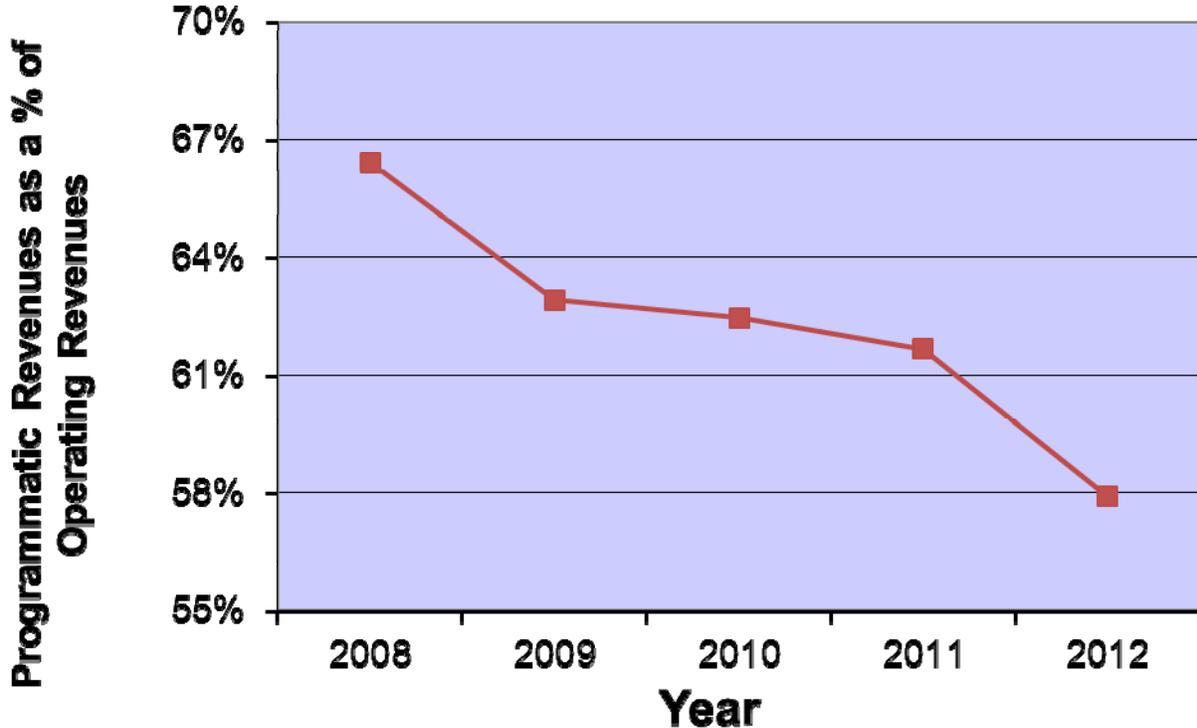
**TREND HEALTH:**  
Negative

**FORMULA:**  
General fund operating revenues

**Analysis**

The trend is negative as inflation-adjusted operating revenues per capita continue to decline. The decline is mainly related to a significant decrease in intergovernmental support decrease since 2007) and investment income due mainly to continued low interest rates. As a result, the County has fewer resources with which to fund discretionary services, capital investments, labor costs and services for those most affected by the downturn itself.

**PROGRAMMATIC REVENUES**



**Description**

Programmatic revenue is reported according to GASB 34 and is legally earmarked for specific use, as often required by State and/ or County law. Programmatic revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. As the percentage of programmatic revenue increases, the County loses its flexibility to respond to changing conditions and to citizens’ needs and demands.

**WARNING TREND:**  
Increasing amount of programmatic revenues as a % of total operating revenues

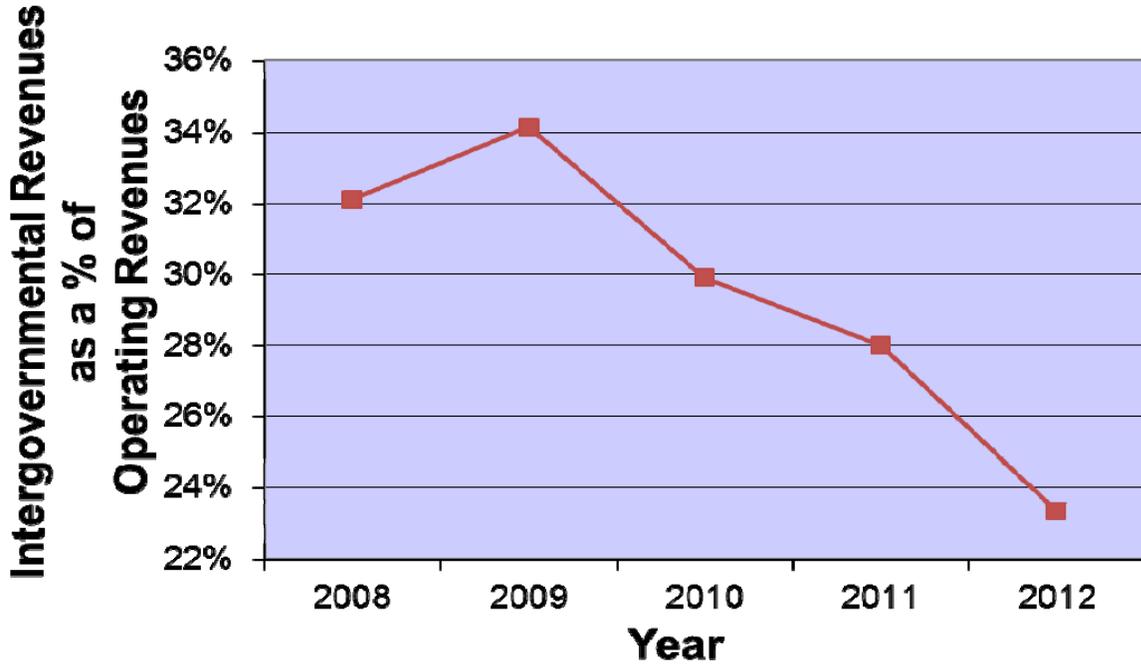
**TREND HEALTH:**  
Positive

**FORMULA:**  
Programmatic revenues / Total operating revenues

**Analysis**

This trend is technically positive due to the declining share of programmatic revenues, however this reduction is likely related to reduced state aid for specific programs, especially related to health and human services that support those most affected by the economic downturn. From a strictly fiscal perspective this may be positive in that mandated service levels or populations would be reduced, providing additional flexibility for non-programmatic revenues. However, it is highly likely that non-programmatic revenues are being used to supplant lost state and federal aid related to services for those affected by the downturn.

**INTERGOVERNMENTAL REVENUES**



**Description**

Intergovernmental revenues are received from other governmental entities and normally have profound impacts on the County’s budget. Local governments with budgets largely supported by intergovernmental revenues are vulnerable to revenue reductions over which they have no control and are left with the dilemma of cutting programs or funding them from general fund revenues. An overdependence on intergovernmental revenues can also have an adverse impact on financial condition due to restrictions or stipulations that the other governmental entity attaches to the revenue. The primary concern in analyzing intergovernmental revenues is to identify and monitor the County’s vulnerability to reductions of such revenues, and to determine whether the County is controlling its use of the revenues or whether these revenues are controlling the County.

**WARNING TREND:**  
Increasing amount of intergovernmental revenues as a % of general fund operating revenues

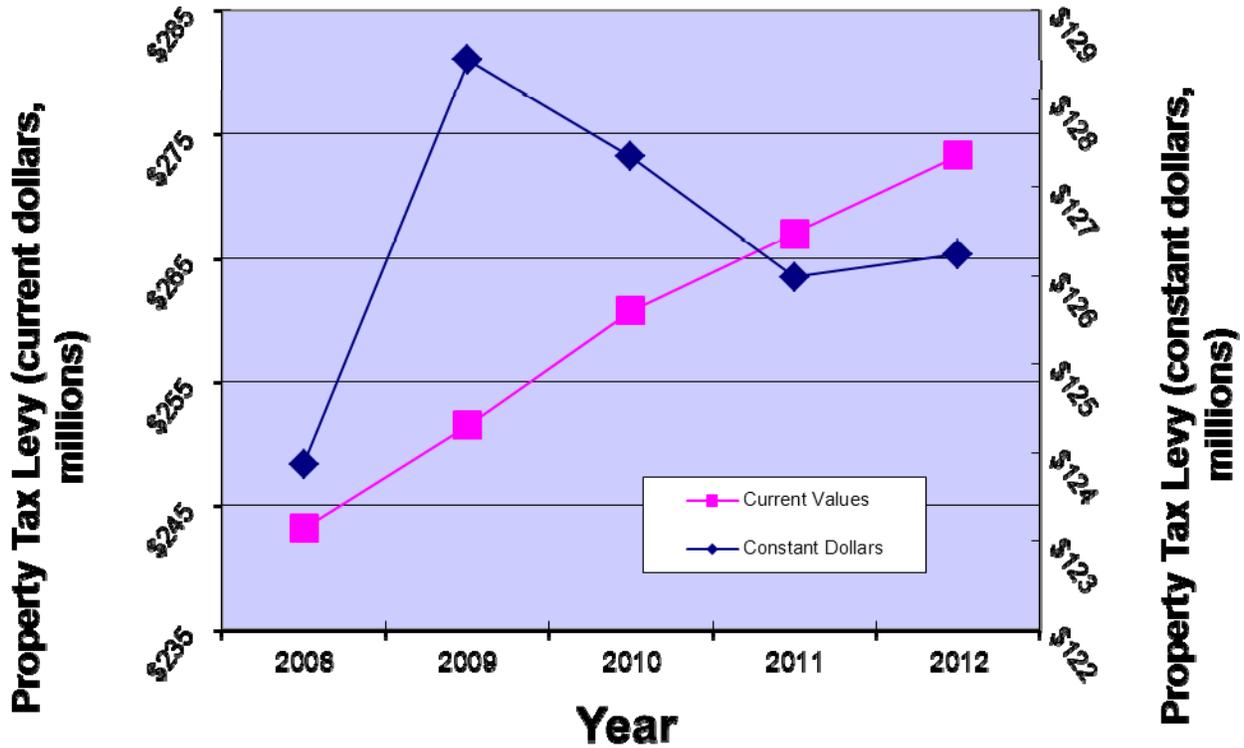
**TREND HEALTH:**  
Positive

**FORMULA:**  
 $\frac{\text{Intergovernmental revenues}}{\text{General fund operating revenues}}$

**Analysis**

This trend is technically positive, however like the previous indicator the decline is mainly related to continued reductions in state and federal assistance, not necessarily due to increases in other, more flexible revenue streams. This is an important distinction because of the nature of the County’s reliance on state and federal aids to perform mandated services such as mental health. However, from a strictly fiscal standpoint this is a positive trend because other sources of revenue will generally provide more flexibility in terms of which services will be funded.

**GENERAL COUNTY PROPERTY TAX LEVY**



**Description**

Property tax is an important revenue source to consider when evaluating financial condition. Property tax revenue represents the County’s largest discretionary revenue source and is used for general purposes. As such, it is important to consider whether tax levy is keeping pace with inflation, in this case compared to the rise in CPI.

**Analysis**

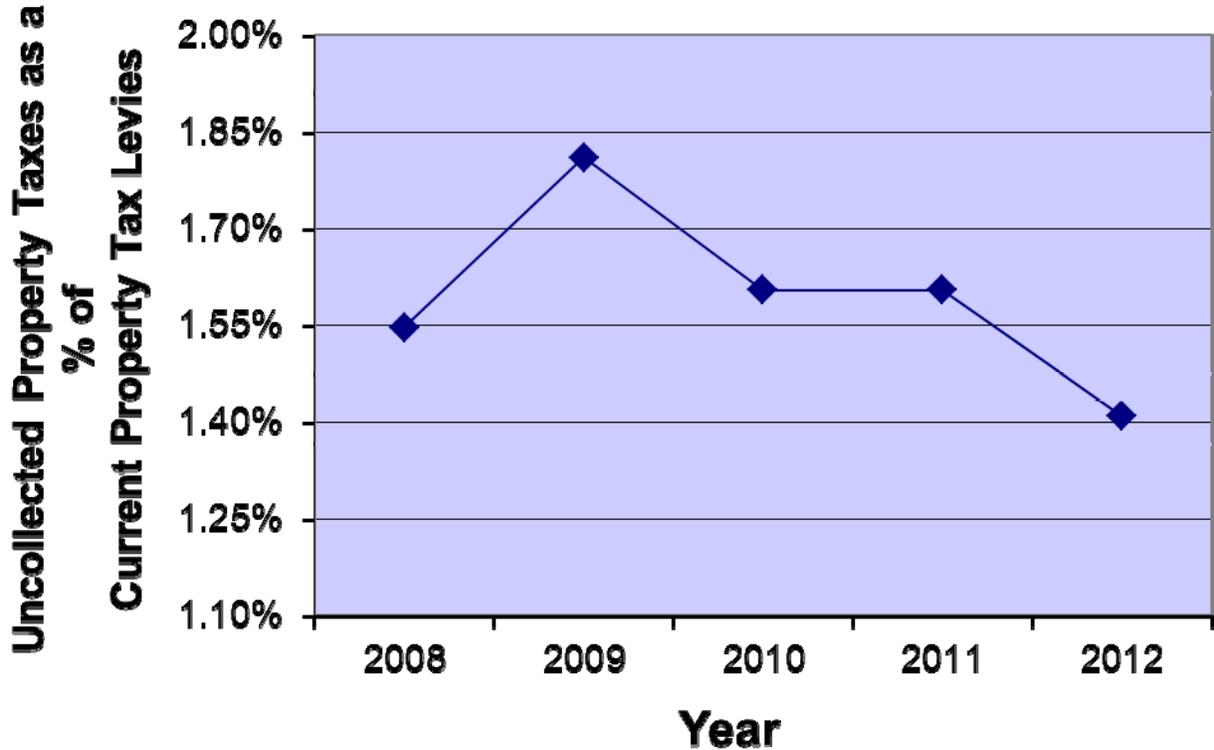
The property tax levy in current dollars has increased 11.0 percent since 2008, higher than the 8.9 percent increase in the CPI over the same time frame. When adjusted for inflation, property tax rose 1.9 percent from 2008 to 2012. This trend is negative due to the two-year trend of declining property tax revenue when adjusted for inflation. This trend may be revised to neutral in 2013 if the inflation adjusted property tax levy remains relatively flat.

**WARNING TREND:**  
Decreasing or negative growth in property tax revenues (constant dollars)

**TREND HEALTH:**  
Negative

**FORMULA:**  
Property Tax Levy (constant dollars)

**UNCOLLECTED PROPERTY TAXES**



**Description**

Municipalities initially collect all property taxes including County, sewerage district and school taxes. The County purchases all delinquent taxes from its municipalities and assumes the collection responsibility, except for within the City of Milwaukee, which collects all delinquent real estate taxes in the City. A percentage of property taxes are not collected for potential reasons such as the inability of property owners to pay and/or inadequate collections methods of local governments. If this percentage increases over time, it may indicate overall decline in the community’s ability to pay for local government services.

**WARNING TREND:**  
Increasing amount of uncollected property taxes as a % of current property tax levies

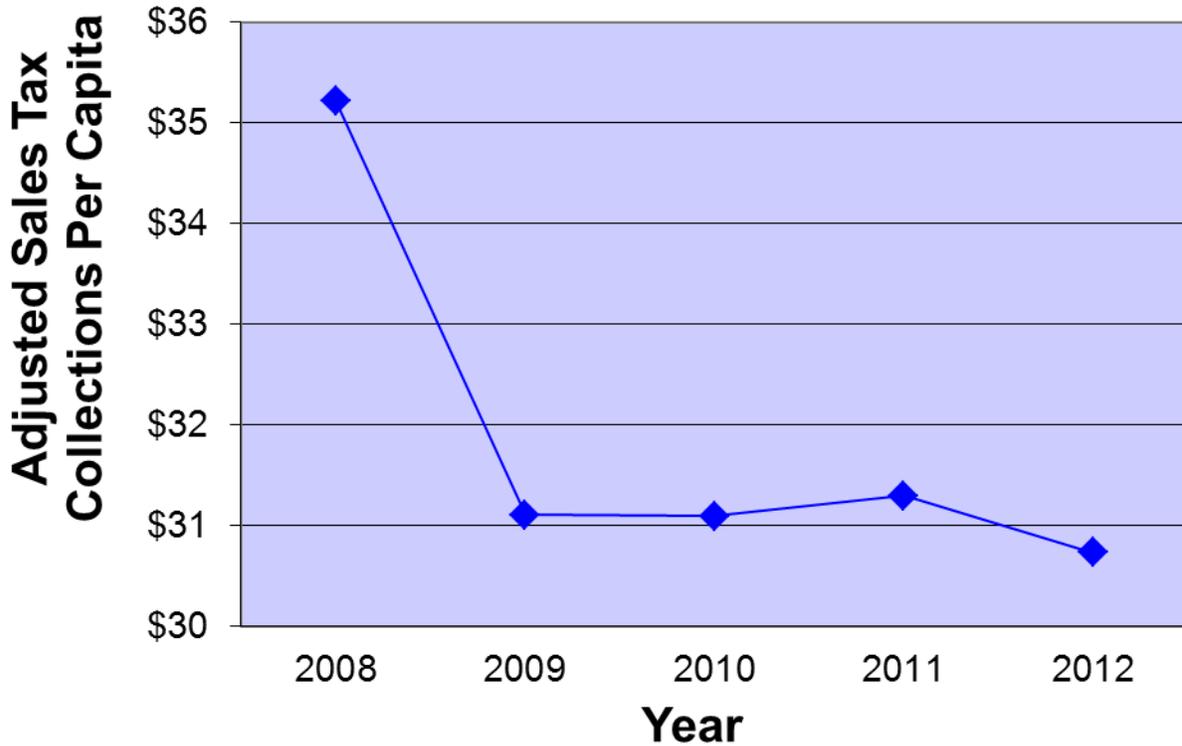
**TREND HEALTH:**  
Positive

**FORMULA:**  
Uncollected property taxes / Current property tax levies

**Analysis**

The rating for this indicator improves from neutral to positive, as the percentage of uncollected property taxes remained essentially decreased in 2012 to 1.4 percent, after peaking at 1.8 percent in 2009. This suggests the economy is stabilizing and the property owners are more likely to be able to pay their property taxes than at the height of the global recession. The County maintains a reserve to offset uncollected property taxes, so this trend is more reflective of the overall declining economy and the deteriorating housing market.

**SALES TAX PER CAPITA**



**Description**

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

**Analysis**

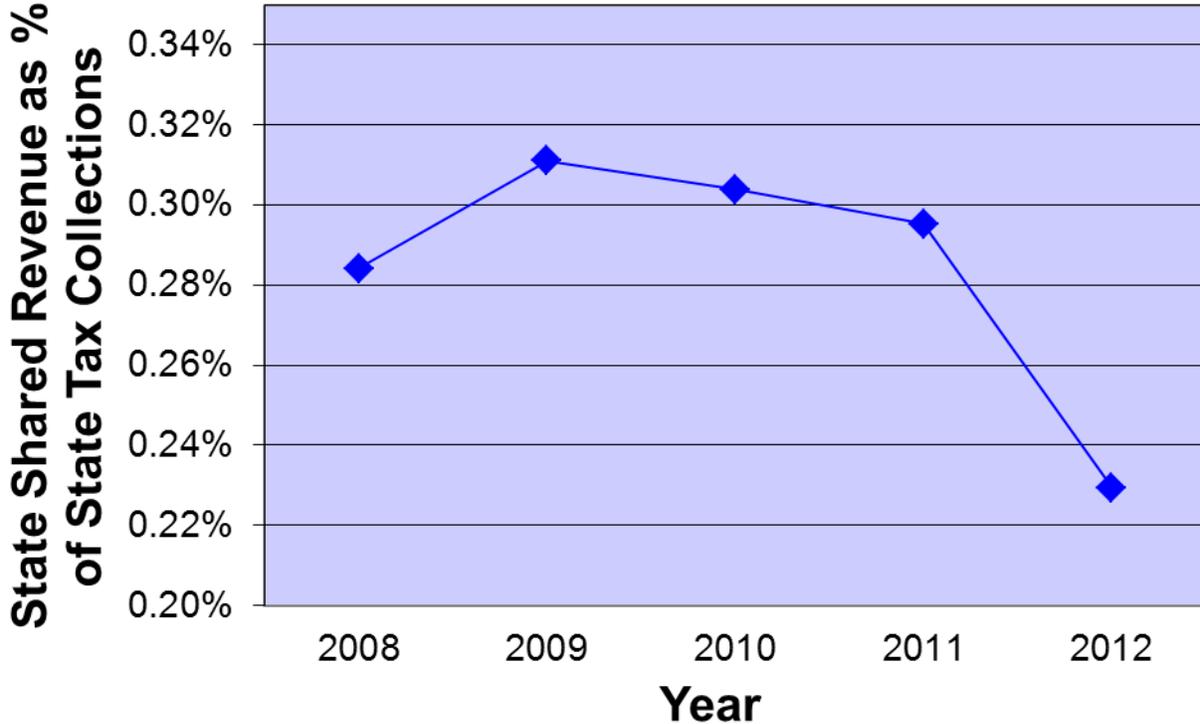
This indicator is to neutral due to the stabilization that has taken place since 2009 at close to \$31 per person. The ratio remains significantly below the average from 2004 and 2008, when the County received between \$35 and \$36 in sales tax revenues per person (adjusted for inflation).

**WARNING TREND:**  
Decreasing sales tax revenues per capita

**TREND HEALTH:**  
Neutral

**FORMULA:**  
Inflation-adjusted sales tax revenues/Population

**STATE SHARED REVENUE**



**Description**

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

**Analysis**

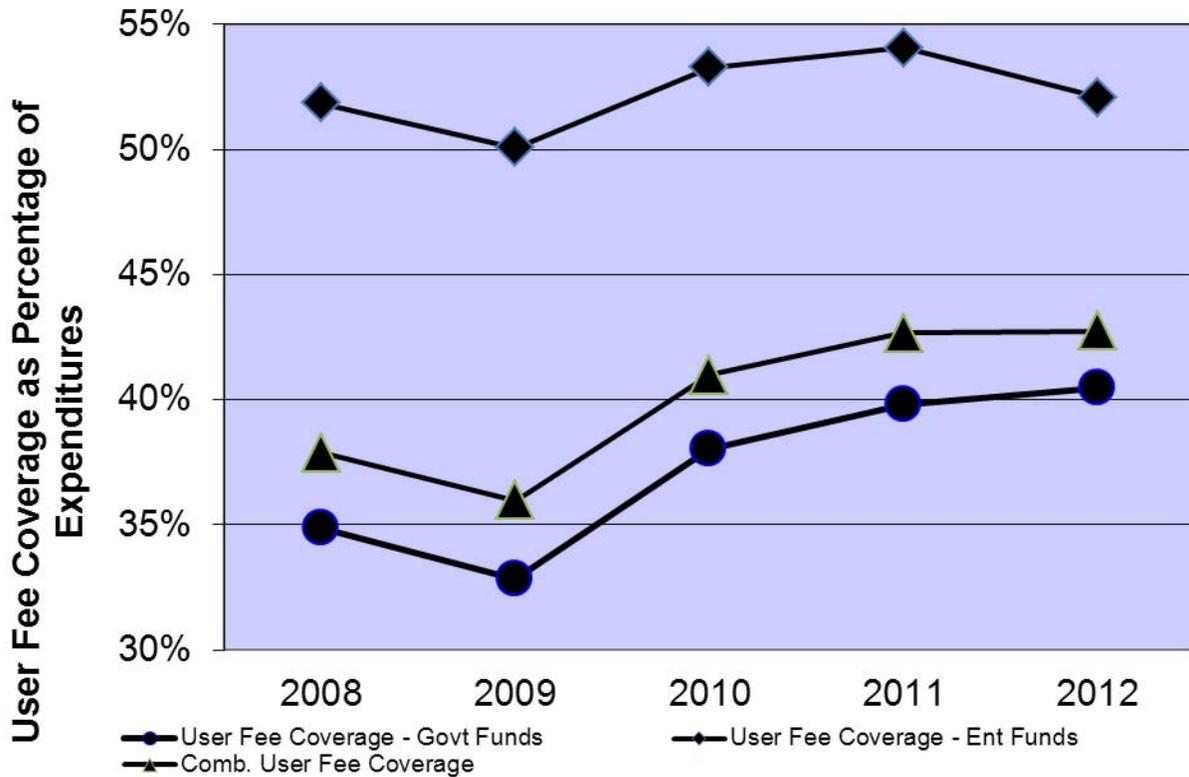
The trend for this indicator was relatively stable during the five year period until 2012. However, due to the significant decrease in state shared revenue in 2012, this trend is revised to negative. In the previous version of this analysis from the late 1990s, the County received Shared Revenue payments averaging 0.63 percent of total State general fund tax collections from 1993 through 1997, more than twice the average of the past five years (illustrated by the fact that State Shared revenue payments were \$51.1 million in 1996 vs. \$37 million in 2010). Further, due to the relatively flat State Shared Revenue included in the State’s 2013-2015 Biennial Budget, the health of this trend is unlikely to improve in the near future.

**WARNING TREND:**  
Decreasing State Shared Revenues as % of Total State Taxes (General Fund)

**TREND HEALTH:**  
Negative

**FORMULA:**  
State Shared Revenues received/State General Fund Tax Collections

**USER FEE COVERAGE**



**Description**

This indicator is provided in this analysis because it was included in the past version of the Milwaukee County Fiscal Trends; it is not included in the updated ICMA FTMS tool.

**Analysis**

The trend for this indicator is remains negative due to the rising share of user fee revenues to cover total expenditures. User fees are charged to users of County services, such as rental charges, fees for copies or forms, or copayments for medical services. A rising percentage can be of concern if the prices charged for services become unaffordable to taxpayers. For governmental funds, this trend is negative. This trend is also indicative of declining intergovernmental revenues that support mandates, which require the County to make the loss up with other sources of revenues, such as fees.

**WARNING TREND:**  
Increasing or decreasing share of User Fee Revenues as Percentage of Total Expenditures

**TREND HEALTH:**  
Negative

**FORMULA:**  
 $\text{User Fee Revenues} / \text{Total Expenditures}$

Alternatively, since enterprise fund operations generally cover their expenditures with non-tax levy revenue sources, a rising percentage could be considered a positive development; though again affordability of the service needs to be considered.

## **Expenditures**

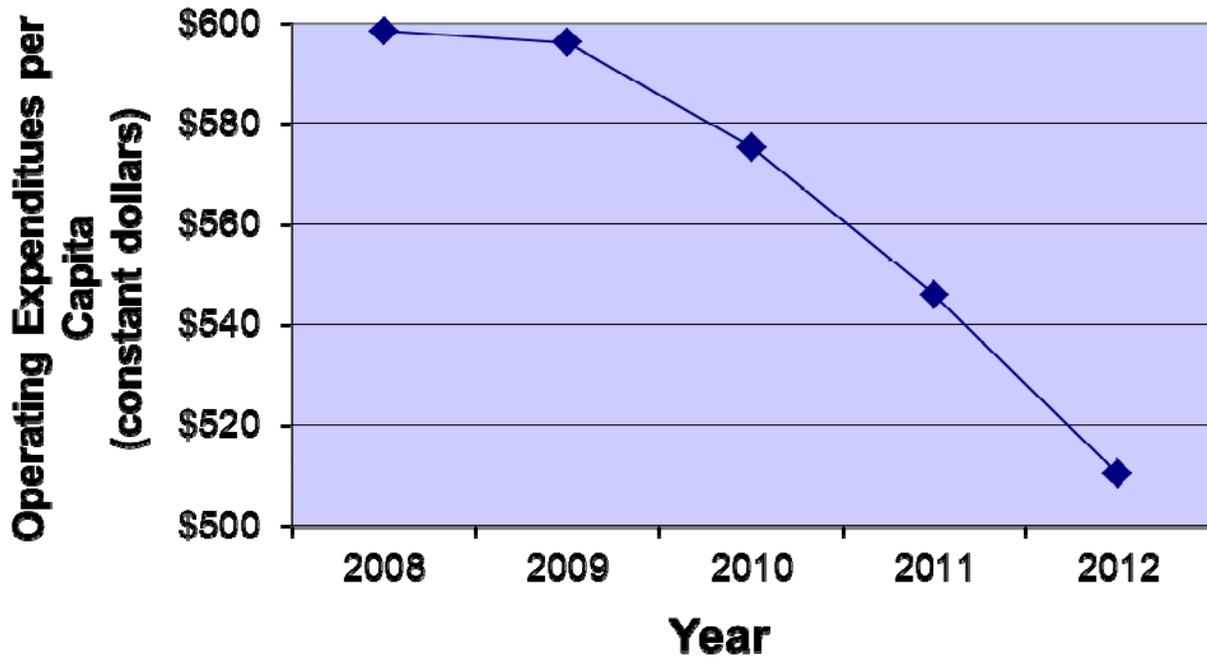
The first issue to consider is the expenditure growth rate to determine whether the County is operating within its revenues. Milwaukee County is required by State Statute to have a balanced budget. Nevertheless, the County could potentially balance its annual budget yet create a long-run imbalance in which expenditure outlays and commitments grow faster than revenues. Some of the more common ways in which this type of imbalance occurs are to use bond proceeds for operations, use reserves, and defer maintenance on streets, buildings, or other capital stock, or by deferring funding of future liabilities. In each of these cases, the annual budget remains balanced, but the long-run budget develops a deficit.

A second issue to consider is expenditure flexibility, which is a measure of the County's freedom to adjust its service levels to changing conditions, and considers the level of mandatory and fixed costs. Ideally, the County will have an expenditure growth rate that does not exceed its revenue growth rate, creating maximum flexibility to adjust spending. An increase in mandatory costs such as debt service, matching requirements, pension fund contribution, and state and Federal mandates will find the County less able to make adjustments.

The Expenditure indicators are as follows:

- Operating Expenditures per Capita
- Expenditures by Function
- Employees per Capita
- Fringe Benefits

**OPERATING EXPENDITURES PER CAPITA**



**Description**

Per capita expenditures reflect changes in expenditures relative to changes in population. Increasing per capita expenditures may indicate that the cost of providing services is outstripping the community’s ability to pay, especially if spending is increasing faster than the County’s tax base. If the increase in spending is greater than would be expected from inflation or the addition of new services, it can be an indicator of declining productivity. Any combination of the above variables would have the same overall effect. Operating expenditures for this indicator consist of two fund types: governmental and enterprise. This analysis is limited to governmental funds in accordance with generally accepted accounting principles (GAAP).

**WARNING TREND:**  
Increasing operating expenditures per capita (constant dollars)

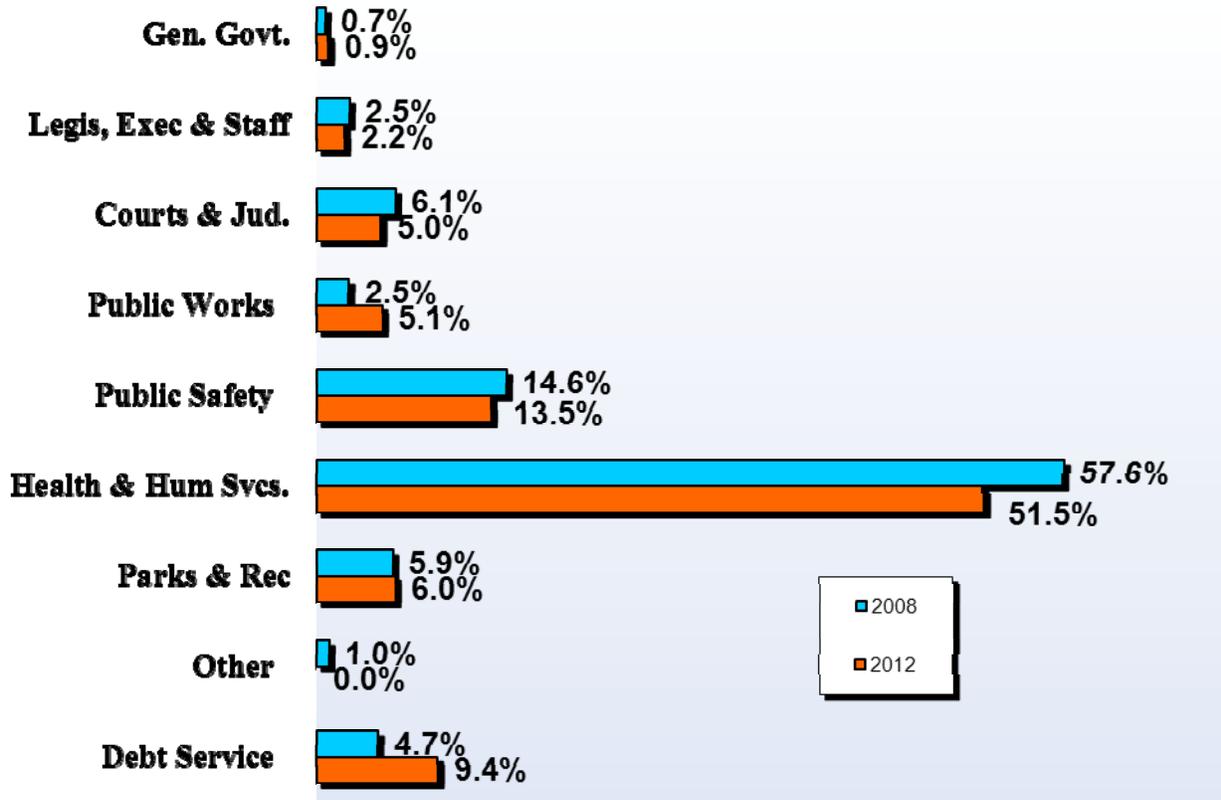
**TREND HEALTH:**  
Positive

**FORMULA:**  
Operating expenditures (constant dollars) / Population

**Analysis**

After increasing steadily from 2005 to 2008, this trend has begun to reverse and has declined each of the past four years; therefore this trend remains positive. The increase occurred without any significant changes in population or additional services, but was generally in line with the average annual CPI increases of 3 percent, according to the U.S. Bureau of Labor Statistics. As the County is required to pass a balanced budget, it this decrease is directly related to decreasing revenues. As a result, while technically positive, this could reflect a negative impact on service provision.

**EXPENDITURES BY FUNCTION**



**Description**

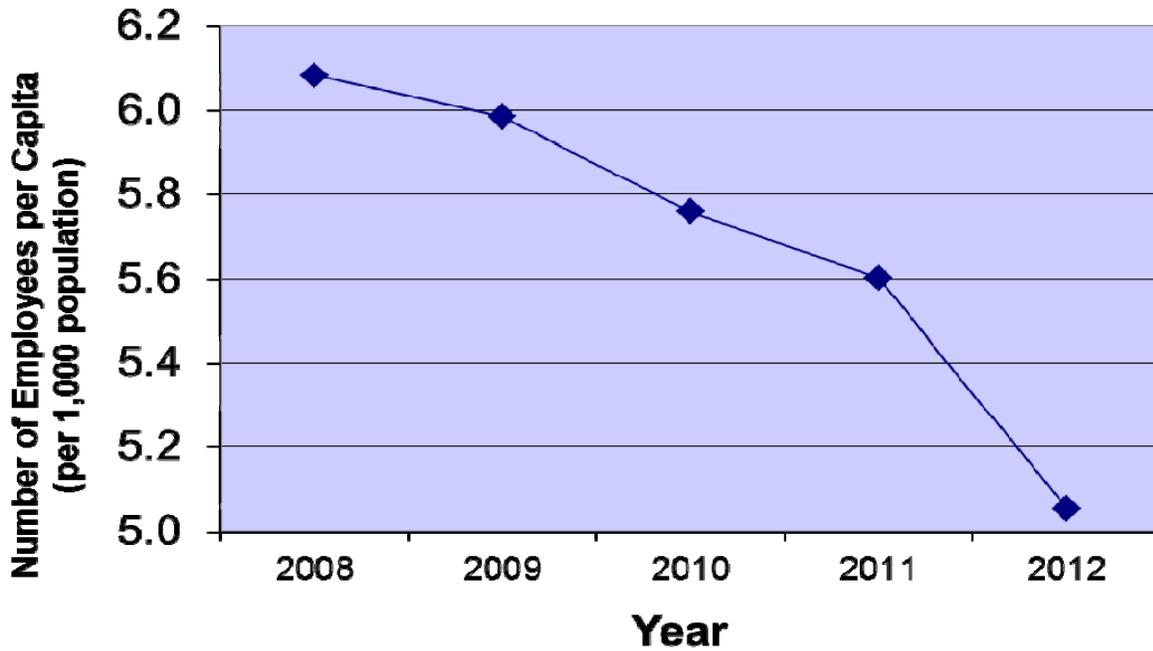
Expenditures by function show a detailed breakdown of the County’s general governmental expenditures. Tracking this data can be useful in analyzing developing trends that may indicate need for further attention or resources. Shifting trends may reflect efforts to address goals and objectives, specific needs of the community, or may indicate an underlying problem that requires a shift in focus and/or resources.

**FORMULA:**  
Functional expenditures as a %  
of operating expenditures

**Analysis**

The five-year trend is relatively stable and there are several functional areas worth detailing. on Health and Human Services has declined over the past 5 years, while spending on debt service has increased sharply due to the issuance of Pension Obligation Bonds. Spending on Parks and Recreation has remained flat which illustrates the County’s inability to invest in discretionary services. Spending on Public Safety is starting to decrease as the County has re-evaluates the role of its Public Safety function and focuses on mandated services.

**EMPLOYEES PER CAPITA**



**Description**

Personnel costs are the largest portion of the County’s operating budget. Tracking changes in the number of employees per capita is a way to measure changes in expenditures. An increase in employees to population may indicate that expenditures are rising faster than revenues, the County is becoming more labor intensive, or that productivity is declining. Tracking this measure may also be important during times of change or fiscal austerity. The number of full-time employees as used in this indicator is defined as the total number of County employees minus the number of seasonal workers. Employee totals include both active and inactive employees. For example, some inactive employees may be on leaves of absence without pay but have not yet terminated their employment.

**WARNING TREND:**  
Increasing number of County employees per capita

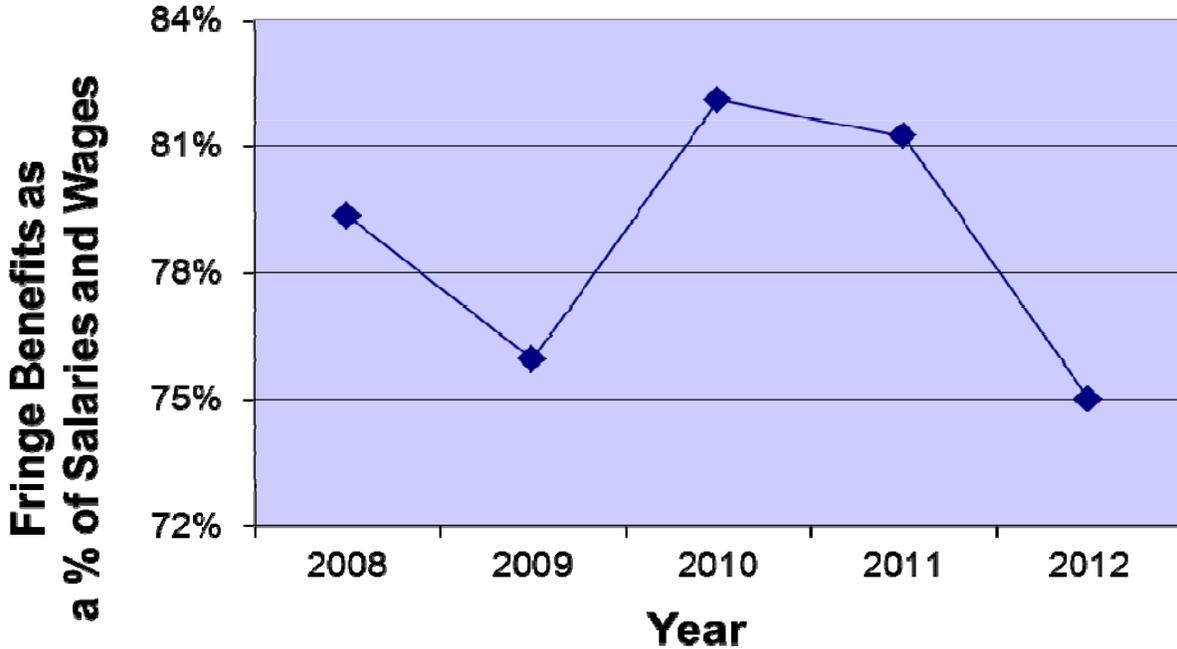
**TREND HEALTH:**  
Positive

**FORMULA:**  
Number of County employees / Population

**Analysis**

The number of County employees has steadily decreased over the past five years. Based on 2012 staffing levels, there is approximately one County employee for every 198 County residents; in 2008 there was one employee for every 164 residents. Due to the County’s fiscal condition and rising costs, steps have been taken to reduce the number of budgeted employees and abolish vacant positions. Some of this trend is due to privatization initiatives, reduced need for corrections staff, and a shift of some duties to the State of Wisconsin; however the County also continues to reduce personnel costs by eliminating many vacant positions which reduces capacity for service delivery.

**FRINGE BENEFITS**



**Description**

Fringe benefits often comprise a significant portion of operating costs, often amounting to more than 30% of total labor compensation. Direct benefits consist of health and life insurance, contributions to social security, unemployment insurance, workers’ compensation, pension payments and other miscellaneous benefits. Because the funding and recording of fringe benefits is a complex process, these costs can escalate unnoticed, straining the County’s finances. In particular, the cost of providing health insurance has risen at dramatic rates for public and private employers in recent years.

**WARNING TREND:**  
Increasing direct fringe benefit expenditures as a % of salaries and wages

**TREND HEALTH:**  
Neutral

**FORMULA:**  
Direct fringe benefit expenditures / Salaries and wages

**Analysis**

In 2012, this trend improves from negative to neutral. While the County still has high fringe benefit costs, related to the health benefits granted to retirees who started employment before 1994 and to the granting of enhanced pension benefits in 2001, the ratio has decreased for the past two years. The nationwide average for state and local government employees, according to the Employee Benefit Research Institute, was 52 percent in 2010.

## **Operating Position**

Operating position refers to the County's ability to balance its budget on a current basis, maintain reserves for emergencies, and maintain sufficient cash to pay its bills on a timely basis.

During a typical year, a local government will usually generate either an operating surplus, when revenues exceed expenditures, or an operating deficit, when expenditures exceed revenues. An operating surplus or deficit may be created intentionally as a result of a policy decision, or may be created unintentionally because of difficulties in precisely forecasting revenues and expenditures. As required by State Statutes, surpluses and deficits are rolled forward into the next budget adopted by the County.

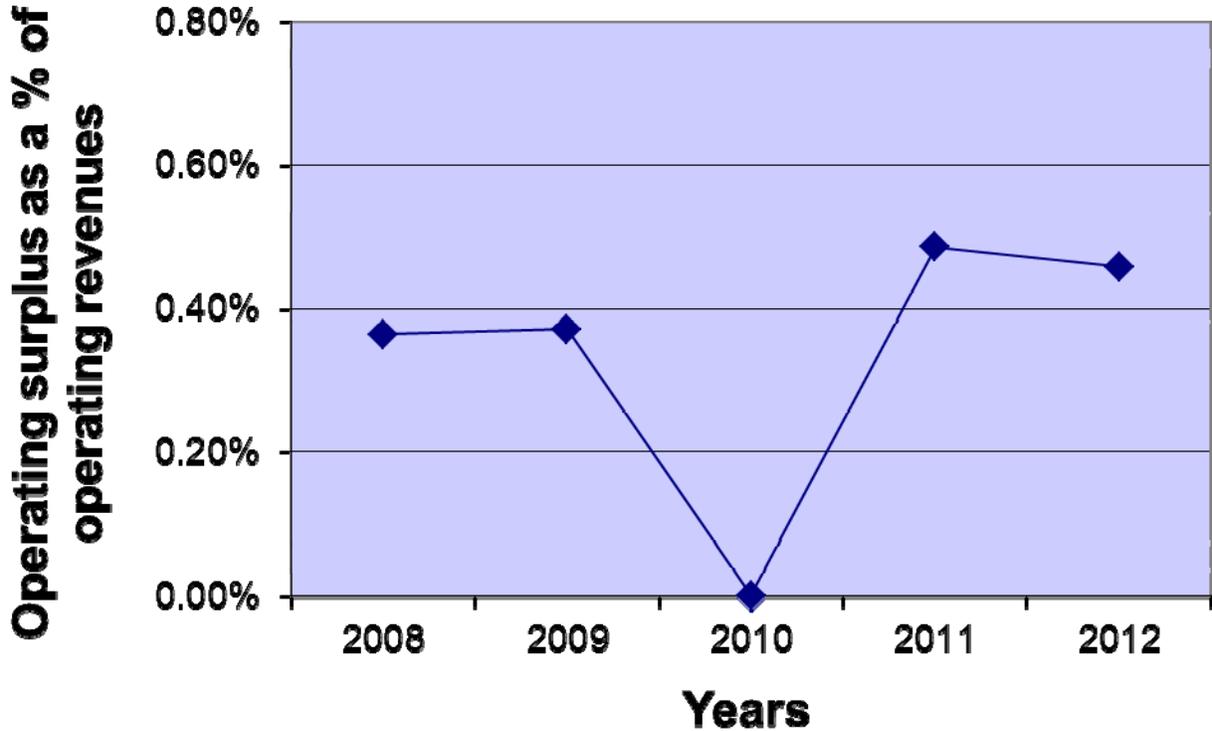
Many local governments develop reserves through the accumulation of operating surpluses and provide financial security in the event of loss of a revenue source, economic downturn, unanticipated expenditure demands due to natural disasters, insurance loss, unexpected large-scale capital expenditures or other non-recurring expenses, or uneven cash flow. Reserves may be budgeted in a contingency account or carried as a part of one or more fund balances. The County currently lacks the statutory authority to accumulate operating surpluses to create a significant fund balance.

Liquidity refers to the flow of cash in and out of the County treasury. The County receives many of its revenues in large installments at infrequent intervals during the year. Excess liquidity or cash reserves are a valuable cushion against an unexpected delay in receipt of revenues, an unexpected decline or loss of a revenue source, or an unanticipated need to make a large expenditure.

The Operating Position indicators are as follows:

- Operating Deficit or Surplus
- Liquidity

**OPERATING DEFICIT OR SURPLUS**



**Description**

An operating deficit or surplus occurs when current expenditures exceed current revenues or are lower than current revenues. An operating deficit in any one-year period may not be cause for concern, but frequent and increasing deficits can indicate that current revenues are not supporting current expenditures and that serious problems may lie ahead.

**Analysis**

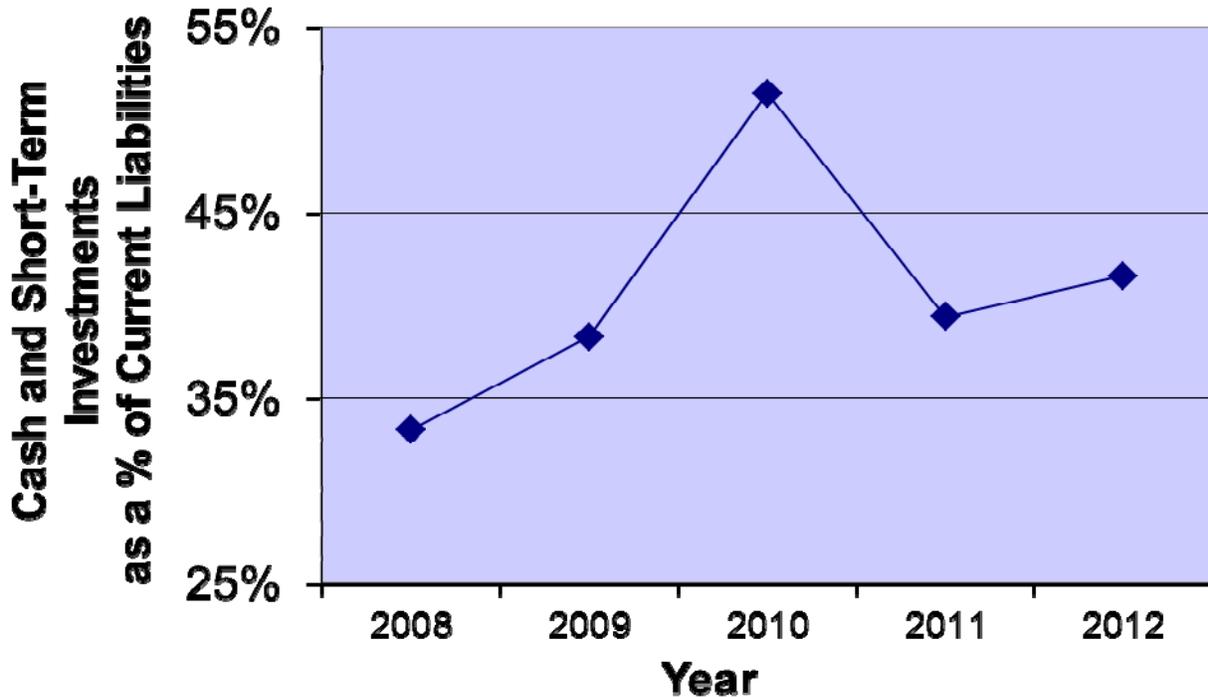
This trend remains neutral in this version of the fiscal trends due to the large surpluses realized in 2011 and 2012. In both years, a portion of the original surplus was transferred to the debt service reserve, leaving about \$5 million available for general use in the next budget year. This compares to a 2010 surplus of just \$8,000. A surplus of \$5.0 million (utilized in the chart above because it is the portion of the surplus made available for general purposes) represents 0.46 percent of total General County Operating Revenues, which is roughly in line with the four-year average over the years 2006 to 2009 (0.47 percent).

**WARNING TREND:**  
Increase in general fund operating deficit or surplus as a % of general fund operating revenues

**TREND HEALTH:**  
Neutral

**FORMULA:**  
$$\frac{\text{Operating deficit or surplus}}{\text{General fund operating revenues}}$$

**LIQUIDITY**



**Description**

A measure of the County’s short-run financial condition is its cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, such as short-term investments. This is also known as liquidity, which measures the County’s ability to pay its short-term obligations. The immediate effect of insufficient liquidity is insolvency; the inability to pay bills, and indicates that the County has overextended itself in the long term.

**WARNING TREND:**

Decreasing amount of cash and short-term investments as a % of current liabilities

**TREND HEALTH:**

Positive

**FORMULA:**

Cash and short-term investments / Current liabilities

**Analysis**

The trend remains positive in 2011 despite the sharp drop in the ratio from 2010 to 2011. It should be noted that large increase in short-term cash and investments reported in 2010 likely reflected the two bond issuances that occurred in 2010 as a result of the accelerated capital program, creating an artificially high ratio in that year. Ignoring 2010 as an outlier, the percentage of cash and short-term investments as a share of liabilities was 41.6 percent in 2012, a slight increase over the 2009 level of 39.4 percent. This suggests the level of available liquid assets is improving steadily.

## **Debt Structure**

Debt can be an effective tool to finance capital improvements and to even out short-term revenue flows, but its misuse can cause serious financial problems. Even a temporary inability to repay debt can result in loss of credit rating, increased borrowing costs, and loss of autonomy to State and other regulatory bodies.

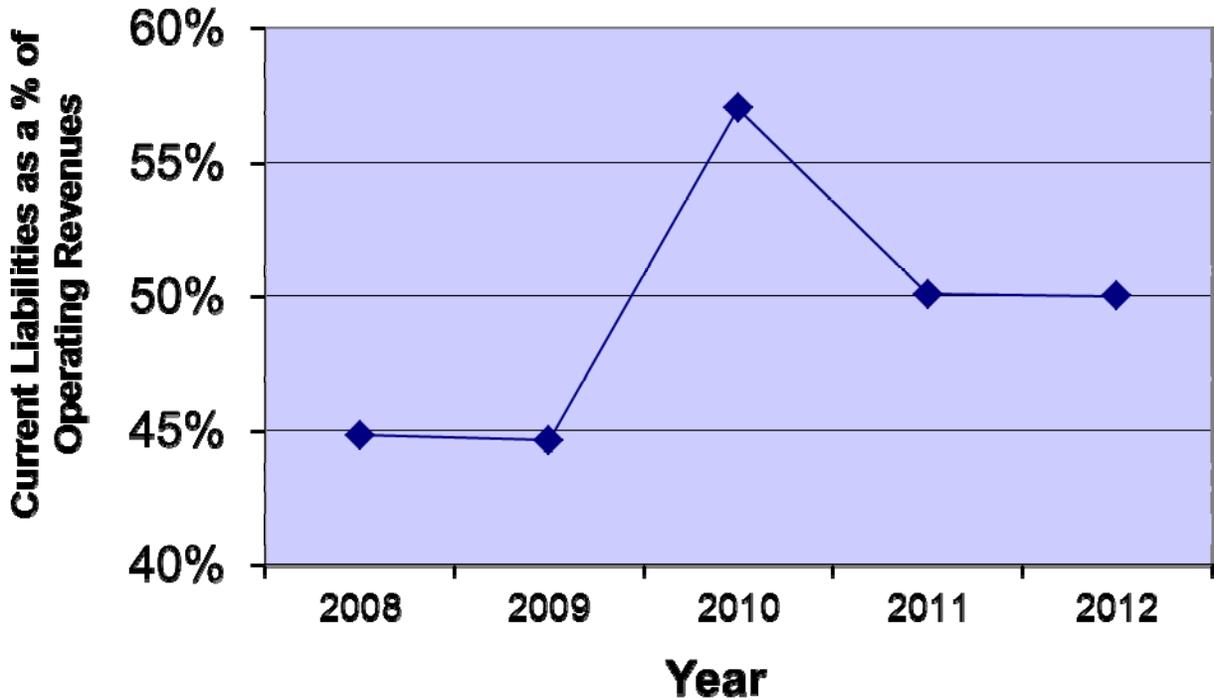
The most common forms of long-term debt are general obligation, special assessment, and revenue bonds. When the County issues debt for capital projects, it must ensure that aggregate outstanding debt does not exceed the community's ability to pay debt service as measured by the wealth of the community. Also to be considered are overlapping debt and other jurisdictions' debts against which the government has pledged its full faith and credit.

Under the most favorable circumstances, the County's debt should be proportionate in size and growth to the tax base; should not extend past the useful life of the facilities which it finances; should not be used to balance the operating budget; should not require repayment schedules that put excessive burdens on operating expenditures; and should not be so high as to jeopardize the County's credit rating.

The Debt Structure indicators are as follows:

- Current Liabilities
- Long-term Debt
- Debt Service
- Overlapping Debt

**CURRENT LIABILITIES**



**Description**

Current liabilities are the sum of all liabilities due at the end of the fiscal year, including short-term debt; current portion of long-term debt, all accounts payable, accrued liabilities, and other current liabilities. Although short-term borrowing is an accepted way to deal with uneven cash flow, an increasing amount of short-term debt outstanding at the end of successive years can indicate liquidity problems, deficit spending, or both.

**Analysis**

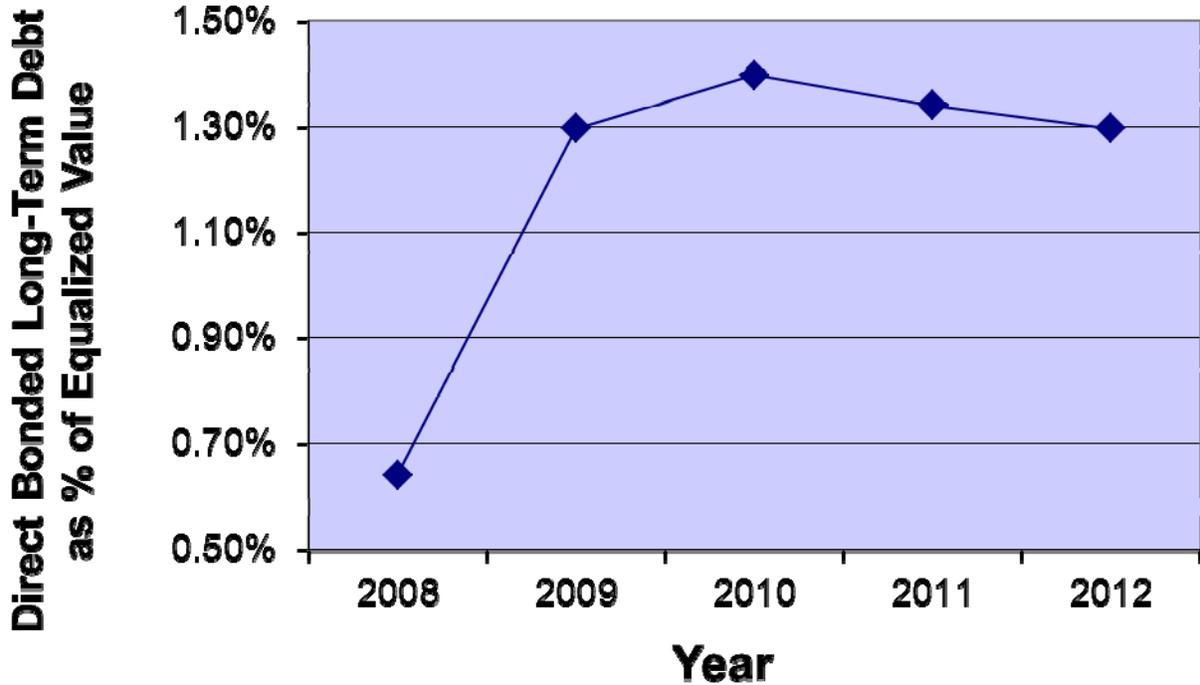
This trend is negative despite the large reduction from 2010 to 2011 and 2012 levels. The 2012 percentage (50 percent) remains significantly higher than the three-year average in 2007-2009 (44.6 percent). This trend may be revised to neutral in the next edition if the liability ratio remains near 50 percent.

**WARNING TREND:**  
Increasing current liabilities at end of year as a % of operating revenues

**TREND HEALTH:**  
Negative

**FORMULA:**  
 $\frac{\text{Current liabilities}}{\text{Operating revenues}}$

**LONG-TERM DEBT**



**Description**

Net direct debt is bonded long-term debt minus self-supporting debt (e.g – enterprise debt). The equalized valuation is the most generally available measure of County wealth. Generally, long-term debt should not exceed the County’s resources for paying debt service. An increase in net direct bonded long-term debt as a percentage of equalized valuation can mean that the County’s ability to repay is diminishing.

**Analysis**

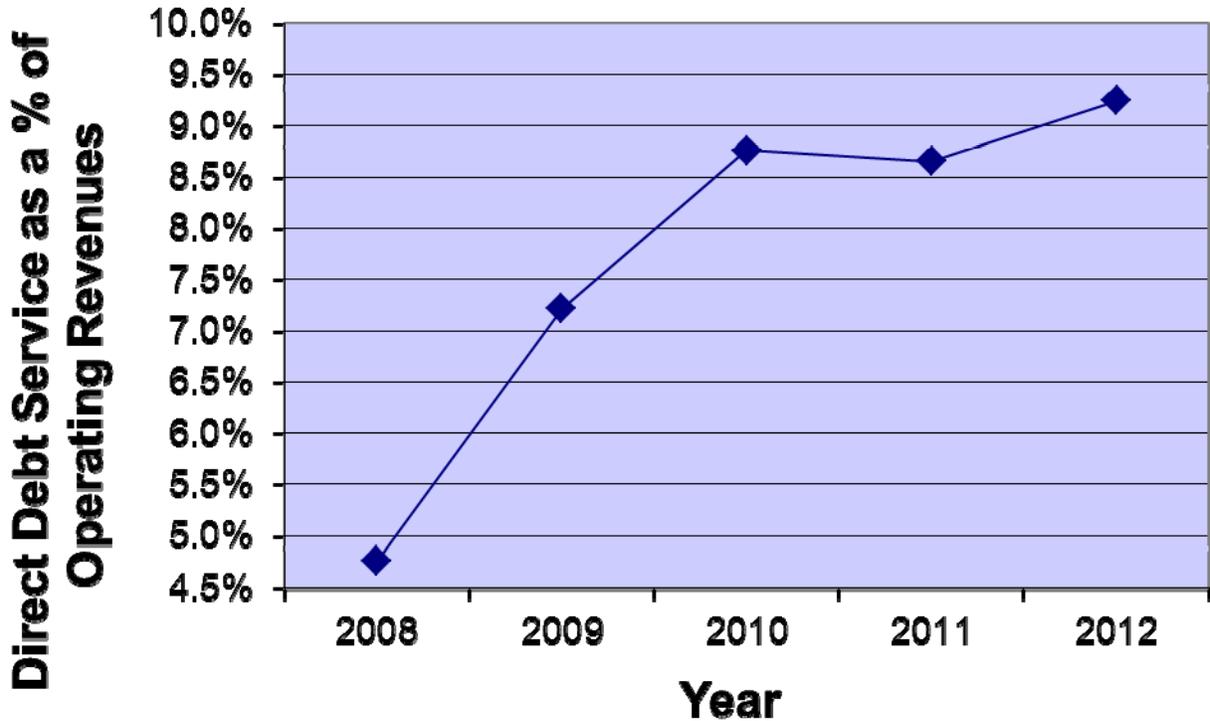
The trend is revised to positive from neutral due to a reduction in debt that is larger than the decrease in equalized value. The indicator was negative in past years due to the significant increase in long-term debt as a percentage of equalized value during 2009 and 2010. However, the data is skewed as a result of two one-time policy choices: the issuance of pension obligation bonds, and the accelerated capital program. Both of these policies resulted in significant one-time issuances of debt. These past choices should result in increased flexibility due to future decreases in debt service and pension payments.

**WARNING TREND:**  
Increasing net direct bonded long-term debt as a % of equalized valuation

**TREND HEALTH:**  
Neutral

**FORMULA:**  
Direct bonded long-term debt / Equalized valuation

**DEBT SERVICE**



**Description**

Debt service is defined as the amount of principal and interest that the County must pay each year associated with its outstanding debt. Increasing debt service reduces expenditure flexibility by adding to the County’s obligations. Debt service can be a major part of the County’s fixed costs and its increase may indicate excessive debt and fiscal strain.

**Analysis**

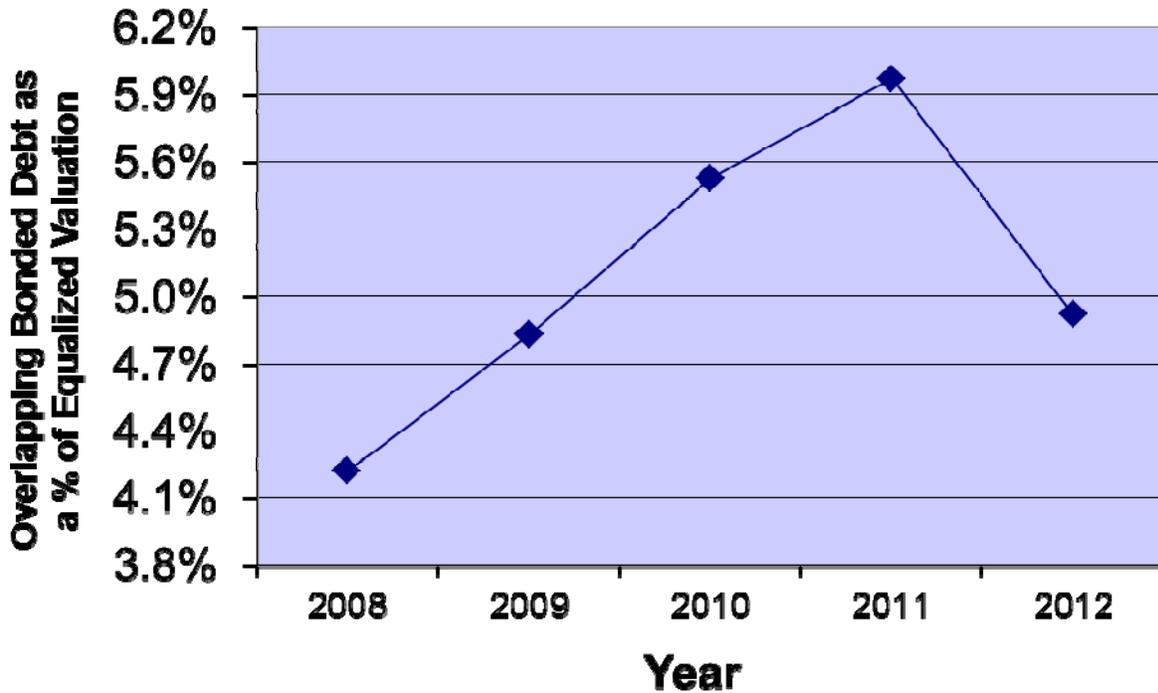
The trend is technically negative because the ratio of debt service to operating revenues has steadily increased. However, as with the previous indicator, this should be viewed within the context of recent policy choices that resulted in large one-time debt issuances. For instance, the issuance of pension obligation bonds in 2008 resulted in significant increases in debt service that are offset by reduced and more stable contributions from the general fund to the pension fund. Additionally, the County accelerated its capital program in 2009 and 2010 to take advantage of federal programs and low interest rates, which resulted in short-term increases in debt service that will end up lower than normal over the long term.

**WARNING TREND:**  
Increasing net direct debt service as a % of operating revenues

**TREND HEALTH:**  
Negative

**FORMULA:**  
Direct debt service / Operating Revenues

**OVERLAPPING DEBT**



De

**description**

Overlapping net debt is the net direct debt of all local government jurisdictions that is issued against a tax base within Milwaukee County. Examples of other jurisdictions that overlap the County are the municipalities, Milwaukee Area Technical College, and the Metro Milwaukee Sewerage District. The level of overlapping debt is only that debt applicable to the property shared by the jurisdictions. The overlapping debt indicator measures the ability of the County’s tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions.

**WARNING TREND:**  
Increasing net direct bonded long-term debt as a % of equalized valuation

**TREND HEALTH:**  
Negative

**FORMULA:**  
Long-term overlapping bonded debt / Equalized valuation

**Analysis**

The trend remains negative, due mainly to reduced equalized values caused by the weak economy and real estate market. Even though there was a sharp decline in 2012 (4.9 percent), this figure is significantly higher than the average from 2006 to 2010 (4.5 percent). The County has also significantly increased its outstanding debt in the short-term based on policies described in the previous two indicators (issuance of pension obligation bonds, accelerated capital program), which likely also contributes to this negative outlook but which should have positive implications in the long-term. If equalized values stabilize in the near term and the County continues to adhere to the self-imposed bonding cap, this trend should improve in future versions of this report.

## **Unfunded Liabilities**

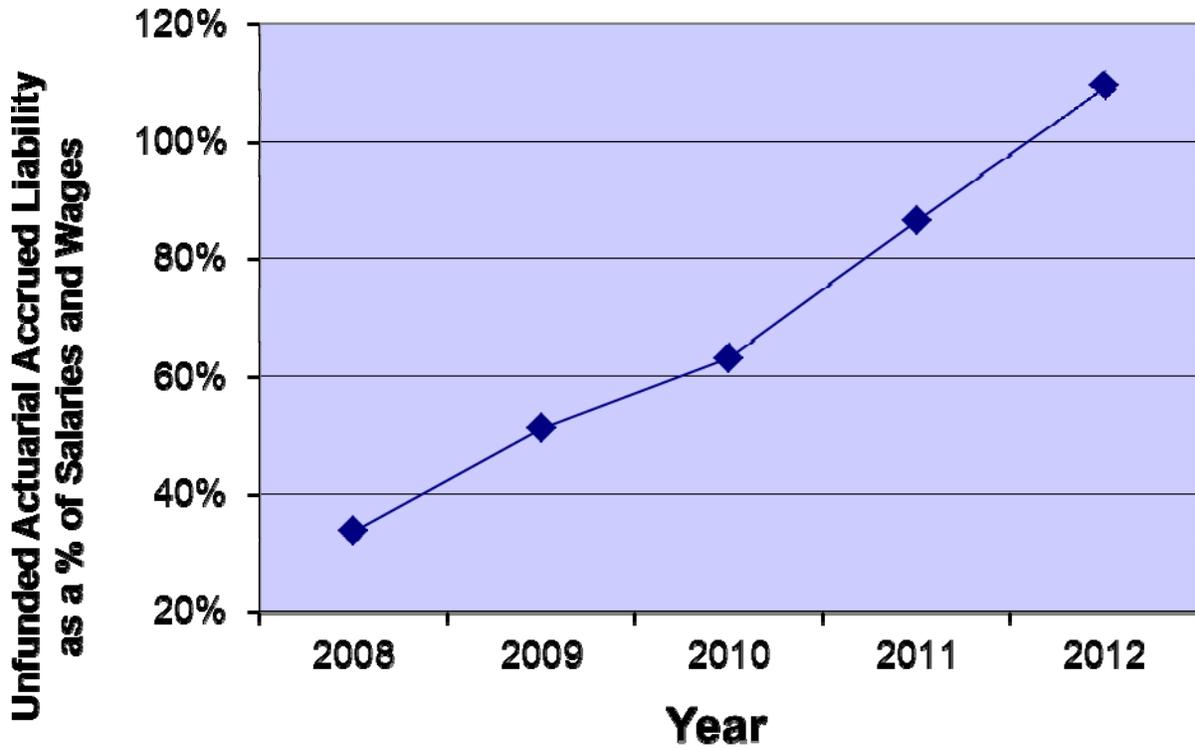
A contingent liability is an existing condition or situation whose ultimate disposition may not be known or does not have to be paid until a future year, and for which reserves have been set aside. A contingent liability is similar to debt in that it represents a legal commitment to pay in the future. Due to the potential magnitude, if these types of obligations grow substantially over time, they can have a significant impact on the County's financial condition.

The contingent liabilities considered here are significant because they are not readily apparent in ordinary financial records, making it difficult to assess their respective impacts. Additionally, the contingent liabilities may accumulate gradually over time, making it difficult to notice them until the problem is severe.

The Unfunded Liabilities indicators are as follows:

- Pension Obligations
- Pension Assets

**PENSION OBLIGATIONS**



**Description**

The County’s main pension plan (Employee Retirement System or ERS) represents a significant long-term expenditure obligation. The present value of the projected cost of pension benefits earned by employees is known as the “actuarial accrued liability.” The difference between this amount and the actuarial value of the resources of the pension plan is known as the unfunded actuarial accrued liability (UAAL). As a rule, the actuarially determined annual required contribution (ARC) is the measure of pension cost accrued as expense by employers in their financial statements. If the County fails to fully fund the ARC in any given period, a net pension obligation is reported in the statement of net assets to reflect the under-funding.

**WARNING TREND:**  
Increasing pension obligations as a % of salaries and wages

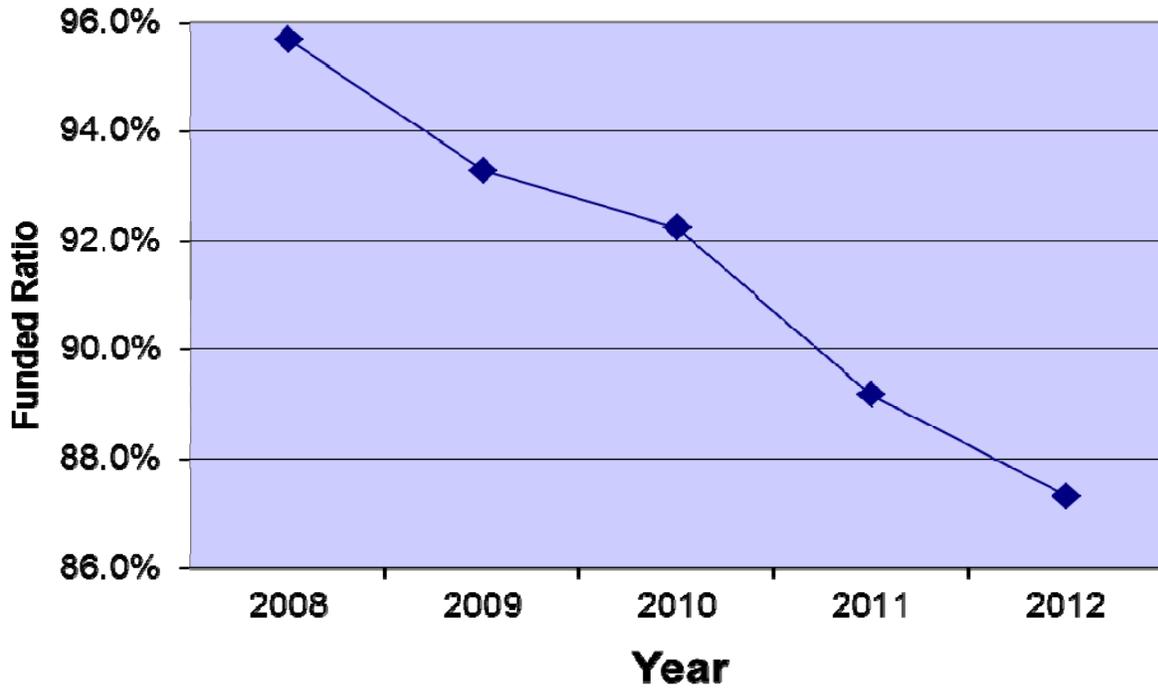
**TREND HEALTH:**  
Negative

**FORMULA:**  
Pension obligation / Salaries and wages

**Analysis**

This indicator remains negative due to the continued increase in the UAAL from 2008 to 2012. Part of the reason for the increased ratio is the decline in the number of positions budgeted in the County, which has dropped from 5,708 in 2008 to 4,827 in 2012. However, the UAAL has increased over the same time frame from \$89 million to \$257 million, an increase of 189 percent.

**PENSION ASSETS**



**Description**

Pension assets are held primarily as cash or investments. A decline in the ratio of plan assets to benefits can indicate serious problems in the management of the pension plan.

**Analysis**

Like the previous indicator, this trend remains negative due to the continued decrease since 2008. When the POBs were issued and deposited into the Pension Fund, the funded ratio was 95.7 percent for 2008, compared to 80.4 percent in 2007. This ratio has declined each subsequent year, dropping to 93.3 percent in 2009, 92.2 percent in 2010, 89.2 percent in 2011, and 87.3 percent in 2012. According to the 2012 Annual Report for the Pension Fund, benefit expenses increased from \$144.2 million in 2008 to \$178.6 million in 2012, while investment income to the fund fell from \$320 million in 2009, to \$186 million in 2012. As a result, the actuarial value of assets has declined from \$1.97 billion at the end of 2008 to \$1.77 billion at the end of 2012.

**WARNING TREND:**  
Declining value of pension assets compared to liabilities.

**TREND HEALTH:**  
Negative

**FORMULA:**  
Actuarial value of pension assets/ actuarial accrued liability

### **Condition of Capital Plant**

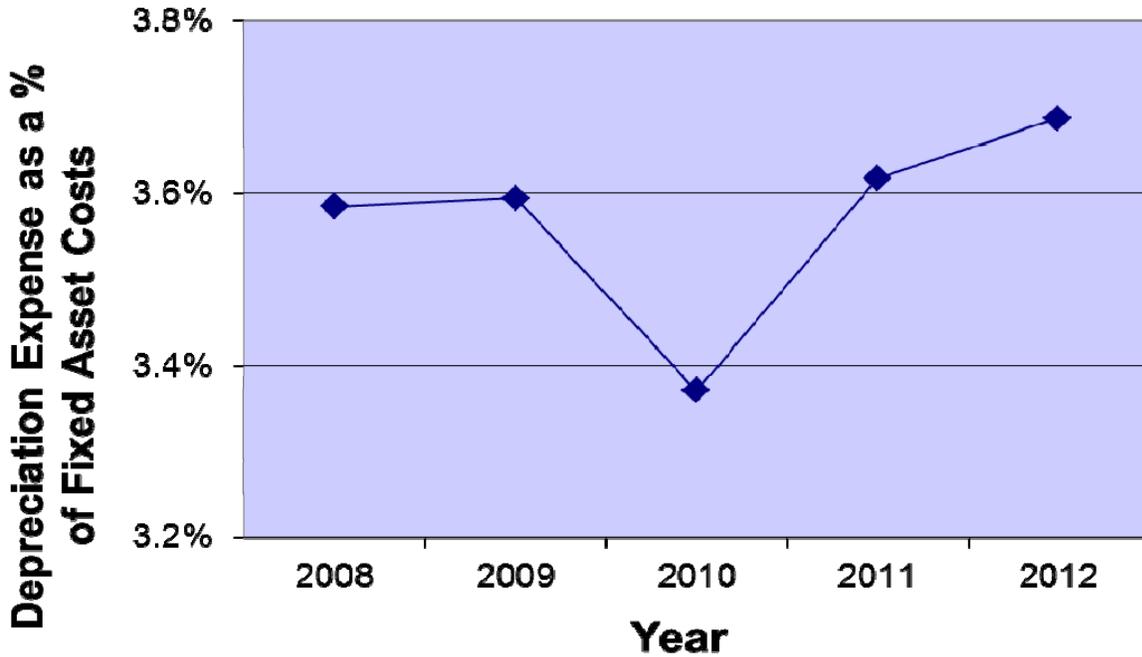
The bulk of the County's wealth is invested in its physical assets or capital plant – streets, buildings, utility network, and equipment. If these assets are properly maintained or are allowed to become obsolete, the results are often a decrease in the usefulness of the assets, an increase in the cost of maintaining and replacing them, and a decrease in the attractiveness of the County as a place to live or do business.

Local governments often defer maintenance and replacement because it is a relatively painless way to temporarily reduce expenditures and ease current financial strain. Continued maintenance deferral, however, can create serious long-term problems that become exaggerated because of the large sums of money invested in capital facilities.

The Condition of Capital Plant indicators are as follows:

- Depreciation

**DEPRECIATION**



**Description**

Depreciation is the cost associated with the use of a fixed asset over its useful life. Depreciation should remain a relatively stable portion of asset cost assuming older assets, which are fully depreciated, are removed from service and replaced with newer assets. If depreciation costs start to decline as a portion of asset cost, the assets are probably being used beyond their useful lives, the estimated useful lives had been initially underestimated, or the scale of operations was reduced.

**WARNING TREND:**  
Declining depreciation expense as a % of fixed asset costs

**TREND HEALTH:**  
Neutral

**FORMULA:**  
Depreciation expense / Fixed asset costs

**Analysis**

The trend remains neutral due to the ratio’s increases in 2011 and 2012. The average over the four-year period from 2006 to 2009 was 3.64 percent. After dropping to a low of 3.37 percent in 2010, the ratio has rebounded to 3.62 percent in 2011 and 3.69 percent in 2012. These figures are much closer to the historical norm. This indicator deserves scrutiny as part of an overall strategic and operational plan relating to the future use of the County’s fixed assets.

**COUNTY OF MILWAUKEE**  
**Inter-Office Communication**

**Date:** November 25, 2013

**To:** Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel and Audit  
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel and Audit

**From:** Jerome J. Heer, Director of Audits

**Subject:** Status Report - Audit of MCTS Fare & Data Collection Systems (File No. 09-84)

At its meeting in March 2009, the Committee on Finance and Audit passed a motion to receive and place on file our audit report, "An Audit of the Milwaukee County Transit System's Fare and Data Collection Systems."

Subsequently, seven status reports noting the progress made toward implementation of our audit recommendations were submitted to the Committee. Dates the status reports were presented to the Committee along with actions taken are listed below.

**01/28/10:** Receive and place on file with a six-month status report.

**06/17/10:** Receive and place on file with a report in September or at the call of the Chair.

**09/23/10:** Receive and place on file with a follow up report in March 2011.

**03/10/11:** Report was informational, no action taken.

**09/22/11:** Report was informational, no action taken.

**03/08/12:** Report was informational, no action taken.

**10/25/12:** Report was informational, no action taken. A status report was requested for December 2013.

The current status report is attached for your review. Previously, Milwaukee Transport Services, Inc. (MTS) management indicated that all eight recommendations have been fully implemented. However, due to time frame involved in completing all steps outlined by MTS and the uncertainty regarding management of the Milwaukee County Transit System going forward, we will ask the Milwaukee County Department of Transportation (MCDOT) to submit a final status report on the implementation of recommendations 1 and 2, for the Finance, Personnel and Audit Committee meeting in July 2014.

Also attached is a memo from MTS management providing requested comparative information in respect to fare technology in use by other transit operations across the country.

Supervisor Willie Johnson, Jr., Co-Chair, Committee on Finance, Personnel and Audit  
Supervisor David Cullen, Co-Chair, Committee on Finance, Personnel and Audit  
November 25, 2013  
Page Two

This status report is informational.



Jerome J. Heer

JJH/PAG/cah

Attachments

cc: Scott Manske, Milwaukee County Comptroller  
Finance, Personnel and Audit Committee Members  
Chris Abele, Milwaukee County Executive  
Don Tyler, Director, Department of Administrative Services  
Brian Dranzik, Director, Department of Transportation  
Michael Giugno, Managing Director, Milwaukee Transport Services  
Kelly Bablitch, Chief of Staff, County Board Staff  
Steve Cady, Fiscal & Budget Analyst, County Board Staff  
Janelle Jensen, Chief Committee Clerk, County Board Staff

**STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS**

**Audit Title: An Audit of the Milwaukee County Transit System's Fare and Data Collection Systems**

**Audit Report File Number: 09-84**

**Audit Date: February 2009**

**Status Report Date: December 2013**

**Department: MTS/DOT**

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
1. Develop strategies for verifying, on a spot-check basis, key elements of its ridership profile, including the number of rides per week for various weekly pass fare categories, ratios and percentages used for allocating cash receipts, as well as those affecting transfer and free ride estimates. This should involve seeking resources outside of MTS for incorporating sound sampling techniques.			X			X	<p><b>Auditee:</b> Transit has retained the services of IBI Group as a consultant for the fare collection project. The consultant has reviewed the current fare policy and made a recommendation to proceed with a fare collection system that utilizes contact-less fare media (smart cards). The consultant is currently developing a specification for that technology and we expect to have a draft copy of the specification by the end of February 2011.</p> <p>After review and approval of the specification, a request for proposal will be issued and a contract awarded to a qualified vendor in late spring/early summer.</p> <p>The new system will provide statistical data for all ridership. This data will be used to update the current ridership profile, including rides per pass, ratios for cash receipts, and free ride calculations. Our goal continues to limit driver interaction with the system to the extent possible with available technology.</p> <p><u>February 2012 Update:</u> Meetings to hear vendor presentations were held in December 2011 and as a result of these presentations, a request for modified offers was issued to the respondents. Modified offers were received on January 31, 2012 and are currently being reviewed by the evaluation committee. The goal is to have a Letter of Intent to Award issued by the end of the 1<sup>st</sup> quarter 2012. The validating fare box and smartcard technology will allow MCTS to collect key elements of its</p>

**STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS**

**Audit Title: An Audit of the Milwaukee County Transit System's Fare and Data Collection Systems**

**Audit Report File Number: 09-84**

**Audit Date: February 2009**

**Status Report Date: December 2013**

**Department: MTS/DOT**

Number & Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
							<p>ridership profile including fare forms used by passengers on a daily basis at the route level thereby replacing statistical sampling techniques.</p> <p><b>September 2012 Update:</b>                      A contract was awarded on July 3, 2012 to Scheidt &amp; Bachmann (S&amp;B) for the fare collection system. The validating farebox and smart card system will use technology to provide a 100% passenger count. MCTS will use this data to develop an accurate passenger profile that will include the number of rides per fare form, as well as the numbers of free and transfer trips taken. This will eliminate the need for any type of sampling techniques to develop the ridership profile.</p> <p><u>December 2013 Update :</u></p> <p><i>The current fare collection system project schedule targets the end-of-year 2013 for farebox installations. Smart card functionality will be activated during first quarter 2014.</i></p>

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	Yes	No	Yes	No	Completed	Further Action Required	
2. Once a sound and reliable strategy for verifying key elements of its ridership profile is implemented, use a consistent ridership profile for calculating revenue-ride estimates, fare structure analyses and for estimating the fiscal impact of route and service level adjustments.			X			X	<p>Auditee:</p> <p>New fare collection equipment will provide ridership data by route which will be used when costing the fiscal impacts of route or service level adjustments.</p> <p><u>February 2012 Update:</u> Bidder responses to the proposed fare collection system RFP include the requirement to provide ridership data by route to be used to calculate fiscal impacts of service adjustments.</p> <p><u>September 2012 Update:</u> The new fare collection system will provide 100% sampling of ridership and revenue statistics by route. The resulting ridership profile will then be used for fare structure analysis and to calculate the fiscal impacts on route and service level adjustments.</p> <p><u>December 2013 Update :</u></p> <p><i>Training in the use of the fare collection central support (computer) system was completed in November 2013. As ridership and revenue data is collected by the central support system, a ridership profile will be developed for calculating revenue-ride estimates. In turn this information will be used for route analyses beginning in mid-2014.</i></p>

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	Yes	No	Yes	No	Completed	Further Action Required	
3. Work with the County Executive and County Board to establish a capital expenditure plan for implementing a swipe-care system for MCTS buses.	N/A				X		Auditee: New fare collection equipment will be procured using Federal ARRA funds. This item is included in the County's 2010 Capital Budget.
4. Install additional security cameras in the interior of the print shop to record and deter potential theft, vandalism or sabotage.	N/A				X		Auditee: Security cameras were installed in the Print Shop in January 2011.

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	Yes	No	Yes	No	Completed	Further Action Required	
5. Institute a schedule of periodic inventory counts of finished products in the print shop that can be matched against source documents for greater accountability.			X			X	<p><b>Auditee:</b> The Print Shop manager has incorporated additional recordkeeping of finished fares to better track fare form production. If it is determined that the Print Shop will continue to be involved with the production or handling of fare forms after the new automated fare collection system is implemented, a procedure will be developed to periodically inventory the finished fare forms against source documents for greater accountability.</p> <p><u>February 2012 Update:</u> The MCTS Accounting Department has developed an audit plan that measures starting paper inventory, tracks finished products through the printing process, and accounts for the scrap sheets that result from the printing process. In addition, scrap stock will be secured in a locked room in the Print Shop and Accounting staff will be present at the time of destruction of the scrap pieces. Comprehensive unannounced audits will continue on a quarterly basis, rotating through all the different fare forms and an audit report will be submitted to the Managing Director.</p> <p><u>September 2012 Update:</u> To date, the MCTS Accounting Department has conducted two audits. The first reviewed the January – August 2012 Monthly Pass production and the second reviewed the production of the Fall 2012 UPASS for Marquette University. Comprehensive unannounced audits will continue on a quarterly basis. A schedule of future audits has been prepared and submitted to the Managing Director.</p>

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	Yes	No	Yes	No	Completed	Further Action Required	
6. Void or mutilate previously redeemed CVCs upon receipt at MTS for storage until they are destroyed.		N/A				X	Auditee:  <i>All Commuter Value Certificates are stamped VOID when remitted to the Cashier's Division.</i>
7. Initiate a competitive bidding process for contracted ticket and revenue transport services.		N/A				X	Auditee:  <i>A competitive bidding process was carried out earlier this year and an award was made to the most qualified bidder.</i>
8. Employ a written contractual agreement for ticket and revenue transport services.		N/A				X	Auditee:  <i>A written contract has been issued as a result of the competitive bidding process for delivery services.</i>

**Milwaukee County Transit System  
Inter-Office Memorandum**

Date: November 15, 2013

To: Paul Grant

From: Dan Boehm

Re: Status of Audit Recommendations – Transit Fares

On November 12, 2013, you inquired about status updates for Recommendations 1 & 2 of the Audit on Transit System Fare and Data Collection Systems. The status form has been updated (attached). You also inquired about the fare and data collection system technologies in use by comparable transit operations. The primary purpose of this memorandum is to respond to that request.

The American Public Transportation Association (APTA) publishes several statistical reports that assist transit systems in benchmarking. The 2011 Public Transportation Fare Database is one such publication, and represents the most current data available from APTA on this subject. Table 19 from this report identifies the fare media available to passengers of 171 public transit systems that operate fixed route transit buses (attached).

Table 19 is helpful in understanding data collection system technologies used by U.S. transit systems, because some fare forms are machine readable (e.g. Smart Cards, Magnetic Stored-Time Cards, Magnetic Stored – Value Cards, and tokens), whereas other fare forms are dependent upon bus operators or fare media cashiers/clerks for accurate ridership counts (e.g. Single-Ride Tickets, Multi-trip Tearoff Tickets, Multi-trip Punch Cards, and non-magnetic passes).

The Milwaukee County Transit System (MCTS) is moving towards a fully-machine readable fare structure, which has high accuracy for data collection. Cash and coins deposited in new fareboxes will be machine validated. Smart cards will hold transit dollars as stored value, as well as passes and transfers, all of which will also be machine validated. Only the occasional free passenger (e.g. child with a fare paying adult) will be recorded directly by a bus operator. After MCTS implements the new smart card system, it will be positioned to replace paper fare forms such as tickets, weekly passes, monthly passes, Upasses, etc. with smart card fare products.

The strategy of eliminating non-machine readable fare forms has been used throughout the United States. Although most transit systems have not yet moved in this direction, the following thirty-eight (38) have adopted such a strategy as described below:

**Smart Card Only**

- Atlanta – MARTA
- West Covina, CA – Foothill Transit
- Woodbridge Potomac & Rappahannock Transit

#### Magnetic Stripe Cards and Smart Cards

- Phoenix – Valley Metro
- Monterey-Salinas Transit
- Golden Gate Bridge Transportation
- Tallahassee StarMetro
- Savannah – Chatham Area Transit Authority
- Chicago Transit Authority
- Sioux Falls – Sioux Area Metro

#### Magnetic Stripe Cards, Smart Cards and Tokens

- Burnsville – Minnesota Valley TA
- Plymouth Metrolink
- Arlington Transit

#### Magnetic Stripe Cards

- Thousand Palms, CA – Sunline Transit
- Fort Myers – Lee Transit
- Muncie Public Transportation Corporation
- South Bend – TRANSPO
- Detroit – City of Detroit Transit
- Research Triangle Transit Authority
- Santa Fe Transit Services
- Reno Regional Transportation Commission
- Lancaster – Red Rose Transit Authority
- Austin – Capital Metropolitan Transportation Authority
- Greater Richmond Transit System
- Burlington, VT – Chittenden County Transit
- Parkersburg, WV – Mid-Ohio Valley Transit

#### Magnetic Stripe Cards and Tokens

- Central Arkansas Transit Authority
- Santa Barbara MTD
- Hartford Connecticut Transit
- Norwalk Transit District
- Lafayette – CityBus
- Ann Arbor – A2Express
- Lansing – Capital Area Transportation Authority
- Las Cruces Road Runner Transit
- Greater Dayton Regional Transit Authority
- Philadelphia – SEPTA
- State College, PA – Centre Area Transportation
- El Paso Mass Transit Department

Many of the aforementioned transit systems are smaller than Milwaukee County's, while others are significantly larger. What is comparable about this list is the strategy that has been chosen to machine-validate fares through deliberate decisions about what fare forms to accept.

**2011 PUBLIC TRANSPORTATION FARE DATABASE**



**AMERICAN  
PUBLIC  
TRANSPORTATION  
ASSOCIATION**

American Public Transportation Association  
1666 K Street, N.W.  
Suite 1100  
Washington, DC 20006-1215  
(202) 496-4800

# Table 19: Fare Media Available

*Token: a coin-like object, usually metal, that is normally good for one trip (or the base fare in some agencies). They are usually purchased in rolls of 10 or 20, or more, but may also be sold individually.*

*Single-ride Ticket: a single piece of paper, cardboard, or some other material without a magnetic strip good for a single trip that may be wholly or partially surrendered as the trip is taken. A multi-ride tear-off ticket can be disassembled and converted to a number of single-ride tickets that are sold separately.*

*Multi-trip Tear-off Ticket: one perforated or several pieces of paper, cardboard, or some other material without a magnetic strip good for more than one trip on which a portion is detached and surrendered as each trip is taken.*

*Punch Card: a single piece of paper, cardboard, or some other material without a magnetic strip good for more than one trip on which a hole is punched or a date or trip is marked off, but which is not surrendered, as each trip is taken.*

*Non-magnetic Pass: a single piece of paper, cardboard, or some other material without a magnetic strip good for an unlimited number of trips during a specified time period that is not surrendered or altered as each trip is taken.*

*Magnetic Stored-value Card: a single piece of paper, cardboard, or some other material with a magnetic strip good for a limited number of trips that is altered by machine removal of some or all of the stored value as each trip is taken.*

*Magnetic Stored-time Pass: a single piece of paper, cardboard, or some other material with a magnetic strip good for an unlimited number of trips during a specified time period that is not surrendered or altered as each trip is taken.*

*Smart Card: a single piece of paper, cardboard, or some other material without a magnetic strip but with a small computer chip good for one or more trips that is usually not surrendered but altered by machine removal of some or all of the stored value as each trip is taken.*

*Other Fare Media: other fare media accepted such as vouchers, return trip coupons, or magnetic accounting/billing cards.*

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
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## US

AUTOMATED GUIDEWAY											
FL	Jacksonville	Jacksonville Tr Auth	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
FL	Miami	Miami-Dade Transit Agency	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None				
BUS											
AL	Birmingham	Birmingham-Jefferson Co TA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
AR	Little Rock	Central Arkansas Transit Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
AZ	Phoenix	Valley Metro	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	All DAY				
CA	Antioch	Tri Delta Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Student Bracelets - Summer
CA	Concord	Central Contra Costa Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Davis	University Transport System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Fairfield	Fairfield/Suisun Tr System	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Fresno	Fresno Area Express	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Lancaster	Antelope Valley TA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Livermore	Livermore/Amador Valley TA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Long Beach	Long Beach Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	25-Ride Pack
CA	Los Angeles	City of Los Angeles, DOT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Los Angeles	LADOT - Commuter Express	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	EZ Pass

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
CA	Los Angeles	Los Angeles County MTA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Monterey	Monterey-Salinas Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None					
CA	Norwalk	Norwalk Transit System	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Oakland	Alameda-Contra Costa Tr Dist	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Oceanside	North County Transit District	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Orange	Orange County Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
CA	Oxnard	Gold Coast Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None				
CA	Redding	Redding Area Bus Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	Redondo Beach	City of Redondo Beach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Riverside	Riverside Transit Agency	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	Sacramento	Sacramento Regional Tr Dist	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	San Bernardino	OMNITRANS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	San Carlos	San Mateo County Transit Dist	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	San Diego	San Diego Metrop Tr System	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	San Francisco	Golden Gate Bridge, Hwy & TD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	cash				
CA	San Jose	Santa Clara Valley TA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Santa Barbara	Santa Barbara MTD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	Santa Clarita	Santa Clarita Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	Santa Monica	Santa Monica's Big Blue Bus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Simi Valley	Simi Valley Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	Thousand Palms	SunLine Transit Agency	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
CA	Torrance	Torrance Transit System	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CA	Visalia	Visalia City Coach	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CA	West Covina	Foothill Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None						
CA	Woodland	Yolo County Transportation Dis	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CO	Denver	Regional Transportation Dist	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
CT	Bridgeport	Greater Bridgeport Tr Auth	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CT	Hamden	Greater New Haven TD	<input type="checkbox"/>	None							
CT	Hartford	Connecticut Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
CT	Norwalk	Norwalk Transit District	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
DC	Washington	Washington Metro Area Tr Auth	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
FL	Bradenton	Manatee County Area Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
FL	Clearwater	Pinellas Suncoast Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
FL	Fort Myers	Lee Tran	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
FL	Jacksonville	Jacksonville Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
FL	Miami	Miami-Dade Transit Agency	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
FL	Orlando	Central Florida Reg Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
FL	Pompano Beach	Broward County Div Mass Tr	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
FL	Sarasota	Sarasota County Area Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
FL	Tallahassee	StarMetro	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None					
GA	Atlanta	Metro Atlanta Rapid Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NA						
GA	Marietta	Cobb Community Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
GA	Savannah	Chatham Area Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None				
IA	Ames	Ames Transit Agency	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IA	Des Moines	Des Moines Area Reg Tr Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
IL	Arlington Heights	Pace Suburban Bus Division	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
IL	Bloomington	Bloomington-Normal PTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IL	Chicago	Chicago Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None				
IL	Macomb	Go West Transit	<input type="checkbox"/>	None							
IL	Peoria	Greater Peoria Mass Tr Dist	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IL	Rock Island	Rock Island County Metro MTD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IL	Rockford	Rockford Mass Transit District	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
IL	Urbana	Champaign-Urbana Mass Tr Dist	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IN	Bloomington	Bloomington PTC	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IN	Fort Wayne	Fort Wayne Public Trp Corp	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
IN	Lafayette	CityBus of Greater Lafayette	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
IN	Muncie	Muncie Public Trp Corp	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
IN	South Bend	TRANSPO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
KY	Bowling Green	Community Action of So. KY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
KY	Fort Wright	Tr Auth of Northern Kentucky	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
KY	Louisville	Transit Auth of River City	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	day pass
LA	New Orleans	Regional Transit Authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MA	Amherst	UMASS Transit Service	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MI	Ann Arbor	A2Express	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Third Party Magnetic IDs
MI	Ann Arbor	Ann Arbor Transportation Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
MI	Bay City	Bay Metro Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
MI	Detroit	City of Detroit DOT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
MI	Grand Rapids	Interurban Transit Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Machine
MI	Kalamazoo	Kalamazoo Transp Div	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MI	Lansing	Capital Area Transp Authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
MI	Monroe	Lake Erie TC	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MI	Muskegon	Muskegon Area Transit System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MI	Port Huron	Blue Water Area TC	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MN	Burnsville	Minnesota Valley TA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
MN	Eden Prairie	Southwest Metro TC	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
MN	Minneapolis	Metro Transit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
MN	Plymouth	Plymouth Metrolink	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
MO	Kansas City	Kansas City Area Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MO	Saint Louis	Metro	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
MO	Springfield	City Utilities of Springfield	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
NC	Chapel Hill	Chapel Hill Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
NC	Charlotte	Charlotte Area Transit System	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
NC	Greensboro	Greensboro Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
NC	Research Triangle	Triangle Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
NC	Winston-Salem	Winston-Salem Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
NH	Durham	Wildcat Transit	<input type="checkbox"/>	Monthly & 3 Month pass							
NM	Las Cruces	RoadRUNNER Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
NM	Los Alamos	Atomic City Transit	<input type="checkbox"/>	None							
NM	Santa Fe	Santa Fe Transit Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
NV	Reno	Regional Transportation Comm	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
NY	Buffalo	Niagara Frontier Trp Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Day pass
NY	New York	MTA Metro-North Railroad	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
NY	New York	MTA New York City Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
NY	Syracuse	CNY Reg Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10-ride magnetic card
OH	Akron	Metro Regional Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
OH	Canton	Stark Area Reg Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
OH	Cleveland	Greater Cleveland Reg Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
OH	Columbus	Central Ohio Transit Authority	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
OH	Dayton	Greater Dayton Reg Tr Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
OH	Delaware	Delaware Area Transit Agency	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
OH	Grand River	LAKETRAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
OH	Kent	Portage Area Reg Trp Auth	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monthly Pass
OK	Edmond	Edmond Transit Management	<input type="checkbox"/>	None							
OK	Oklahoma City	Central Oklahoma T&P Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	limited paper				
ON	Brampton	Brampton Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
ON	Richmond Hill	York Region Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
OR	Eugene	Lane Transit District	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Group bus pass programs -
OR	Portland	Tri-County Metro Trp Dist	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Scratch off 7 Day pass
OR	Wilsonville	South Metro Area Regional Tran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Allentown	LANTA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
PA	Altoona	Altoona Metro Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Butler	Butler Transit Authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Charleroi	Mid Mon Valley TA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Greensburg	Westmoreland County Tr Auth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Harrisburg	Cumb-Dauphin-Harrisburg TA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Hazleton	Hazleton Public Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Johnstown	Cambria County Tr Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
PA	Lancaster	Red Rose Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
PA	Philadelphia	Southeastern Pennsylvania TA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
PA	Pittsburgh	Port Auth of Allegheny County	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
PA	Reading	Berks Area Reading Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
PA	Rochester	Beaver County Transit Authorit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
PA	State College	Centre Area Trp Auth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
PA	Williamsport	Williamsport Bureau of Trp	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
SD	Sioux Falls	Sioux Area Metro	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None				
TN	Franklin	Franklin Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
TN	Knoxville	Knoxville Area Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TN	Memphis	Memphis Area Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TN	Nashville	Metropolitan Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Machine
TN	Nashville	Regional Transportation Author	<input type="checkbox"/>	None							
TX	Austin	Capital Metropolitan Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
TX	Bryan	Brazos Transit District	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None

State or Province	City	Transit Agency	Tokens	Single-ride Tickets	Multi-trip Tearoff Tickets	Multi-trip Punch Cards	Non-magnetic Passes	Magnetic Stored-Value	Magnetic Stored-Time	Smart card	Other Fare Media
TX	Corpus Christi	Corpus Christi Reg Trp Auth	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TX	Dallas	Dallas Area Rapid Tr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TX	El Paso	El Paso Mass Transit Dept	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TX	Galveston	Galveston/Island Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Monthly Pass
TX	Lubbock	Citibus	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None
TX	San Antonio	VIA Metropolitan Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
TX	Sugar Land	Fort Bend Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
TX	Waco	Waco Transit System	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
VA	Arlington	Arlington Transit (ART)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
VA	Blacksburg	Blacksburg Transit	<input type="checkbox"/>	Pass							
VA	Fairfax	City of Fairfax CUE Bus	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
VA	Richmond	GRTC Transit System	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
VA	Williamsburg	Williamsburg Area Transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
VA	Woodbridge	Potomac & Rappahannock TC	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None						
VT	Burlington	Chittenden County Trp Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None				
WA	Bremerton	Kitsap Transit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
WA	Olympia	Intercity Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
WA	Pasco	T.C. Transportation Services	<input type="checkbox"/>	None							
WA	Richland	Ben Franklin Transit	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sticker on Student ID
WA	Seattle	KC Metro Transit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
WA	Spokane	Spokane Transit Authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	None
WA	Tacoma	Pierce Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
WA	Wenatchee	Chelan-Douglas PTBA (Link)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
WI	La Crosse	La Crosse Municipal Tr Util	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
WI	Milwaukee	Milwaukee County Tr System	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
WV	Parkersburg	Mid-Ohio Valley Tr Auth	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	None					
<b>COMMUTER RAIL</b>											
CA	Oceanside	North County Transit District	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None
CA	San Carlos	Peninsula Corridor JPB	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Machine
IL	Chicago	Metra	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
IN	Chesterton	Northern IN Commuter TD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
ME	Portland	N. New England Rail Auth.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	None
MN	Minneapolis	Metro Transit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

DATE : November 25, 2013

TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

FROM : Scott B. Manske, Comptroller

SUBJECT: **Requesting Authorization to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and to retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with two one-year options**

**Background**

In September 2013, the Office of the Comptroller issued a Request for Proposals (RFP) for Bond Counsel Services (refer to **Exhibit 1** for the RFP). The purpose of the RFP was to solicit information from qualified firms.

The scope of services for the Bond Counsel include:

- Assisting in the drafting of proposed legislation or ordinances related to County debt issuance, including legislation at any level of government;
- Reviewing the eligibility of projects proposed for debt financing and consult with County committees and officers and staff and investment bankers or financial advisors regarding legal aspects for proposed financings;
- Informing County officials about changes in State and Federal legislation regarding debt and tax regulations and assist the County in complying with regulations such as federal arbitrage rebate requirements or project expenditure targets;
- Preparing all proceedings and documents relating to each financing including public hearing notices, notices of sale, authorizing resolutions, closing documents and those portions of the official statement which describe the bonds within the time frames established by the Office of the Comptroller;
- Offering general assistance in concert with the County's financial advisor to help ensure that the County complies with disclosure guidelines and advise the County with respect to "undertaking" regarding primary and secondary market disclosure;

- Meeting with representatives of the credit rating agencies or bond insurers, if required, to present information about proposed financings;
- Upon request, providing written legal opinions in addition to the bond counsel opinions provided for the official statements for the financings;
- Attending Finance, Personnel, and Audit Committee and County Board meetings, as requested, to answer questions about proposed financings proposals;
- Preparing closing documents and supervise closing and prepare a compilation of all important documents, contracts and records associated with each financing;
- Issuing an approving opinion with respect to each financing when authorization and issuance is duly accomplished;
- Assisting County officials in evaluating alternative financing proposals from a legal perspective, as requested;
- Possessing familiarity with various types of bond financings and well as capital leases;
- Performing other general services and provide advice related to debt financing as may be requested by the County throughout the year;
- Assisting with continuing disclosure and compliance for bond transactions;

### **Selection of Bond Counsel**

The RFP was issued on September 29, 2013 and notice of it was published in the Bond Buyer and the Daily Reporter. The Bond Buyer is the leading publication for bond financings and related information. The Office of the Comptroller received seven responses that were reviewed by a panel that consisted of a representative from the Public Policy Forum, the Village of Greendale, Milwaukee Metropolitan Sewerage District (MMSD) and Milwaukee County (Department of Transportation). The recommendation of the firm to perform Bond Counsel Services for Milwaukee County was determined by the RFP selection panel after reviewing all seven proposals and interviewing selected firms.

The consensus recommendation of the panel was that Quarles and Brady LLP (Quarles and Brady) provide Bond Counsel Services for Milwaukee County. Quarles and Brady's Public Finance Group consists of 11 attorneys that have a significant amount of depth and experience. Quarles and Brady is the most

experienced public finance firm in Wisconsin, having rendered opinions on financings throughout the State for over 65 years.

The County's primary contact would be Brian Lanser. Mr Lanser has practiced in the area of public finance for over 30 years and has served as bond counsel to many Wisconsin counties and municipalities. He has extensive experience with general obligation and revenue bond financing. In addition to his general bond counsel experience, he has specific experience with Milwaukee County financings, having worked as the County's bond counsel for many years.

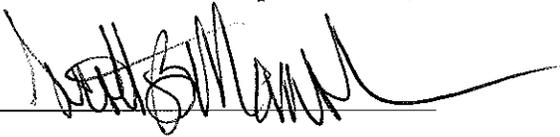
Crump Law Firm, LLC (Crump) will serve as co-bond counsel. Crump is certified as a Disadvantaged Business Enterprise with the Wisconsin Department of Administration and is located in the City of Milwaukee. Crump will be a subcontractor under the Quarles and Brady contract.

The County's primary contact at Crump is Lafayette Crump. Mr. Crump is the managing member of Crump. He has represented clients in the areas of commercial and intellectual property, government affairs, mergers and acquisitions, business formation and internet law. He is a graduate of Duke University Undergraduate School and School of Law. He is also a graduate of University School of Milwaukee.

The agreement will be based on an hourly rate for bond counsel and co-bond counsel. A majority of the costs will be financed by bond proceeds. Services that are provided that are unrelated to a particular issuance will be financed by tax levy that is included annually in the Debt Issue Expense budget.

#### Recommendation

The Office of the Comptroller, based on the recommendation of the review panel, recommends adoption of the attached resolution, which requests that Quarles and Brady LLP is selected for Bond Counsel for a term of one year with mutual options of two one year extensions. The Office of the Comptroller also recommends that Crump Law Firm, LLC be retained as the co-bond counsel.



Scott B. Manske  
Comptroller

#### Attachments

pc: Chris Abele, County Executive  
Willie Johnson, Jr., Co-Chair, Finance, Personnel and Audit Committee  
David Cullen, Co-Chair, Finance, Personnel and Audit Committee

Amber Moreen, Chief of Staff, County Executive's Office  
Kelly Bablitch, Chief of Staff, County Board  
Josh Fudge, Fiscal and Budget Administrator, DAS – Fiscal  
Pamela Bryant, Capital Finance Manager, Comptroller's Office  
Justin Rodriguez, Budget and Management Coordinator, Comptroller's Office  
Stephen Cady, Fiscal and Budget Analyst, County Board  
Brian Lanser, Quarles and Brady LLP  
Lafayette Crump, Crump Law Firm, LLC

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

**REVISED**

DATE : December 03, 2013

TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors

FROM : Scott B. Manske, Comptroller

SUBJECT: **Requesting Authorization to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and to retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with two one-year options**

**Background**

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The scope of services for the Bond Counsel include:

- Assisting in the drafting of proposed legislation or ordinances related to County debt issuance, including legislation at any level of government;
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- Informing County officials about changes in State and Federal legislation regarding debt and tax regulations and assist the County in complying with regulations such as federal arbitrage rebate requirements or project expenditure targets;
- Preparing all proceedings and documents relating to each financing including public hearing notices, notices of sale, authorizing resolutions, closing documents and those portions of the official statement which describe the bonds within the time frames established by the Office of the Comptroller;
- Offering general assistance in concert with the County's financial advisor to help ensure that the County complies with disclosure guidelines and advise the County with respect to "undertaking" regarding primary and secondary market disclosure;

- Meeting with representatives of the credit rating agencies or bond insurers, if required, to present information about proposed financings;
- Upon request, providing written legal opinions in addition to the bond counsel opinions provided for the official statements for the financings;
- Attending Finance, Personnel, and Audit Committee and County Board meetings, as requested, to answer questions about proposed financings proposals;
- Preparing closing documents and supervise closing and prepare a compilation of all important documents, contracts and records associated with each financing;
- Issuing an approving opinion with respect to each financing when authorization and issuance is duly accomplished;
- Assisting County officials in evaluating alternative financing proposals from a legal perspective, as requested;
- Possessing familiarity with various types of bond financings and well as capital leases;
- Performing other general services and provide advice related to debt financing as may be requested by the County throughout the year;
- Assisting with continuing disclosure and compliance for bond transactions;

### **Selection of Bond Counsel**

The RFP was issued on September 29, 2013 and notice of it was published in the Bond Buyer and the Daily Reporter. The Bond Buyer is the leading publication for bond financings and related information. The Office of the Comptroller received seven responses that were reviewed by a panel that consisted of a representative from the Public Policy Forum, the Village of Greendale, Milwaukee Metropolitan Sewerage District (MMSD) and Milwaukee County (Department of Transportation). The recommendation of the firm to perform Bond Counsel Services for Milwaukee County was determined by the RFP selection panel after reviewing all seven proposals and interviewing selected firms.

The consensus recommendation of the panel was that Quarles and Brady LLP (Quarles and Brady) provide Bond Counsel Services for Milwaukee County. Quarles and Brady's Public Finance Group consists of 11 attorneys that have a significant amount of depth and experience. Quarles and Brady is the most

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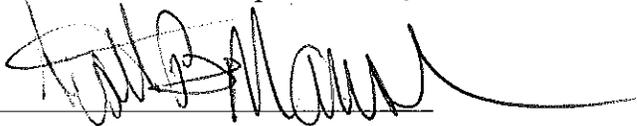
Crump Law Firm, LLC (Crump) will serve as co-bond counsel. Crump is certified as a Disadvantaged Business Enterprise with the Wisconsin Department of Administration and is located in the City of Milwaukee. Crump will be a subcontractor under the Quarles and Brady contract.

The County's primary contact at Crump is Lafayette Crump. Mr. Crump is the managing member of Crump. He has represented clients in the areas of commercial and intellectual property, government affairs, mergers and acquisitions, business formation and internet law. He is a graduate of Duke University Undergraduate School and School of Law. He is also a graduate of University School of Milwaukee.

The agreement will be based on an hourly rate for bond counsel and co-bond counsel. The anticipated hourly rate for the primary attorney of Quarles and Brady LLP is \$485 and the hourly rate for the primary attorney of Crump Law Firm LLC is \$250. A majority of the costs will be financed by bond proceeds. Services that are provided that are unrelated to a particular issuance will be financed by tax levy that is included annually in the Debt Issue Expense budget.

#### Recommendation

The Office of the Comptroller, based on the recommendation of the review panel, recommends adoption of the attached resolution, which requests that Quarles and Brady LLP is selected for Bond Counsel for a term of one year with mutual options of two one year extensions. The Office of the Comptroller also recommends that Crump Law Firm, LLC be retained as the co-bond counsel.



Scott B. Manske  
Comptroller

#### Attachments

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Pamela Bryant, Capital Finance Manager, Comptroller's Office  
Justin Rodriguez, Budget and Management Coordinator, Comptroller's Office  
Stephen Cady, Fiscal and Budget Analyst, County Board  
Brian Lanser, Quarles and Brady LLP  
Lafayette Crump, Crump Law Firm, LLC

**- REQUEST FOR PROPOSAL -**

**BOND COUNSEL SERVICES**

**Milwaukee County, Wisconsin  
Office of the Comptroller  
September 26, 2013  
Official Notice: #6873**

**Proposals Due by 11 a.m. Central Standard Time  
October 29, 2013 to:**

**c/o Milwaukee County Clerk's Office  
Courthouse, Room 105  
901 North Ninth Street  
Milwaukee, WI 53233**

**Please Label Proposals with Firm's Name and Address  
and "Proposal for Bond Counsel Services"**

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Attachment 1 - Standard Professional Services Agreement

Attachment 2- Disadvantaged Business Enterprise (DBE) Information

Attachment 2A- DBE Requirements

Attachment 2B- Commitment to Contract with DBE

Attachment 2C- Subcontractor Information Sheet

Attachment 2D- Certificate of Good Faith Efforts

## **A. INTRODUCTION**

The Milwaukee County Office of the Comptroller is seeking proposals for bond counsel services. No joint proposals will be accepted. The Department anticipates entering into a three-year professional services agreement from 2014 through 2016 for services related to the issuing of bonds. The department also anticipates including options for three one-year extensions. This agreement will require review by the County Board Finance, Personnel, and Audit Committee and approval by the full County Board.

## **B. DESCRIPTION OF MILWAUKEE COUNTY**

Milwaukee County serves as a population, economic, and financial center of the state of Wisconsin. Milwaukee County is located in southeastern Wisconsin on the Lake Michigan shoreline. The County covers an area approximately 242 square miles and consists of ten cities and nine villages. The City of Milwaukee, which acts as the County seat, contains approximately 63 percent of the County's population and 48 percent of its taxable property value. Milwaukee County's 2012 population estimate is 951,315.

### **Government**

A County Executive and an 18-member Board of Supervisors govern Milwaukee County. The County Executive and County Supervisors are elected to nonpartisan four-year terms. Each Supervisor is elected from a district with an average population of approximately 50,000. In addition, six constitutional officers are elected to serve two-year terms on a partisan basis.

In November 2011, Wisconsin Act 62 was enacted. The law created the Office of the Comptroller for Milwaukee County. The Comptroller is the chief financial officer of the County and the administrator of the County's financial affairs. The Comptroller oversees all of the County's debt. The Comptroller also countersigns all contracts if he determines that the County has, or will have, the necessary funds. The comptroller also provides independent fiscal analysis at the request of the County Executive or Board and provides a fiscal note for all proposed legislation. Finally, the Comptroller performs all audit functions and prepares a 5-year financial condition forecast for the County.

### **Services Provided by the County**

The County's 2013 Adopted Budget of approximately \$1.4 billion is intended to provide a wide range of services in the areas of health care, human services, public safety, recreation and transportation. The County operates a number of facilities in the provision of these services including a courthouse, criminal justice facility, community correctional facility, zoo, museums, mass transit facilities, parks, recreation and cultural facilities, airports and other public works.

## **C. FINANCIAL MANAGEMENT**

### **Budgeting**

Milwaukee County has an executive budget process for the preparation of the annual operating and capital budgets. The Fiscal Affairs Division of the Department of Administrative Services provides the technical assistance required by the County Executive to review budget requests submitted by County departments and agencies. The Fiscal Affairs Division compiles these requests, along capital improvements, contingency requirements and the required tax levy. It reviews areas where changes may be considered and transmits its

findings to the County Executive. The County Executive holds a public hearing with respect to the requests, meets with departments and submits a recommended budget to the County Board on or before October 1st of each year.

Subsequent to the receipt of the budget by the County Board, the County Board's Finance, Personnel, and Audit Committee reviews the County Executive's budget at public meetings. On the Monday following its regularly scheduled meeting on the first Thursday in November, the County Board acts on the amendments and recommendations submitted by the Finance, Personnel, and Audit Committee, as well as amendments submitted by individual Board members. It adopts a final budget, subject to any vetoes by the County Executive, and levies taxes based upon equalized property values. The County continues to develop an inventory of all County capital assets in order to execute appropriate replacement or reconstruction schedules for the County's infrastructure. This information assists County departments with the County's five-year capital improvements program that is updated annually as part of the regular budget process.

### **Financial Reporting/Debt Issuance**

The Office of the Comptroller reviews all fiscal notes and prepares the Comprehensive Annual Financial Report (CAFR). The Office of the Comptroller is also responsible for determining the annual principal and interest requirements for the County and manages the issuance of all debt.

The Capital Section of the Comptroller Financial Division manages day to day responsibility for the issuance and administration of County debt. The staff of this section works closely with bond counsel to accomplish the services sought in this RFP. The Capital staff works with the bond counsel, to determine bond eligibility for capital projects. The Capital staff is experienced in the issuance of general obligation bonds, revenue bonds, pension obligation bonds, conduit bonds and capital leases.

Historically, Milwaukee County has sold two bond issues each year to finance corporate purpose and airport projects. Corporate purpose issues have financed improvements to the County's mass transit, highway, parks and general government facilities. The County issues general airport revenue bonds backed by passenger facility charge revenues or general airport revenues to make improvements to Timmerman Field and General Mitchell International Airport. The bonds are subject to alternative minimum tax. Airport capital improvements are also financed through a combination of Federal, State, Airport Capital Improvement Reserves and passenger facility charges (PFC) revenues.

In 2013, the County issued approximately \$27 million of corporate purpose bonds. Typically the County issues approximately \$35 million of corporate purpose bonds.

In 2013, the County issued approximately \$47 million of GARBs and \$3 million of refunding GARBs. Another new airport issuance is not anticipated until 2016, although potential refundings could occur in 2014 and/or 2015.

The 2014-2017 Capital Improvements Plan totals \$509,404,832 of which \$300,155,978 would be financed by a combination of general obligation bonds for corporate purpose projects and GARBs for airport projects.

## **Financing Categories**

The County budgets for its capital improvement projects within four categories – Transportation and Public Works; Parks, Recreation and Culture; Health and Human Services and General Government. The category with the largest projected budget over the five-year period is Transportation and Public Works. This category includes Highway projects such as major reconstruction of County trunk highways and bridges, Airport projects such as concourse reconstruction, Transit projects such as new and replacement buses and Environmental projects such as environmental remediation and monitoring of waste sites.

The next largest category is General Government. This area includes Courthouse Complex, House of Correction, and Other Agencies. The Other Agencies area typically funds improvements to the County's technical infrastructure, vehicle acquisition and private activity for arts and cultural facilities.

The category of Parks, Recreation and Culture is third in capital spending. This area includes projects such as new play equipment, improvements and utility upgrades to the various Park, Zoo and Museum facilities, as well as renovations to Zoo and Museum exhibits.

The category of Health and Human Services comprises the smallest share of the overall capital budget. This category involves improvements to buildings and structures for the Department of Health and Human Services (DHHS), DHHS – Behavioral Health Division and County Grounds.

## **D. DEBT MANAGEMENT POLICIES**

On July 21, 1994, the County Board of Supervisors adopted several debt management and capital financing policies or goals. These policies included a requirement that the Capital Budget include a summary of the impact that borrowing proposals contained in the budget would have on various measures of debt affordability. The policies also established limitations on capital improvement borrowing by requiring an increase in project pay-as-you-go cash financing.

The following section contains a summary of selected debt affordability indicators.

1. Tax supported debt service costs shall not exceed actual sales and use tax revenues.
2. Cash financing for capital improvements shall provide for a minimum of 20 percent of County financed project costs.
3. Direct debt shall not exceed 1.5 percent of equalized property value.
4. Financing terms shall not exceed 16 years for corporate purpose projects.
5. Average principal maturities shall not exceed 10 years for corporate purpose projects..
6. Net present value savings for proposed advance refundings should total a minimum of 3 percent to 5 percent of refunded principal.
7. Direct debt per capita shall not exceed \$500.

8. Bond insurance will be used when it provides a net economic benefit.
9. Corporate purpose bond issues for 2008 and forward would be limited to a principal amount of \$30 million plus three percent per year for inflation.

#### **E. NON-DISCRIMINATION REQUIREMENTS**

In accordance with Section 56.17 of the General Ordinances of Milwaukee County, the proposer must agree not to discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, sex or handicap, which shall include, but not be limited to: recruitment or recruitment advertisement; employment; upgrading, demotion or transfer; lay-off or selection for training, including apprenticeship. The Proposer will be required to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the County setting forth the provisions of the nondiscrimination clause. A violation of this provision shall be sufficient cause for the County to terminate the agreement without liability for the uncompleted portion or for any services purchased or paid for by the Proposer for use in completing the agreement.

#### **F. SCOPE OF SERVICES REQUESTED**

Bond counsel will be required to perform the following duties:

1. Assist in the drafting of proposed legislation or ordinances related to County debt issuance, including legislation at any level of government.
2. Review the eligibility of projects proposed for debt financing and consult with County committees and officers and staff and investment bankers or financial advisors regarding legal aspects for proposed financings.
3. Inform County officials about changes in State and Federal legislation regarding debt and tax regulations and assist the County in complying with regulations such as federal arbitrage rebate requirements or project expenditure targets.
4. Prepare all proceedings and documents relating to each financing including public hearing notices, notices of sale, authorizing resolutions, closing documents and those portions of the official statement which describe the bonds within the time frames established by the Office of the Comptroller.
5. Offer general assistance in concert with the County's financial advisor to help ensure that the County complies with disclosure guidelines and advise the County with respect to "undertaking" regarding primary and secondary market disclosure.
6. Meet with representatives of the credit rating agencies or bond insurers, if required, to present information about proposed financings.
7. Upon request, provide written legal opinions in addition to the bond counsel opinions provided for the official statements for the financings.

8. Attend Finance, Personnel, and Audit Committee and County Board meetings, as requested, to answer questions about proposed financings proposals.
9. Prepare closing documents and supervise closing and prepare a compilation of all important documents, contracts and records associated with each financing.
10. Issue an approving opinion with respect to each financing when authorization and issuance is duly accomplished.
11. Assist County officials in evaluating alternative financing proposals from a legal perspective, as requested.
12. Familiarity with various types of bond financings and well as capital leases.
13. Perform other general services and provide advice related to debt financing as may be requested by the County throughout the year.
14. Experience with continuing disclosure and compliance for bond transactions.

## **G. PROPOSAL FORMAT**

Completed proposals should include the following proposal elements:

- Table of Contents
- Proposer's Approach to Providing the Requested Services
- Profile of Organization and Summary of Experience and Qualifications
- Experiences with Various Debt Issuances
- Disadvantaged Business Enterprises (DBEs)
- Cost Proposal Summary (in a separate, sealed envelope)

### Table of Contents

The table of contents of the proposal should include a clear and complete identification of the materials submitted by section and page number.

### Proposer's Approach to Providing the Requested Services

1. Describe in general terms the division of duties between partners, associates, and tax professionals as these duties relate to the services requested by Milwaukee County.
2. Describe the firm's procedure for providing continuing uninterrupted service if staffing changes occur or if the requested scope of services is significantly increased.
3. Summarize the firm's procedure and policy for addressing conflicts of interest or appearances of conflicts of interest. Disclose all client relationships which are directly adverse to Milwaukee County for cases which may be material to the County's financial condition.
4. Specify the type of malpractice insurance carried by the firm, if any, and indicate the limits of coverage for performing bond counsel services.

### Profile of Organization, Summary of Experience/Qualifications, and Reference Evaluation

A profile of the respondent firms is requested for general background information. The description of the proposer's qualifications will be used in the evaluation of the bond counsel proposal. Proposals should describe the experience and qualifications. Please include the following information:

1. Describe the respondent firm's organizational structure and size. Describe the firm's scope of operation and areas of concentration.
2. Discuss the location of the office from which the work is to be performed and indicate the number of professional staff employed at that office. Include a description of the range of activities performed at that office.
3. Indicate the name, location, telephone number, fax number and email address of the attorney who will serve as the primary contact person for your firm. Please provide a resume that describes his/her background and relevant experience. In addition, provide names and brief resumes for other attorneys who will assist the primary attorney.
4. Describe the ability of your firm and assigned personnel to evaluate legal issues, prepare documents and complete other tasks of a bond transaction in a timely manner.
5. Indicate the name, location, telephone number, fax number and email address of the tax professional who will serve as the tax contact person (attorney, CPA) for your firm. Please provide a resume that describes his/her background and relevant experience.

6. List current on-going relationships with governmental units located within Milwaukee County. Include the name of a contact person for each organization.
7. List current on-going relationships with governmental units having populations of 500,000 or above. Include the name of a contact person for each organization.
8. Describe your firm's experience with and its approach to applicable Federal securities laws and regulations.
9. Describe your firm's approach and the experience with continuing disclosure and compliance.
10. Describe any current bond counsel work directly involving Milwaukee County in cases where your firm represents non-county participants in a financing transaction.
11. Proposals should include the name, title, address and telephone number of at least three (3) officials of financial institutions or other municipal finance industry professionals who may be contacted as references.

*Experience with Various Debt Issuances*

Discuss your firm's experience in the issuance of airport revenue bonds, pension obligation bonds, Build America Bonds. Please list three or more financings in which your firm has participated. Describe your firm's role in the financings.

Cost Proposal Summary **(The Cost Proposal must be submitted in a separate, sealed envelope.)**

The County will pay bond counsel services fees on an hourly basis. Itemized estimates of charges for reimbursable expenses such as travel expenses that would be in addition to hourly charges or transaction based fees must be identified separately. Fee information must be sufficiently detailed to allow evaluators to calculate the overall cost to the County given the hypothetical debt financings described below.

Hypothetical Debt Financings

Please explain how your firm would advise the County on each of the following debt financings and provide estimated costs for each should be in a separate envelope. Please use format below to list the expenses for each scenario.

Scenario 1: The County plans to issue \$35 million in general obligation bonds, on a competitive basis, structured over a 15-year term, to finance its 2014 capital program. Describe your firm’s involvement on this bond issue. In addition, please describe the criteria that your firm uses in determining whether a project is eligible for general obligation bond financing.

Scenario 2: The County plans to issue \$20 million in General Airport Revenue Bonds (GARBs), on a negotiated basis, structured over a 25-year term, to finance its Airport capital program. Describe your firm’s involvement on this bond issue.

Scenario 3: The County has entered into a private/public partnership. On behalf of a private organization, the County will serve as a conduit in issuing \$25 million in general obligation bonds, structured over a 20-year term. As part of the issue, the County will receive a portion of the revenues collected by the private entity as a result of the new enterprise. Describe your firm’s involvement on this bond issue.

**Rates would be the same regardless of the financing type and would be the same for the term of the contract.**

**2013 Hour and Rates (A separate set of data in the format below should be used for each scenario. Only the cost data from Scenario 2 will be scored in the cost evaluation) The cost data that will be evaluated in scenario 2 will be based on total costs and the hourly rate for the primary.**

Classification or Position	Name	Estimated Hours	Rate per Hour	2013 Expense
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total 2013 Labor Costs:				_____
Estimate of 2013 Reimbursable Expenses				_____
Total 2013 Expenses				_____

## **DISADVANTAGED BUSINESS ENTERPRISE (DBE) REQUIREMENTS**

For Information regarding the County's DBE Requirements, see Attachment 2

### **H. EVALUATION OF PROPOSALS**

An ad hoc committee appointed by the Comptroller, will evaluate proposals. Finalists are expected to be selected by the committee and may be invited for oral interviews. The evaluation criteria will consist of the following:

- Proposer's Approach to Providing Requested Services (5%)
- Profile of Organization, Summary of Experience/Qualifications, and Reference Evaluation (40%)
- Experience with Various Debt Issuances (35%)
- Proposal Cost (20%)

### **I. TERMS AND CONDITIONS**

The County has the right to reject any and all proposals; to disqualify any proposals not meeting the Request for Proposal due dates; to disqualify any proposals not following Request for Proposal communication procedures; and to disqualify any proposals not responsive to the criteria specified for evaluation. The County has the right to take into consideration the abstract and the formal content of the proposal. The County will not be liable for any costs incurred by proposers prior to the issuance of an agreement nor will pre-agreement costs be authorized to any firm. The County reserves the right to request clarification of submitted information and to request additional information from applicants.

Prior to making a final decision, the County reserves the right to negotiate with the recommended firm(s) any terms and conditions which may be different from those originally proposed or required by this RFP.

All proposals and materials submitted in conjunction with the proposals will become the property of the County.

All contracts will be reviewed and approved, in writing, by the County's Risk Manager for financial responsibility and liability management, including appropriate insurance provisions and modification in indemnity agreements.

If there is a discrepancy between this RFP and the contract, the language of the contract will rule.

### **J. CONTENTS OF PROPOSAL**

All attachments, additional pages, addenda or explanation supplied by the vendor in the submission package will be considered as part of the RFP response. The material will be evaluated as part of the vendor's response to the RFP and will eventually be incorporated as part of the terms and conditions of the successful proposer's contract with Milwaukee County.

Include the cost proposal summary in a separate sealed envelope.

**K. MILWAUKEE COUNTY CONTACT PERSON**

Questions about request for proposal requirements should be put in writing and directed to Pamela Bryant, Capital Finance Manager at [pamela.bryant@milwcnty.com](mailto:pamela.bryant@milwcnty.com). Specific questions regarding the Disadvantage Business Enterprise (DBE) requirements should be directed to the CBDP Compliance Team at [cbdpcpliance@milwcnty.com](mailto:cbdpcpliance@milwcnty.com) or 414.278.4747.

Please do not contact members of the County Board of Supervisors, the County Executive or any other County representatives or employees between September 26, 2013 and the end of the RFP process (signed contract). If you do contact a Milwaukee County representative during this time period, your response should identify, in writing, the name of the party you contacted and the content of the communication. Please also notify Ms. Bryant, in writing, if you contact anyone after your firm’s submission. All communications will be posted on the Milwaukee County website.

**L. CHANGES IN REQUEST FOR PROPOSAL**

If it becomes necessary to revise any part of this RFP or otherwise provide additional information to potential bidders, an addendum or revised RFP will be posted on the County’s website.

**M. PROPOSAL PROCESS TIMELINE AND DUE DATE**

Please Label Proposals with Firm’s Name and Address and “Proposal for Bond Counsel Services”. Eight (8) sealed copies of the proposal for bond counsel services shall be submitted. All eight (8) copies must be received in the Office of the County Clerk, no later than 11:00 am, Central Daylight Time on October, 29, 2013.

**Copies of Proposal to:**  
Scott Manske, Comptroller  
Office of the Comptroller  
C/O Milwaukee County Clerk’s Office  
Courthouse, Room 105  
901 North Ninth Street  
Milwaukee, Wisconsin 53233  
Attention: Pamela Bryant

**OFFICIAL NOTICE NO. 6873  
PROPOSAL FOR BOND COUNSEL SERVICES**

Proposals will be evaluated by a review panel. At the sole discretion of the County, interviews may be held with selective firms. The anticipated schedule of events is shown below:

Action	Date
Request for Proposal Issued	September 26, 2013
Proposals Due to County Clerk	October 29, 2013
Proposals Reviewed	October 29- November 14 2013
Interviews with selected firms(s)	Week of November 11 2013
Intent to award contract	December 2013

**ATTACHMENT 1**

**PROFESSIONAL SERVICE CONTRACT**

**[INSERT BUSINESS NAME]**

This Contract between Milwaukee County, a Wisconsin municipal body corporate (hereinafter called “County”), represented by its **[INSERT DEPARTMENT]**, and **[INSERT BUSINESS NAME]** (hereafter called “Contractor”), as represented by **[NAME]**, [(xxx) xxx-xxxx], is entered into on \_\_\_\_\_, 20\_\_.

1. SCOPE OF SERVICES.

Contractor shall specifically perform all of the tasks set forth in the Scope of Services that was included in the RFP and incorporated herein..

The Contract consists of the following (**number**) documents listed below in the order of precedence that will be followed in resolving any inconsistencies between the terms of the Contract and the terms of any Exhibits, Schedules, or Attachments thereto:

- a) This Professional Service Contract
- b) Request for Proposal
- c)

2. STAFFING.

Contractor’s employees listed below are to be assigned to the project:

	<u>Name</u>	<u>Position</u>	<u>Billing Rate</u>
1.			
2.			
3.			
4.			

Contractor shall not replace [List name(s) and position(s)] without the prior approval of the County. If the successor to said [List name(s) and position(s)] cannot be mutually agreed upon, the County shall have the right to terminate this Contract upon thirty (30) days’ notice. Any replacement of other listed personnel shall be by persons of equal qualifications, which shall be attested to by Contractor. The [List name(s) and position(s)] shall be required to give this contractual obligation top priority.

Contractor represents that its employees and subcontractors possess the necessary skill, expertise, and capability, including sufficient personnel with the necessary qualifications, to perform the services required by this Contract. Contractor shall provide, at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be the employees of, or have any other contractual relationship with, the County.

4. DATES OF PERFORMANCE.

The term of this Contract shall commence upon the execution and, unless terminated earlier in accordance with the provisions hereof, will continue until the latest of (a) December 31, 2016, or (b) such time as the work on financings in progress on December 31, 2016 is completed, or (c) such time as the County Board takes further action designating bond counsel. At its sole option, the County may extend the contract for additional one-year periods beyond December 31, 2016, up to a maximum of three (3) additional years.

5. COMPENSATION.

Contractor shall be compensated for work performed on an hourly basis at the billing rate listed in section 2 of this Contract. As a matter of practice, the County attempts to pay all invoices in thirty (30) days. This compensation shall include any and all out-of-pocket expenses incurred by Contractor or its employees

6. BILLING.

Contractor shall provide County with billings for each financing, which shall include, but not be limited to, the following:

- A. Name
- B. Dates and hours worked
- C. General task performed
- D. Detail out-of-pocket expenses, indicating their purpose such as telephone, travel, hotel, graphic reproduction, postage, etc., for these expenditures provided for in the Contract.

7. OWNERSHIP OF DATA.

Upon completion of the work or upon termination of the Contract, it is understood that all completed or partially completed data, drawings, records, computations, survey information, and all other material that Contractor has collected or prepared in carrying out this Contract shall be provided to and become the exclusive property of the County. Therefore, any reports, information and data, given to or prepared or assembled by Contractor under this Contract shall not be made available to any individual or organization by Contractor without the prior written approval of County.

No reports or documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor.

8. AUDIT AND INSPECTION OF RECORDS.

Contractor shall permit the authorized representatives of County, after reasonable notice, to inspect and audit all data and records of Contractor related to carrying out this Contract for a period up to three (3) years after completion of the Contract. The prime consultant must obtain prior written Milwaukee County approval for all subconsultants and/or associates to be used in performing its contractual obligations. There must be a written contractual agreement between the prime consultant and its County approved subconsultant and/or associates which binds the subconsultant to the same audit contract terms and conditions as the prime consultant.

9. AFFIRMATIVE ACTION.

The Contractor assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Contractor assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Contractor assures that it will require that its covered suborganizations provide assurances to the Contractor that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

10. DISADVANTAGED BUSINESS ENTERPRISE.

The Contractor shall comply with Milwaukee County Ordinance Chapter 42 and CFR 49 part 23, which has an overall goal of seventeen percent (17%) participation of certified disadvantaged, business enterprises (DBE) on professional service contracts. In accordance with this, the Contractor shall ensure that DBE's have the maximum opportunity to participate in this project. The specific goal for this project is \_\_\_\_\_ percent (\_\_\_%).

11. NON-DISCRIMINATION, EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION PROGRAMS.

In the performance of work under this Contract, Contractor shall not discriminate against any employee or applicant for employment because of race, color, national origin, age, sex, or handicap, which shall include, but not be limited to, the following:

Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. Contractor will post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the non-discriminatory clause.

Contractor agrees to strive to implement the principles of equal employment opportunity through an effective Affirmative Action program, and has so indicated on the Equal Employment Opportunity Certificate attached hereto as and made a part of this Contract. The program shall have as its objective to increase the utilization of women, minorities and handicapped persons, and other protected groups, at all levels of employment, in all divisions of Contractor's work force, where these groups may have been previously under-utilized and under-represented. Contractor also agrees that in the event of any dispute as to compliance with the aforesaid requirements, it shall be its responsibility to show that it has met all such requirements.

When a violation of the non-discrimination, equal opportunity or Affirmative Action provisions of this section has been determined by County, Contractor shall immediately be informed of the violation and directed to take all action necessary to halt the violation, as well as such action as may be necessary to correct, if possible, any injustice to any person adversely affected by the violation, and immediately take steps to prevent further violations.

If, after notice of a violation to Contractor, further violations of the section are committed during the term of the Contract, County may terminate the Contract without liability for the uncompleted portion or any materials or services purchased or paid for by the Contractor for use in completing

the Contract, or it may permit Contractor to complete the Contract, but, in either event, Contractor shall be ineligible to bid on any future contracts let by County.

12. INDEMNITY.

Contractor agrees to the fullest extent permitted by law, to indemnify, defend and hold harmless, County, and its agents, officers and employees, from and against all loss or expense including costs and attorney’s fees by reason of statutory benefits under Workers Compensation Laws, or liability for damages including suits at law or in equity, caused by any wrongful, intentional, or negligent act or omission of Contractor, or its (their) agents which may arise out of or are connected with the activities covered by this Contract.

Contractor shall indemnify and save the County harmless from any award of damages and costs against County for any action based on U.S. patent or copyright infringement regarding computers programs involved in the performance of the tasks and services covered by this Agreement.

13. INSURANCE.

The Contractor understands and agrees that financial responsibility for claims or damages to any person, or to Contractor’s employees and agents, shall rest with the Contractor. The Contractor may effect and maintain any insurance coverage, including, but not limited to, Worker’s Compensation, Employers Liability and General Contractual, Profession and Automobile Liability, to support such financial obligations. The indemnification obligation, however, shall not be reduced in any way by existence or non-existence, limitation, amount or type of damages, compensation or benefits payable under Worker’s Compensation laws or other insurance provisions.

The Contractor shall provide evidence of the following coverages and minimum amounts:

<u>Type of Coverage</u>	<u>Minimum Limits</u>
Wisconsin Workers’ Compensation or Proof of All States Coverage	Statutory (waiver of subrogation)
Employer’s Liability	\$100,000/500,000/100,000
Commercial or Comprehensive General Liability Bodily Injury and Property Damage (incl. Personal Injury, Fire Legal, Contractual & Products/Completed Operations)	\$1,000,000 Per Occurrence \$1,000,000 General Aggregate
Professional Liability	\$1,000,000 Per Occurrence \$1,000,000 Aggregate
Automobile Liability Bodily Injury & Property Damage All Autos-Owned, non-owned and/or hired Uninsured Motorists	\$1,000,000 Per Accident Per Wisconsin Requirements

Milwaukee County will be named as an additional insured for General and Automobile Liability, as respects the services provided in this Contract. Disclosure must be made of any non-standard or restrictive additional insured endorsement, and any use of non-standard or restrictive additional insured endorsement will not be acceptable. A certificate indicating the above coverages shall be submitted for review and approval by the County for the duration of this Contract.

Coverages shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best's Key Rating Guide. Additional information as to policy form, retroactive date, discovery provisions and applicable retentions shall be submitted to County, if requested, to obtain approval of insurance requirements. Any deviations, including use of purchasing groups, risk retention groups, etc., or requests for waiver from the above requirements shall be submitted in writing to the County for approval prior to the commencement of activities under this Contract.

The insurance requirements contained within this Agreement are subject to periodic review and adjustment by the County Risk Manager.

A.1. Compliance with Governmental Requirements.

Contractor shall evidence satisfactory compliance for Unemployment Compensation and Social Security reporting as required by Federal and State Laws.

A.2. Professional Liability – Additional Provisions.

Contractor agrees to provide additional information on their professional liability coverages as respects policy type, i.e. errors and omissions for consultants, architects, and/or engineers, etc.; applicable retention levels; coverage form, i.e. claims made, occurrence; discover clause conditions, and effective retroactive and expiration dates, to the County Director of Risk Management and Insurance as may be requested to obtain approval of coverages as respects this section.

It is understood and agreed that coverages which apply to the services inherent in this Contract will be extended for two (2) years after completion of all work contemplated in this project if coverage is written on a claims-made basis.

The Contractor shall certify and make available loss information from any Insurer as to any claims filed or pending against any and all professional liability coverages in effect for the past five (5) years, if requested.

The Contractor shall certify to inform the County of any claims filed for errors and omissions that may be covered under professional coverages pursuant to the work within ten (10) days of notice of the occurrence or claim filing, whichever is sooner.

Deviations and waivers may be requested in writing based on market conditions to the County Director of Risk Management and Insurance. Approval shall be given in writing of any acceptable deviation or waiver to the Contractor prior to the Contractor effecting any change in conditions as contained in this section. Waivers shall not be unduly withheld nor denied without consultation with the Contractor.

It is understood that the Contractor will obtain information on the professional liability coverages of all subcontractors in the same form as specified above for review of the County.

15. PERMITS, TAXES, LICENSES.  
Contractor is responsible for procuring, maintaining and paying for all necessary federal, state, and local permits, licenses, fees and taxes required to carry out the provisions of this Contract.
16. TERMINATION BY CONTRACTOR.  
Contractor may, at its option, terminate this Contract upon the failure of the County to pay any amount which may become due hereunder for a period of ninety (90) days following submission of appropriate billing and supporting documentation. Upon said termination, Contractor shall be paid the compensation due for all services rendered through the date of termination including any retainage.
17. TERMINATION BY COUNTY FOR VIOLATIONS BY CONTRACTOR.  
If the Contractor fails to fulfill its obligations under this Contract in a timely or proper manner, or violates any of its provisions, the County shall there upon have the right to terminate it by giving thirty (30) days written notice of termination of contract, specifying the alleged violations, and effective date of termination. It shall not be terminated if, upon receipt of the notice, Contractor promptly cures the alleged violation prior to the end of the thirty (30) day period. In the event of termination, the County will only be liable for services rendered through the date of termination and not for the uncompleted portion, or for any materials or services purchased or paid for by Contractor for use in completing the Contract.
18. UNRESTRICTED RIGHT OF TERMINATION BY COUNTY.  
The County further reserves the right to terminate the Contract at any time for any reason by giving Contractor thirty (30) days written notice of such termination. In the event of said termination, the Contractor shall reduce its activities hereunder as mutually agreed to, upon receipt of said notice, and turn over all work product to the County. Upon said termination, Contractor shall be paid for all services rendered through the date of termination. This section also applies should the Milwaukee County Board of Supervisors fail to appropriate additional monies required for the completion of the Contract.
19. INDEPENDENT CONTRACTOR.  
Nothing contained in this Contract shall constitute or be construed to create a partnership or joint venture between County or its successors or assigns and Contractor or its successors or assigns. In entering into this Contract, and in acting in compliance herewith, Contractor is at all times acting and performing as an independent contractor, duly authorized to perform the acts required of it hereunder.
20. SUBCONTRACTS.  
Assignment of any portion of the work by subcontract must have the prior written approval of County.
21. ASSIGNMENT LIMITATION.  
This Contract shall be binding upon and inure to the benefit of the parties and their successors and assigns; provided, however, that neither party shall assign its obligations hereunder without the prior written consent of the other.

22. PROHIBITED PRACTICES.

- A. Contractor during the period of this contract shall not hire, retain or utilize for compensation any member, officer, or employee of County or any person who, to the knowledge of Contractor, has a conflict of interest.
- B. Contractor hereby attests that it is familiar with Milwaukee County's Code of Ethics which states, in part, "No person may offer to give to any County officer or employee or his immediate family, and no County officer or employee or his immediate family, may solicit or receive anything of value pursuant to an understanding that such officer's or employee's vote, official actions or judgment would be influenced thereby."

23. NOTICES.

All notices with respect to this Contract shall be in writing. Except as otherwise expressly provided in this Agreement, a notice shall be deemed duly given and received upon delivery, if delivered by hand, or three days after posting via US Mail, to the party addressed as follows:

To Contractor:	To County:
	Department
Attn.:	Attn.:
Address	Address
Address	Address

Either party may designate a new address for purposes of this Lease by written notice to the other party.

24. MISCELLANEOUS.

This Contract shall be interpreted and enforced under the laws and jurisdiction of the State of Wisconsin. This Contract constitutes the entire understanding between the parties and is not subject to amendment unless agreed upon in writing by both parties hereto. Contractor acknowledges and agrees that it will perform its obligations hereunder in compliance with all applicable state, local or federal law, rules and regulations and orders.

25. AUTHORIZATION.

The County has executed this Contract pursuant to action taken by its Board of Supervisors on \_\_\_\_\_, Resolution File No. \_\_\_\_\_.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on the day, month and year first above written.

[Business Name]

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Name, Title

[County Department]

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Name, Title

*Approved as to form and independent status:*

*Reviewed by:*

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Corporation Counsel

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Risk Management

*Approved with regards to County Ordinance Chapter 42:*

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Community Business Development Partners

**ATTACHMENT 2A**



# COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

## DISADVANTAGED BUSINESS ENTERPRISE (DBE) REQUIREMENTS

1. The award of this LEASE CONTRACT is conditioned upon the Good Faith Efforts (GFE) put forth by the bidder/proposer in achieving this project's assigned Disadvantaged Business Enterprise (DBE\*) goal. The bidder/proposer shall ensure that DBEs have the opportunity to participate on this contract.
2. **DBE Goal:** This project's DBE participation goal is 17% of all PROPERTY MAINTENANCE & IMPROVEMENT FUNDS. For purposes of responsiveness, this participation goal shall be met based upon the dollar value of the PROPERTY MAINTENANCE & IMPROVEMENT FUNDS included in the initial offer. As it may be in the best interest of Milwaukee County to accept the inclusion of negotiations, or a best-final offer, verification of DBE participation shall be based upon total PROPERTY MAINTENANCE & IMPROVEMENT FUNDS included in LEASE CONTRACT. Likewise, if the successful LEASEE performs additional PROPERTY MAINTENANCE & IMPROVEMENT work on the PROPERTY, DBE participation shall increase proportionally.

### PRIOR TO BID/PROPOSAL OPENING

3. As a matter of responsiveness, the bidder/proposer shall submit with its original offer, the completed **Subcontractor/Subconsultant/Supplier Information Sheet (DBE-02)** and the signed and notarized **Commitment to Contract with DBE (DBE-14)** form(s). In the event the bidder/proposer is not successful in meeting the DBE goal, a complete **Certificate of Good Faith Efforts (DBE-01)** form and all relevant documentation shall be submitted with the bid/proposal in addition to the aforementioned forms. Milwaukee County's Community Business Development Partners Department (CBDP) reserves the right to reject a bid/proposal, as non-responsive, if the required documentation is not submitted with the original bid/proposal.
4. CBDP determines the sufficiency of the intended contract awardee's good faith efforts undertaken to achieve the assigned DBE participation goal. These efforts are proven by doing either of the following:
  - a. Evidencing that it has met the DBE participation goal by submitting with its bid/proposal a signed and notarized **Commitment to Contract with DBE (DBE-14)** form for each DBE documenting sufficient participation; or
  - b. Documenting the good faith efforts made to meet the DBE participation goal, even though it did not succeed in achieving the goal. In this case, the contractor/consultant shall submit the **Certificate of Good Faith Efforts (DBE-01)** and all relevant documentation, which will include a signed and notarized **Commitment to Contract with DBE (DBE-14)** form for each DBE documenting the participation achieved toward satisfying the goal, with its bid/proposal. CBDP is prohibited, under 49 CFR, Part 26, from ignoring *bona fide* good faith efforts when making determinations on requests for modification of the contract goal, in whole or part. Determinations are made on a contract-by-contract basis.
5. The efforts employed by the bidder/proposer should be those that one could reasonably expect to be taken if the bidder/proposer were actively and aggressively trying to obtain DBE participation sufficient to meet the goal. Mere pro forma efforts are not good faith efforts. (49 CFR, §26.53, and Appendix A to 49 CFR, Part 26, provide guidance regarding GFE).
6. In the event CBDP determines that the bidder/proposer has failed to meet the GFE requirements, the bidder/proposer is entitled to appeal this determination. The provisions of 49 CFR, §26.53(d), apply to such an appeal.
7. Listing a DBE on the **Commitment to Contract with DBE (DBE-14)** form shall constitute a written representation and commitment that the bidder/proposer has communicated and negotiated directly with the DBE firm(s) listed. If awarded the contract, the contractor/consultant shall enter into contract agreement, directly or through subcontractors, with the firm listed on each **Commitment to Contract with DBE (DBE-14)**

\* The term "DBE" means small business concerns known as Disadvantaged Business Enterprise (DBE) firms owned at least 51% by socially and economically disadvantaged individuals, and certified by the State of Wisconsin UCP under CFR, 49 Part 26.



# COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

form for the work and price set forth thereon. The agreement(s) must be submitted to CDBP within seven (7) days from receipt of LEASE award, the "Notice to Proceed," or the purchase order.

8. Bidder/Proposer should note that for the purpose of determining compliance with the DBE requirements of this contract, only DBEs certified by the State of Wisconsin Unified Certification Program (UCP) prior to the bid/proposal submission deadline count towards the satisfaction of the goal. If a bidder/proposer wishes to utilize a DBE certified in another state for credit on this contract, the bidder/proposer shall include a copy of DBE certification from the home state along with its good faith efforts documentation upon submission of bid/proposal as a matter of responsiveness. Additionally, any such named DBE must apply for certification with the Wisconsin UCP prior to bid opening or proposal due date. For assistance related to certified DBE firms, contact the Certification and Compliance Administrator at (414) 278-5037.
9. When evaluating the proposed DBE commitment of bidder/proposer, Milwaukee County reserves the right to request supporting documentation from both the bidder/proposer and any listed DBE. If the information requested is not submitted by the bidder/proposer within the time specified for such submission, Milwaukee County may determine the bidder/proposer to be non-responsive and thereby remove them from further consideration for contract award.

## **FOLLOWING LEASE CONTRACT AWARD**

10. When evaluating the performance of this LEASE CONTRACT after execution, Milwaukee County reserves the right to conduct compliance reviews and request, both from the LEASEE and any subcontractors or sub-leasees, documentation necessary to verify actual level of DBE participation. If the LEASEE is not in compliance with these specifications, CDBP will notify the LEASEE in writing of the corrective action that will bring the LEASEE into compliance. If the LEASEE fails or refuses to take corrective action as directed, Milwaukee County may take one or more of the actions listed below:
  - a. Terminate or cancel the contract, in whole or in part;
  - b. Remove the LEASEE from the list of qualified LEASEES and refuse to accept future bids/proposals for a period not to exceed three (3) years;
  - c. Impose other appropriate sanctions where the failure to meet the DBE contract commitment is the result of a finding by CDBP of less than adequate good faith efforts on the part of the LEASEE; and/or

If the LEASEE has completed its LEASE CONTRACT, and the DBE contract commitment was not met due to an absence of good faith on the part of the LEASEE as determined under 49 CFR, Part 26, the parties agree that the proper measure of damages for such non-compliance shall be the dollar amount of the unmet portion of the DBE contract commitment. The County may bring suit to recover damages up to the amount of the unmet commitment, including interest at the rate of 12% annually, plus the County's costs, expenses and actual attorney's fees incurred in the collection action.

11. LEASEE shall be credited for expenditures to DBE firms toward the requirements, if the entire identified scope of work has a commercially useful function in the actual work of the contract and is performed directly by the listed DBE firm. CDBP, through the application of 49 CFR, §26.55(c), will be responsible for the determination and evaluation of whether or not the firm is performing a commercially useful function on this project.
12. LEASEE is required to notify CDBP if its DBE subcontractor(s) will further subcontract out work on this project. Work will be credited based on actual participation by DBE firms.
13. LEASEE must maintain DBE participation and performance logs. If the DBE firm(s) cannot perform, if the contractor/consultant has a problem in meeting the goal, or any other problem relative to these requirements, the LEASEE shall immediately contact CDBP at (414) 278-4747. The LEASEE must submit written notification of desire for substitution to the DBE affected, and forward a copy to CDBP, specifying the reason for the request, including the performance log. Any DBE so notified has five (5) business days to provide written objection/acceptance to the prime making the notification. The "right to correct" must be afforded any DBE objecting to substitution/termination for less than good cause as determined by CDBP (Refer to 49 CFR §26.53). Approval must be obtained from CDBP prior to making any substitutions. DBE



## COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

contractors are also required to notify and obtain approval from CBDP when further subcontracting out work on this project. In the case of DBE trucking firms, credit will be given for trucks leased from other DBE firms; however, if the DBE leases trucks from non-DBE firms, only the commission or fee will be counted for DBE crediting.

14. **Reporting:** A **DBE Utilization Report (DBE-16)** form shall be submitted quarterly by the LEASEE after LEASE CONTRACT award. This report must be submitted even if no DBE activity took place during the period being reported. LEASEE must indicate work being performed by DBEs by either a) placing the word "DBE" behind the work item or b) breaking out the work done by DBEs at the end of the report. LEASEE shall notify DBEs of the date on which they must submit their invoices for payment. Failure to submit quarterly report may result in sanctions deemed appropriate by Milwaukee County, including those listed in Section (10), above. LEASEE shall submit a **Contract Close-Out DBE Payment Certification (DBE-18)** form completed by the LEASEE and each DBE in a final report.
15. Milwaukee County reserves the right to waive any of these specifications when it is in the best interest of the County and with the concurrence of CBDP.

**ATTACHMENT 2B**





# COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

## COMMITMENT TO CONTRACT WITH DBE

### ADDITIONAL INFORMATION & REQUIREMENTS:

1. The Directory of Certified DBE firms eligible for credit toward the satisfaction of this project's DBE goal will be found at the following link, and can be searched by Name and/or NAICS code.  
<https://app.mylcm.com/wisdot/Reports/WisDotUCPDirectory.aspx>
2. **CONTRACT ADJUSTMENTS:** Prime contractor/consultant shall maintain the approved DBE participation level during the term of the contract with Milwaukee County to include additional work on the contract, e.g., use of allowance, change orders, addendums, extra work, etc. Contract adjustments shall include proportional DBE participation.
3. **WRITTEN CONTRACTS WITH DBEs:** CBDP requires that prime contractors/consultants enter into contract, directly or through subcontractors, with the DBE(s) specifying the work to be completed and the dollar amount as indicated in this form. Agreements must be submitted to CBDP within 7 days of receipt of the Notice-To-Proceed, or execution of the Purchase Order. By executing the above affidavit, your company is certifying, under oath, that you have had contact with the named DBE firm(s), that the DBE firm(s) will be hired, and that the DBE firm(s) will participate to the extent indicated in performance of the contract. VIOLATION OF THE TERMS OF THIS AFFIDAVIT IS GROUNDS FOR TERMINATION OF YOUR CONTRACT.
4. **SUBSTITUTIONS, DBEs SUBCONTRACTING WORK, TRUCKING FIRMS:** The prime contractor/consultant must submit written notification of desire for substitution to the DBE affected, and forward a copy to CBDP, specifying the reason for the request. Any DBE so notified has five (5) business days to provide written objection/acceptance to the prime making the notification. The "right to correct" must be afforded any DBE objecting to substitution/termination for less than good cause as determined by CBDP. Approval must be obtained from CBDP prior to making any substitutions. DBE contractors are also required to notify and obtain approval from CBDP prior to seeking to subcontract out work on this project. In the case of DBE trucking firms, credit will be given for trucks leased from other DBE firms; however, if the DBE leases trucks from non-DBE firms, only the commission or fee will be counted for DBE crediting.
5. **REQUESTS FOR PAYMENT:** Contractor/Consultant must indicate on the Continuation Sheet (AIA form G703) the work being performed by DBEs by either a) placing the word "DBE" behind the work item or b) breaking out the work done by DBEs at the end of the report. Prime contractor/consultant shall notify DBEs of the date on which they must submit their invoices for payment.
6. **DBE UTILIZATION REPORTS:** A DBE Utilization Report (DBE-16) must be submitted with each request for payment for the period's activity, even if no activity takes place during the period being reported. Payments will be withheld from all prime contractors/consultants not in compliance.

If you have any questions on forms or related to Milwaukee County's DBE Program, please contact  
CBDP Compliance Team / [cbdpcompliance@milwcnty.com](mailto:cbdpcompliance@milwcnty.com) / 414.278.4747

**ATTACHMENT 2C**



**ATTACHMENT 2D**



# COMMUNITY BUSINESS DEVELOPMENT PARTNERS MILWAUKEE COUNTY

## CERTIFICATE OF GOOD FAITH EFFORTS

The intent of this certification is to document the good faith efforts implemented by the contract bidder/proposer in soliciting and utilizing certified firms to meet this project's participation goal. This certificate will assist Milwaukee County in determining whether the bidder/proposer has implemented comprehensive good faith efforts.

Failure to demonstrate good faith efforts to meet the assigned participation goal to the satisfaction of Milwaukee County could result in the rejection of the bid/proposal.

I, \_\_\_\_\_, do hereby acknowledge that I am the \_\_\_\_\_ of \_\_\_\_\_, who has been identified as a bidder/proposer on the following Milwaukee County Project:

Project No.	Project Title	Total Contract Amount	DBE Percentage	
			Goal	Pledged

Provide a brief summary on why you believe your firm is unable to meet the participation goal on this project. (Attach additional pages if necessary)


I hereby certify that I have utilized comprehensive good faith efforts to solicit and utilize certified firms to meet the participation goal of this contract, as demonstrated by my responses to the following questions:

### **A. Identifying Contractible Work Items**

Bidder/Proposer is encouraged to select portions of work to be contracted in a manner that will increase the likelihood of meeting the participation goal. In selecting work to be contracted, bidder/proposer will consider, where appropriate, breaking down contracts into economically feasible units to facilitate small business participation.

1. Which portion(s) or section(s) of the contract, in terms of the nature of work, was/were selected to be contracted to certified firms (or broken down into economically feasible units to facilitate participation)?


**B. Notifying Certified Firms of Contracting Opportunities**

2. In the table below, indicate which certified firms received written notification of work items to be subcontracted. In the appropriate space, also indicate when firms received subsequent telephone solicitations. Include copies of written solicitations to certified firms. (Attach additional pages if necessary)

Certified Firm Contacted	Date of Written Notification	DBE (Yes/No)	Date of Follow-up Telephone Call

3. Identify publications in which announcements or notifications were placed and published, if any. Include a copy of each announcement or notification.

Published Announcement/Publication (please describe)	Date

4. Identify minority and/or women’s associations or organizations that received written notifications, including dates of notifications. Provide name of person and date of follow-up call. If no follow-up calls made, explain why not. Include copies of letters sent.

Association/Organization	Date of Notification	Contact Person	Date of Follow-Up Call

5. Were the services of Milwaukee County’s Community Business Development Partners Department (CBDP) used to assist in the recruitment of certified firms?

Yes \_\_\_\_\_ No \_\_\_\_\_

Contact was made by: Telephone \_\_\_\_\_ Correspondence \_\_\_\_\_

Date contacted: \_\_\_\_\_ Person Contacted: \_\_\_\_\_

**C. Providing Certified Firms With Assistance**

6. Explain any efforts undertaken to provide certified firms with adequate information about project scope of work and requirements of the contract.


7. Describe any efforts undertaken to assist certified firms in obtaining lines of credit or insurance required by Milwaukee County and/or the contractor/consultant.


8. Describe any other efforts initiated to provide special assistance to certified firms interested in participating in the project.


**D. Soliciting Proposal/Quotes From Interested Certified Firms**

Bidder/Proposer must solicit quotes in good faith with interested certified firms. Quotes, proposals and/or bids, from interested certified firms shall not be rejected without sound justification.

9. Indicate, in the table below, which certified firms submitted quotes on the contract. Also, if any quotes of certified firms were rejected, provide a brief explanation as to why. Include copies of all quotes received for this project. (Attach additional pages if necessary)

Name, Phone & Address of Contact Person at Certified Firm	Work Quoted and Explanation for Rejecting Quotes

10. Please include all other comments you want Milwaukee County to consider. (Attach additional pages if necessary)


**NOTE:** The information requested as set forth above is the minimum information required by Milwaukee County's Community Business Development Partners Department (CBDP) and CBDP may request the bidder/proposer to submit information on other actions taken to secure participation of certified firms in an effort to meet the contract goal.

### **AFFIDAVIT OF CERTIFICATION**

The undersigned, having been first duly sworn, affirms that the information given in the above certificate is true and correct to the best of his/her knowledge and belief.

Signed: \_\_\_\_\_

Authorized Representative

Subscribed and sworn to before me:

This \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_, 20 \_\_\_\_.

# **GUIDANCE CONCERNING GOOD FAITH EFFORTS**

When Milwaukee County assigns a participation goal, a bidder/proposer shall, in order to be responsive, make good faith efforts to meet this published goal. The bidder/proposer can meet this requirement in either of two ways. First, the bidder/proposer can meet or exceed the goal by documenting commitments for participation by certified firms sufficient for this purpose. Second, even if it doesn't meet the goal, the bidder/proposer can document adequate good faith efforts toward that end. This means that the bidder/proposer must show that it took all necessary and reasonable steps to achieve the participation goal, which, by their scope, intensity and appropriateness to the objective; could reasonably be expected to obtain sufficient participation, even if they were not fully successful.

Any situation in which Milwaukee County has assigned a participation goal on a contract requires the use of the good faith effort mechanism delineated herein. CBDP will make a fair and reasonable judgment as to whether a bidder/proposer that did not meet the goal made adequate good faith efforts according to these guidelines. It is important to consider the quality, quantity, and intensity of the different kinds of efforts that the bidder/proposer has made. The efforts employed by the bidder/proposer should be those that one could reasonably expect a bidder/proposer to take if the bidder/proposer were actively and aggressively trying to obtain participation sufficient to meet the participation goal. Mere pro forma efforts are not good faith efforts to meet the contract requirements. CBDP determination concerning the sufficiency of the firm's good faith efforts is a judgment call: meeting quantitative formulas is not required.

The following is a list of types of actions, which Milwaukee County will consider as part of the bidder/proposer's good faith efforts to obtain participation of certified firms. It is not intended to be a mandatory checklist, nor is it intended to be exclusive or exhaustive. Other factors or types of efforts may be relevant in appropriate cases:

1. Soliciting, through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices), the interest of all certified firms who have the capability to perform the work of the contract. The bidder/proposer must solicit this interest within sufficient time to allow the certified firms to respond to the solicitation. The bidder/proposer must determine with certainty that the certified firms are interested by taking appropriate steps to follow up initial solicitations.
2. Selecting portions of the work to be performed by certified firms in order to increase the likelihood that the participation goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate participation, even when the prime contractor/consultant might otherwise prefer to perform these work items with its own forces.
3. Providing interested certified firms with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
4. Negotiating in good faith with interested certified firms.
  - a. It is the bidder/proposer's responsibility to make a portion of the work available to certified firms and to select those portions of the work consistent with the available certified firms, so as to facilitate participation. Evidence of such negotiation includes the names, addresses, and telephone numbers of certified firms that were considered; a description of the information provided regarding the plans and specifications for the work selected for contracting; and evidence as to why additional agreements could not be reached for certified firms to perform the work.
  - b. A bidder/proposer using good business judgment would consider a number of factors in negotiating with subcontractors, including certified subcontractors, and would take a firm's price and capabilities as well as contract goals into consideration. However, **the fact that there may be some additional costs involved in finding and using certified firms is not in itself sufficient reason for a bidder/proposer's failure to meet the participation goal, as long as reasonable.** Also, the ability or desire of a bidder/proposer

to do the work of a contract with its own organization does not relieve it of the responsibility to make good faith efforts. Bidders/Proposers are not, however, required to accept higher quotes from certified firms if the price difference is excessive or unreasonable.

5. Not rejecting certified firms as being unqualified without sound reasons based on a thorough investigation of their capabilities. The bidder/proposer's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the bidder/proposer's efforts to meet the project goal.
6. Making efforts to assist interested certified firms in obtaining lines of credit or insurance as required by Milwaukee County or the bidder/proposer.
7. Making efforts to assist interested certified firms in obtaining necessary resources or related assistance or services.
8. Effectively using the services of available minority/women community organizations; minority/women contractors' groups; local, state, and Federal minority/women business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the recruitment and placement of certified firms.

In determining whether a bidder/proposer has made good faith efforts, Milwaukee County may take into account the performance of other bidders/proposers in meeting the contract goal. For example, when the apparent successful bidder/proposer fails to meet the contract goal, but others meet it, Milwaukee County may reasonably raise the question of whether, with additional reasonable efforts, the apparent successful bidder/proposer could have met the goal. If the apparent successful bidder/proposer fails to meet the goal, but meets or exceeds the average participation obtained by other bidder/proposers, Milwaukee County may view this, in conjunction with other factors, as evidence of the apparent successful bidder/proposer having made good faith efforts.

The Comptroller requests authorization to enter into an Agreement for Bond Counsel Services with Quarles and Brady LLP and to retain Crump Law Firm, LLC as the Co-Bond Counsel/Disadvantage Business Enterprise (DBE) participant for a term of one year with two one-year options:

### A RESOLUTION

WHEREAS, in September 2013, the Office of the Comptroller issued a Request for Proposals (RFP) for Bond Counsel Services.

WHEREAS, the purpose of the RFP was to solicit information from qualified firms;  
and

WHEREAS, the scope of services for bond counsel services include:

- Assisting in the drafting of proposed legislation or ordinances related to County debt issuance, including legislation at any level of government;
- Reviewing the eligibility of projects proposed for debt financing and consult with County committees and officers and staff and investment bankers or financial advisors regarding legal aspects for proposed financings;
- Informing County officials about changes in State and Federal legislation regarding debt and tax regulations and assist the County in complying with regulations such as federal arbitrage rebate requirements or project expenditure targets;
- Preparing all proceedings and documents relating to each financing including public hearing notices, notices of sale, authorizing resolutions, closing documents and those portions of the official statement which describe the bonds within the time frames established by the Office of the Comptroller;
- Offering general assistance in concert with the County's financial advisor to help ensure that the County complies with disclosure guidelines and advise the County with respect to "undertaking" regarding primary and secondary market disclosure;
- Meeting with representatives of the credit rating agencies or bond insurers, if required, to present information about proposed financings;
- Upon request, providing written legal opinions in addition to the bond counsel opinions provided for the official statements for the financings;
- Attending Finance, Personnel, and Audit Committee and County Board meetings, as requested, to answer questions about proposed financings proposals;
- Preparing closing documents and supervise closing and prepare a compilation of all important documents, contracts and records associated with each financing;

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- Issuing an approving opinion with respect to each financing when authorization and issuance is duly accomplished;
  - Assisting County officials in evaluating alternative financing proposals from a legal perspective, as requested;
  - Possessing familiarity with various types of bond financings and well as capital leases;
  - Performing other general services and provide advice related to debt financing as may be requested by the County throughout the year;
  - Assisting with continuing disclosure and compliance for bond transactions;
  - Possessing familiarity with various types of bond financings and well as capital leases; and

54

55 WHEREAS, the RFP was issued on September 29, 2013 and notice of it was

56 published in the Bond Buyer and the Daily Reporter; and,

57

58 WHEREAS, the Office of the Comptroller received seven responses that were

59 reviewed by a panel that consisted of a representative from the Public Policy Forum, the

60 Village of Greendale, Milwaukee Metropolitan Sewerage District (MMSD) and Milwaukee

61 County (Department of Transportation)

62

63 WHEREAS, the recommendation of the firm to perform Bond Counsel Services for

64 Milwaukee County was determined by the RFP selection panel after reviewing all seven

65 proposals and interviewing selected firms; and,

66

67 WHEREAS, the consensus recommendation of the panel was that Quarles and Brady

68 LLP (Quarles and Brady) provide Bond Counsel Services for Milwaukee County; and,

69 WHEREAS, Crump Law Firm, LLC (Crump) will serve as co-bond counsel; and,

70

71 WHEREAS, Crump is certified as a Disadvantaged Business Enterprise with the

72 Wisconsin Department of Administration and is located in the City of Milwaukee; and,

73

74 WHEREAS, the agreement will be based on an hourly rate for bond counsel and co-

75 bond counsel; and,

76

77 WHEREAS, a majority of the costs will be financed by bond proceeds; and,

78

79 WHEREAS, services that are provided that are unrelated to a particular issuance will

80 be financed by tax levy that is included annually in the Debt Issue Expense budget; now

81 therefore,

82 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes

83 the Office of the Comptroller, Corporation Counsel and Risk Management staff to

84 negotiate, prepare, review, approve, execute and record all documents and perform all

85 actions required to enter into an Agreement for Bond Counsel Services between

86 Milwaukee County and Quarles and Brady LLP and Crump Law Firm, LLC as the DBE

87 participant for a term of one year with mutual options of two one year extensions or such  
88 time as the work on financings in progress are completed.

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 11/25/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** Requesting Authorization to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and to retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with two one-year options

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	See Below
	Revenue	0	See Below
	Net Cost	0	See Below
<b>Capital Improvement Budget</b>	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. The Office of the Comptroller is requesting the approval of the attached resolution to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with mutual options of two one year extensions.

B. The agreement for bond counsel services will be based on an hourly rate for bond counsel and co-bond counsel. A majority of the costs will be financed by bond proceeds. Bond Counsel fees for an individual bond issuance can range from \$25,000 to \$100,000.

Services that are provided that are unrelated to a particular issuance will be financed by tax levy that is included annually in the Debt Issue Expense budget.

C. There is no 2013 impact of this action since the new contract will not begin until after the end of 2013. There is no impact to the 2014 budget since the costs will be absorbed by either the levy included in the Debt Issue Expense Budget or proceeds from any 2014 financings.

The firms providing the services generally perform work relating to bond issuances that are approved by the County Board throughout the year. These costs are built into the cost of issuance expenses for particular bond issuances. The costs are financed by bond proceeds and are paid back through debt service payments. Any work not associated with bond issuances is financed by the \$11,500 that is included in Org. Unit 1987 Debt Issue Expense.

D. It is assumed that the amount of bond counsel services provided not related to bond issuances will be limited to \$11,500 or less.

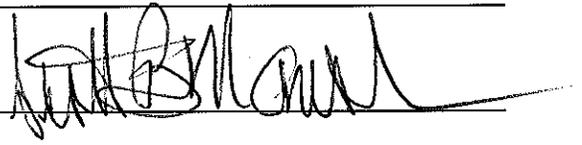
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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

Department/Prepared By Justin Rodriguez

Authorized Signature

A handwritten signature in black ink, appearing to read "Justin Rodriguez", written over a horizontal line.

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

MILWAUKEE COUNTY FISCAL NOTE FORM

**REVISED**

DATE: 12/3/13

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT: Requesting Authorization to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and to retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with two one-year options**

**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
<b>Operating Budget</b>	Expenditure	0	See Below
	Revenue	0	See Below
	Net Cost	0	See Below
<b>Capital Improvement Budget</b>	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.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
  - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
  - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
- A. The Office of the Comptroller is requesting the approval of the attached resolution to enter into an agreement for Bond Counsel Services with Quarles and Brady LLP and retain Crump Law Firm, LLC as Co-Bond Counsel for a term of one-year with mutual options of two one year extensions.
  - B. The agreement for bond counsel services will be based on an hourly rate for bond counsel and co-bond counsel. The anticipated hourly rate for the primary attorney of Quarles and Brady LLP is \$485 and the hourly rate for the primary attorney of Crump Law Firm LLC is \$250. A majority of the costs will be financed by bond proceeds. Bond Counsel fees for an individual bond issuance can range from \$25,000 to \$100,000.

Services that are provided that are unrelated to a particular issuance will be financed by tax levy that is included annually in the Debt Issue Expense budget.

- C. There is no 2013 impact of this action since the new contract will not begin until after the end of 2013. There is no impact to the 2014 budget since the costs will be absorbed by either the levy included in the Debt Issue Expense Budget or proceeds from any 2014 financings.

The firms providing the services generally perform work relating to bond issuances that are approved by the County Board throughout the year. These costs are built into the cost of issuance expenses for particular bond issuances. The costs are financed by bond proceeds and are paid back through debt service payments. Any work not associated with bond issuances is financed by the \$11,500 that is included in Org. Unit 1987 Debt Issue Expense.

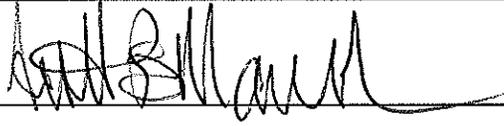
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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

D. It is assumed that the amount of bond counsel services provided not related to bond issuances will be limited to \$11,500 or less.

Department/Prepared By Justin Rodriguez

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

DATE : November 21, 2013  
TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors  
FROM : Scott B. Manske, Comptroller  
SUBJECT: Report of Professional Service Contracts – 3rd Quarter of 2013 – (For  
Information Only)

**Policy Issue**

Pursuant to County Ordinance 56.30(8), attached is a summary of professional service contract notifications received by the Office of the Comptroller from July 1, 2013 through September 30, 2013.

The notification of a professional service contract has to be received in the Comptroller's office prior to any payment being made on a contract.

The data for the quarter listed above, does not include DBE participation for subcontractors. DBE participation data is reported separately by the Community Business Development Partners office and is no longer included in this report.

**Committee Action**

This is an informational report only. This report should be referred to and reviewed by the Finance and Audit Committee.



\_\_\_\_\_  
Scott B. Manske  
Comptroller

**Attachments**

cc: Chris Abele, County Executive  
Don Tyler, Director, Department of Administrative Services  
Josh Fudge, Fiscal and Budget Administrator  
Jerome Heer, Director of Audit  
Ruben Anthony, Community Business Development Partners  
Stephen Cady, Fiscal and Budget Analyst, County Board  
Janelle Jensen, Head Committee Clerk, County Board

**SUMMARY OF PROFESSIONAL SERVICE CONTRACTS  
REPORTED TO OFFICE OF COMPTROLLER**

**\*NO APPROVAL REQUIRED FOR:**

- A - Capital Projects
- B - Capital/Major Maintenance Under \$50,000
- C - Operating Contracts Under \$100,000
- D - Annual T&M Contracts (Approval obtained on Project-by-Project Basis)
- + - Represents increase to Existing Contract

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

ORG	DEPT & VENDOR	ORIGINAL CONTRACT TOTAL + INCREASE	ACCOUNT CHARGED	DATE INITIATED	MONTHS	PURPOSE	APPROVED BY COUNTY BD (FILE #)	EXCLUDED FROM COUNTY BD APPROVAL?	IS VENDOR DBE CERTIFIED?	CBDP NOTIFIED B4 AWARD OF CONTRACT?
<b>1040 COMM BUSINESS DEVELOP PARTNERS</b>										
	GONZALEZ, SAGGIO & HARLAN, LLP.	\$56,190 +	6106	05/13	8	CONSULT ON MILW. COUNTY'S COMPLIANCE WITH ALL APPLICABLE PORTIONS OF FEDERAL RULE 49 CFR PART 26, INCLUDING: ASSIST THE CDBP OFFICE AND AIRPORT ADMIN. WITH COMPLIANCE FOR CONCESSIONS AND GENERAL-GOAL SETTING AND COMPLIANCE WITH 49 CFR 26, ETC.	--	C	N	Y
	ROWJAC CONSULTING, LLC.	\$45,000	6106	07/13	6	PERFORM THE ROLE OF DIRECTOR OF AN INTERIM BASIS FOR MILWAUKEE COUNTY'S COMMUNITY BUSINESS DEVELOPMENT PARTNERS' OFFICE.	--	C	N	Y
<b>1130 CORPORATION COUNSEL</b>										
	GONZALEZ, SAGGIO & HARLAN, LLP.	\$25,000	8405	08/12	INDEFINITE	PROVIDE A LEGAL OPINION.	--	C	N	Y
<b>1150 DAS-RISK MANAGEMENT</b>										
	REGNIER CONSULTING GROUP	\$37,050 +	6148	01/13	12	2013 UNPAID LIABILITY ANALYSIS AND 2014 CROSS CHARGES.	--	C	N	Y
<b>1190 DAS--ECON &amp; COMM DEVELOPMENT</b>										
	G.R.W., INC.	\$119,210 +	6149	03/13	8.5	PROVIDE FOR THE UPDATE OF EXISTING DIGITAL PLANIMETRIC FEATURE MAP DATABASES.	13-69	--	N	Y
<b>1200 HIGHWAYS &amp; BRIDGES</b>										
	G.J. MEISBAUER ASSOCIATES, INC.	\$126,452 +	8526	09/13	4	UPDATE CONSULTANTS ORIGINAL CONTRACT TO ACTUAL PARCEL COUNTS AND SERVICES PROVIDED FOR RIGHT OF WAY NEGOTIATIONS AND ACQUISITIONS REGARDING THE HIGHWAY PROJECT AT S. 76TH ST, PUETZ TO IMPERIAL, WISDOT ID#2160-10-20.	--	A	Y	Y
	K. SINGH & ASSOCIATES, INC.	\$79,854	6146	09/13	28	ADMINISTER AND COORDINATE, SURVEY, AGENCY AND UTILITY COORDINATION, OVERSIGHT AND REVIEW OF SECTION 106 AND HISTORIC REPORT, PRELIMINARY AND FINAL ROADWAY AND STRUCTURE PLANS, PUBLIC INVOLVEMENT, PS&E AND OTHER SERVICES PROVIDED IN P-40-0713.	--	A	Y	Y

+ Increase to existing contract

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

ORG	DEPT & VENDOR	ORIGINAL CONTRACT TOTAL + INCREASE	ACCOUNT CHARGED	DATE INITIATED	MONTHS	PURPOSE	APPROVED BY COUNTY BD (FILE #)	EXCLUDED FROM COUNTY BD APPROVAL?	IS VENDOR DBE CERTIFIED?	CBDP NOTIFIED B4 AWARD OF CONTRACT?
	K. SINGH & ASSOCIATES, INC.	\$79,854	6146	09/13	28	ADMINISTER AND COORDINATE, SURVEY, AGENCY AND UTILITY COORDINATION, OVERSIGHT AND REVIEW OF SECTION 106 AND HISTORIC REPORT, PRELIMINARY AND FINAL ROADWAY AND STRUCTURE PLANS, PUBLIC INVOLVEMENT, PS&E AND OTHER SERVICES PROVIDED IN P-40-0721.	--	A	Y	Y
	K. SINGH & ASSOCIATES, INC.	+ \$58,017 \$9,796	6146	09/12	19	RECONFIGURE PER THE REVISED SCOPE FOR THE SOIL INVESTIGATIONS AND A RETAINING WALL DESIGN FOR THE BOX CULVERT EXTENSION ON S. 76TH ST, PUETZ TO IMPERIAL, STATE ID #2160-10-00.	--	A	Y	Y
	TOKI & ASSOCIATES, INC.	\$29,257	6146	07/13	9	PREPARE PLANS, SPECIFICATIONS AND ESTIMATES FOR THE REPLACEMENT OF THE RYAN ROAD CULVERT EAST OF 112TH ST.	--	A	Y	Y
<b>1300</b>	<b>AIRPORT</b>									
	GRAEF	+ \$447,955 \$125,337	6146	07/13	5	TERMINAL ROADWAY SIGNAGE DESIGN AT GMIA. FEE INCREASE #3.	--	A	N	N
	HAMMEL GREEN AND ABRAHAMSON, INC.	+ \$459,945 \$1,000	6146	05/13	7	GMIA REDUNDANT MAIN ELECTRICAL FEEDER. CORRECTION TO FEE INCREASE #4.	--	A	N	Y
	GRAEF	+ \$161,954 \$13,400	6146	07/13	5	GMIA HVAC SYSTEM RETRO COMMISSIONING. FEE INCREASE #1.	--	A	N	N
	GRAEF	+ \$91,345 \$33,588	6146	07/13	5	GMIA FUEL FARM ELECTRICAL UPGRADE. FEE INCREASE #1.	--	A	N	N
<b>1375</b>	<b>ENVIRONMENTAL</b>									
	AECOM	\$124,905	6146	07/13	5	RAWSON AVE. LIFT STATION REPAIRS.	--	A	N	N
	AECOM	\$59,209	6146	07/13	5	FRANKLIN LANDFILL INFRASTRUCTURE.	--	A	N	N
<b>1400</b>	<b>PARKS</b>									
	HUNZINGER CONSTRUCTION COMPANY	+ \$252,545 \$49,938	6146	08/13	5	MITCHELL PARK GREENHOUSE FACILITIES: CONSTRUCTION MANAGEMENT SERVICES. FEE INCREASE #1.	--	A	N	N
	GILES ENGINEERING & ASSOCIATES	+ \$74,797 \$55,977	6146	08/13	5	MITCHELL PARK GREENHOUSE FACILITIES: QUALITY ASSURANCE TESTING. FEE INCREASE #1.	--	A	N	N
	HARWOOD ENGINEERING CONSULTANTS, LTD.	\$83,431	6146	08/13	4	MLK COMMUNITY CENTER HVAC SYSTEM REPLACEMENT.	--	A	N	N

+ Increase to existing contract

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

ORG	DEPT & VENDOR	ORIGINAL CONTRACT TOTAL + INCREASE	ACCOUNT CHARGED	DATE INITIATED	MONTHS	PURPOSE	APPROVED BY COUNTY BD (FILE #)	EXCLUDED FROM COUNTY BD APPROVAL?	IS VENDOR DBE CERTIFIED?	CBDP NOTIFIED B4 AWARD OF CONTRACT?
<b>1750 COURTHOUSE COMPLEX</b>										
	BOER ARCHITECTS, INC.	\$50,066 + \$3,556	6146	07/13	5	DOMESTIC VIOLENCE UNIT. FEE INCREASE #3.	--	A	N	N
	QUORUM ARCHITECTS, INC.	\$23,230	6146	08/13	5	COURTHOUSE LIGHT COURT WINDOW REPLACEMENT: LIGHT COURT #3.	--	A	N	N
<b>1850 OTHER AGENCIES</b>										
	INSPEC, INC.	\$936,836 + \$94,000	6146	08/13	5	PRECAST PANEL FAILURE AT THE O'DONNELL PARK PARKING STRUCTURE. FEE INCREASE #2.	--	A	N	N
	MICHAEL, BEST & FRIEDRICH, LLP.	\$370,000 + \$47,405	6106	12/12	ONGOING	REPRESENTING MILW. COUNTY IN LAND ACQUISITIONS, SALES, CONVEYANCES, ETC. REGARDING IMPACT FROM ZOO INTERCHANGE RECONSTRUCTION PROJECT.	12-865	--	N	Y
	ARNOLD & O'SHERIDAN, INC.	\$313,800 + \$1,550	6146	08/13	6	MARCUS CENTER HVAC RETROFIT ELEVATOR. FEE INCREASE #4.	--	A	N	N
	CONTINUUM ARCHITECTS + PLANNERS, S.C.	\$234,632	6148	09/13	10	CENTRAL FLEET MAINTENANCE BUILDING MODIFICATION.	--	A	N	N
	EDEN ENTERPRISES, LLC.	\$99,999 + \$50,000	6146	01/13	12	WINDOWS/OFFICE 365 PLANNING AND IMPLEMENTATION.	--	A	Y	Y
	BARRIENTOS DESIGN & CONSULTING	\$76,848 + \$12,848	6146	08/13	6	MRMC REPLACEMENT WAREHOUSE FACILITY ASSESSMENT. FEE INCREASE #2.	--	A	N	N
	TELECO SYSTEMS, INC.	\$60,440 + \$8,050	6146	06/13	6	REWIRE COUNTY FACILITIES. FEE INCREASE #2.	--	A	N	N
	ARNOLD & O'SHERIDAN, INC.	\$57,900	6146	07/13	5	CLEAN AGENT FIRE SUPPRESSION SYSTEM AND DATA CENTER EQUIPMENT.	--	A	N	N
	GRAEF-USA, INC.	\$22,700 + \$10,500	6146	08/13	6	COUNTY GROUNDS BUILDING FAÇADE REPAIRS. FEE INCREASE #1.	--	A	N	N
	TRAFFIC ANALYSIS & DESIGN, INC.	\$15,756	6146	06/13	6	ZOO IC ZOO TRAFFIC STUDY.	--	A	N	N

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

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<b>1961 LITIGATION RESERVE</b>										
	WHYTE HIRSCHBOECK DUDEK, SC.	\$125,000 + \$25,000	6149	02/12	INDEFINITE	REPRESENT MILWAUKEE COUNTY IN MATTERS RELATING TO THE PROSECUTION OF ANY CLAIMS THAT IT MAY HAVE AGAINST POTENTIALLY RESPONSIBLE PARTIES FOR LOSS OR DAMAGES RELATING TO THE FAILURE OF THE O'DONNELL PARK PARKING STRUCTURE.	\$300 M	--	N	Y
	HAWKS QUINDEL, SC.	\$50,000	6149	06/13	INDEFINITE	LEGAL COUNSEL FOR THE MILWAUKEE COUNTY BOARD TO PROVIDE ADVICE AS SET FORTH IN FILE NOS. 13-411 AND 13-569.	13-569	--	N	Y
	HANSEN REYNOLDS DICKINSON CRUEGER, LLC.	\$49,999	6149	06/13	INDEFINITE	PROVIDE ADVICE REGARDING THE RFP PROCESS FOR TRANSIT MANAGEMENT SERVICES.	--	C	N	Y
<b>1974 PARKS NON-DEPT</b>										
	RICK CLARK	\$26,500 + \$6,000	8299	01/13	12	ADMINISTER AND MANAGE THE CAMPAC FUND, INTERACT WITH CULTURAL COMMUNITY AND PERFORMING GROUPS THAT RECEIVE GRANTS FROM MILW. COUNTY.	--	C	Y	Y
<b>1987 DEBT ISSUANCE EXPENSE</b>										
	PUBLIC FINANCIAL MANAGEMENT, INC.	\$77,710	8026	01/11	36	PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013B TAXABLE GENERAL OBLIGATION REFUNDING NOTES.	13-251	--	N	Y
	MOODYS INVESTORS SERVICE	\$51,200	8026	03/13	3	PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013B PENSION REFUNDING BONDS AND THE 2013A CP BONDS.	13- 105/13- 251	--	N	Y
	PUBLIC FINANCIAL MANAGEMENT, INC.	\$43,172	8026	01/11	36	PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013A CORPORATE PURPOSE BOND ISSUANCES.	13-105	--	N	Y
	CHAMPMAN AND CUTLER	\$40,399	8026	01/13	12	PROFESSIONAL SERVICES RELATING TO THE ISSUANCE OF \$99,300,000 2013B TAXABLE GENERAL OBLIGATIONS PENSION REFUNDING BONDS.	13-251	--	N	Y
	STANDARD AND POOR'S	\$40,000	8026	03/13	3	ANALYTICAL SERVICES RENDERED IN CONNECTION WITH THE 2013B TAXABLE GENERAL OBLIGATION REFUNDING BONDS AND THE 2013A CORP PURPOSE BONDS.	13- 251/13- 105	--	N	N
<b>1989 INVESTMENT MANAGEMENT FEE</b>										
	ALBERTS INVESTMENT MANAGEMENT, INC.	\$463,209 + \$110,000	6025	08/09	60	INVESTMENT ADVISORY SERVICES.	09-237	--	N	Y

+ Increase to existing contract

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

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	DANA INVESTMENT ADVISORS, INC.	\$362,717 + \$85,000	6025	08/09	60	INVESTMENT ADVISORY SERVICES.	09-237	--	N	Y
	BMO HARRIS BANK, N.A.	\$219,700 + \$50,000	6025	08/09	60	INVESTMENT ADVISORY SERVICES.	09-237	--	N	Y
<b>2900</b>	<b>DEPT OF PRE-TRIAL SERVICES</b>									
	WISCONSIN COMMUNITY SERVICES, INC.	\$417,879 + \$1,079	6148	01/13	12	PROVIDE INTENSIVE MONITORING OF DEFENDANTS CHARGED WITH A SECOND OR SUBSEQUENT OWI, INCLUDING RANDOM DRUG TESTING AND THE USE OF 37 SCRAM UNITS. THERE IS NO FISCAL IMPACT ASSOCIATED WITH THIS CONTRACT AMENDMENT.	13-385	--	N	Y
<b>4300</b>	<b>HOUSE OF CORRECTION</b>									
	ARMOR CORRECTIONAL HEALTH SERVICES, INC.	\$9,142,361	6109	05/13	12	COURT ORDERED OUTSOURCED INMATE HEALTH SERVICES.	COURT ORDER	--	Y	Y
	DR. RONALD M. SHANSKY, M.D.S.C.	\$85,000 + \$35,000	6148	12/07	ONGOING	COURT APPOINTED MEDICAL MONITOR PER THE APPROVED SETTLEMENT AGREEMENT IN CASE 96-CV- 001835.	COURT ORDER	--	N	Y
<b>4500</b>	<b>DISTRICT ATTORNEY</b>									
	CHRISTOPHER T. TYRE, PH.D.	\$2,100	6109	04/13	3	FORENSIC PSYCHOLOGIST TO CONDUCT EVALUATIONS, REPORT HIS FINDINGS, AND CONSULTS WITH THE PROSECUTOR ON CASE 96CF961237.	--	C	N	N
	BEHAVIORAL CONSULTANTS	\$1,912	6109	04/13	2	FORENSIC PSYCHOLOGIST TO EVALUATE AN INDIVIDUAL IN THE CIRCUIT COURT CASE 12CF005065.	--	C	N	N
	MEDICAL COLLEGE OF WISCONSIN	\$1,600	6109	02/13	5	MEDICAL DOCTOR FROM THE MEDICAL COLLEGE OF WISCONSIN AS AN EXPERT WITNESS IN A CHILD HOMICIDE PROSECUTION.	--	C	N	N
<b>4900</b>	<b>MEDICAL EXAMINER</b>									
	LAKE COUNTRY PATHOLOGISTS	\$31,250	6148	05/13	8	PART-TIME FORENSIC LABORATORY OVERSIGHT AS PER NATIONAL ASSOCIATION OF MEDICAL EXAMINER'S ACCREDITING GUIDELINES.	--	C	N	Y
	DONALD O. SIMLEY II, DDS.	\$150	6109	06/13	1	FORENSIC DENTAL EXAMINATION OF SUBMITTED POSTMORTEM X-RAYS AND RECORDS. MCMEO CASE #13-1837.	--	C	N	N
<b>5040</b>	<b>AIRPORT, GMIA, TIMMERMAN</b>									
	CENTRAL PARKING SYSTEMS	\$24,550,000 + \$1,700,000	6141	09/09	3 YR/5 YR	PARKING MANAGEMENT SERVICES AT GMIA.	09-231	--	N	Y

+ Increase to existing contract

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

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	HSS, INC.	\$450,000	6023	01/13	12	PROVIDE UNIFORMED, UNARMED SECURITY OFFICER SERVICES AT GMIA.	12-892	--	N	Y
	UNISON CONSULTING, INC.	\$145,000	8026	01/13	24	PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013A&B AIRPORT REVENUE BOND ISSUANCES.	13-163	--	N	Y
	PUBLIC FINANCIAL MANAGEMENT, INC.	\$89,599	8026	01/11	36	PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013A&B GENERAL AIRPORT REVENUE BONDS ISSUANCES.	13-106/13-107	--	N	Y
	SIEGEL-GALLAGHER	\$49,638	6148	09/13	9	AIRLINE LIASION-AIRLINE TECHNICAL CONSULTATION SERVICES FOR THE MILWAUKEE GENERAL MITCHELL INTERNATIONAL AIRPORT BAGGAGE CLAIM REMODELING PROJECT.	--	C	N	Y
	FITCH RATINGS	\$40,000	8026	06/13	2	PROFESSIONAL SERVICES ASSOCIATED WITH THE 2013A&B GENERAL AIRPORT REVENUE BONDS.	13-106/13-107	--	N	Y
	MOODYS INVESTORS SERVICE	\$39,200	8026	06/13		PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH THE 2013A&B GENERAL AIRPORT REVENUE BONDS.	13-106/13-107	--	N	Y
	BRIDGENET INTERNATIONAL	\$20,000	6148	08/13	16	ANALYZE DEPARTURE OPERATIONS, SPECIFICALLY AIRCRAFT TURNING TO THE EAST OR WEST UPON REACHING A SPECIFIC ALTITUDE.	--	C	N	Y
	BRIDGENET INTERNATIONAL	\$19,999	6148	02/13	22	GMIA WILL BE ONE OF THE FIRST AIPORTS IN THE NATION TO HAVE APPROVED REQUIRED NAVIGATION PERFORMANCE APPROACHES (RNP)AS PART OF THE FAA'S NEXGEN PROGRAM. THE TASKS INCLUDED ARE TO DETERMINE THEIR NOISE EFFECTS TO SURROUNDING COMMUNITY.	--	C	N	Y
	MOODYS INVESTORS SERVICE	\$10,000	8026	07/13	12	MOODY'S ANNUAL AIRPORT DEBT MONITORING FEE.	99-535 (a) (a)	--	N	Y
	HIGH VOLTAGE MAINTENANCE	\$9,450	6610	06/13	6	HIGH VOLTAGE MAINTENANCE TESTING AT THE MITCHELL AIRPORT.	--	C	N	N
	U.S. BANK	\$2,125	8026	08/13	6	U.S. BANK ADMINISTRATION FEES FOR THE 2013A AND 2013B AIRPORT REVENUE BONDS.	99-535 (a) (a)	--	N	Y
	U.S. BANK	\$1,000	8026	05/13	6	ADMINISTRATION FEES FOR THE 2010A AND 2010B AIRPORT REVENUE BONDS.	99-535 (a) (a)	--	N	Y

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

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<b>5100</b>	<b><u>HIGHWAY MAINTENANCE</u></b>										
	K. SINGH & ASSOCIATES, INC.	\$24,949	6148	04/13	9	PROVIDE ENGINEERING ASSISTANCE FOR STRUCTURAL/ENGINEERING SUPPORT/OVERSIGHT FOR MILWAUKEE COUNTY.	--	C	Y	Y	
<b>5600</b>	<b><u>TRANSIT/PARATRANSIT SYS</u></b>										
	IBC ENGINEERING SERVICES, INC.	\$1,200	6146	08/13	6	INVESTIGATION OF BUS VACUUM SYSTEM AT FDL.	--	C	N	N	
<b>6300</b>	<b><u>DHHS - BEHAVIORAL HEALTH DIV</u></b>										
	ENTERPRISE MEDICAL SERVICES	\$99,000	6148	06/13	12	SERVE AS A SEARCH FIRM TO FIND QUALIFIED PHYSICIANS AND NURSES FOR DHHS-BHD.	--	C	N	Y	
	FROEDTERT MEMORIAL LUTHERAN HOSPITAL	\$78,617	6509	01/09	60	PROVISION OF SPACE & OTHER SERVICES FOR THE PARAMEDIC PROGRAM.	08-473	--	N	Y	
<b>7900</b>	<b><u>DEPARTMENT ON AGING</u></b>										
	JENNIFER LEFEBER	\$75,000 + \$25,055	6148	9/13	4	PROVIDE THE MANAGEMENT AND COORDINATION FOR THE DELIVERY OF SPECIFIED EVIDENCE BASED PREVENTION PROGRAMS FOR MILWAUKEE COUNTY SENIORS.	--	C	Y	Y	
<b>7990</b>	<b><u>DEPARTMENT OF FAMILY CARE</u></b>										
	PARKINSON RESEARCH INSTITUTE	\$8,872	6149	09/11	12	MCDFC PARTNERED WITH AURORA'S PARKINSON RESEARCH INSTITUTE TO STUDY THE NEEDS OF PARTICIPANTS WITH EARLY ONSET PARKINSON'S DISEASE IN ORDER TO IMPROVE THE QUALITY OF SERVICES AND SUPPORTS NEEDED TO MAINTAIN AND EVEN IMPROVE THEIR QUALITY OF LIFE.	--	C	N	Y	
<b>8000</b>	<b><u>DEPT HEALTH AND HUMAN SVCS</u></b>										
	GEORGETOWN UNIVERSITY	\$249,000	6148	04/13	30	PROVISION OF TECHNICAL ASSISTANCE PER REQUIREMENTS SPECIFIED BY THE JUVENILE JUSTICE REFORM AND REINVESTMENT INITIATIVE GRANT AWARDED TO THE MILWAUKEE COUNTY DHHS BY THE FEDERAL OFFICE OF JUVENILE JUSTICE AND DELINQUENCY.	12-831	--	N	Y	
	GONZALEZ, SAGGIO & HARLAN, LLP.	\$102,001 + \$90,000	6106	01/13	12	AMEND PRB OUTSIDE COUNCIL FOR DHHS/BHD RELATED MATTERS.	13-401	--	Y	Y	
	EXPRESS YOURSELF MILWAUKEE	\$12,500	6148	01/13	12	PROVIDE THE JUVENILE DETENTION CENTER'S ART AND ART THERAPY PROGRAM.	--	C	N	Y	

**Professional Service Contracts for 07/01/2013 thru 09/30/2013**

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<b><u>9000 PARKS DEPARTMENT</u></b>										
	UNIVERSITY OF WISCONSIN - EXTENSION	\$263,689	6050	01/13	12	SUPPORT FOR NATURE IN THE PARKS PROGRAM - LTE/INTERN CHARGES. NATURE IN THE PARKS IS A SPECIALIZED SERVICE. UW-EXTENSION IS A GOVERNMENT ENTITY ESTABLISHED BY STATE STATUTE AND COMPLIES WITH ALL FEDERAL EEO AND AFFIRMATIVE ACTION GUIDELINES.	BUDGET	--	N	Y
<b><u>9500 ZOOLOGICAL DEPARTMENT</u></b>										
	080 LEASING, LLC.	\$5,000	6999	03/13	21	HURRICANE SIMULATOR REVENUE SHARE.	--	C	N	Y

**COUNTY OF MILWAUKEE**  
**INTEROFFICE COMMUNICATION**

DATE : November 25, 2013  
TO : Supervisor Marina Dimitrijevic, Chairwoman, County Board of Supervisors  
FROM : Scott B. Manske, Comptroller  
SUBJECT: Fiscal Report 3rd Quarter 2013 for Milwaukee County

**Policy Issue**

County Ordinance 56.02(2) requires the Comptroller to “report, on a quarterly basis or in a manner determined to be most useful and effective, on the financial condition of the county, which report shall identify all major variances from the adopted budget on a department-by-department basis.” To comply with this ordinance, the Comptroller provides a projection of year-end financial results on a quarterly basis to the County Board and County Executive. This fiscal report is a projection of 2013 financial results based on third quarter financial data. The County’s 2013 fiscal year ends on December 31, 2013. For each fiscal year, the County prepares a balanced budget in which revenues equal expenditures. Therefore, a report of surplus or deficit for the County represents actual results that are in total above (surplus) or below (deficit) net budgeted funds.

**Year-end Projection**

Based on financial results through September 30, 2013 and any updates provided by departments through October 31, 2013, Milwaukee County’s projected 2013 year-end fiscal status is a surplus of \$6.2 million. The projected surplus as of August 31, 2013 was \$6.2 million. The projected surplus assumes that the balance of \$6.6 million remaining in the contingency fund as of October 31 is applied to offset departmental and non-departmental deficits. To the extent the contingency fund is used during the year for departmental funding, the projected surplus will decrease.

This report projects year-end departmental operating surpluses of \$0.1 million in the Community Business Development Partners, \$0.2 million in Labor Relations, \$0.3 in Economic Development, \$0.17 million in the Treasurer’s Office, \$1.9 million for the DOT – Transit/Paratransit System, \$4.8 million in Department of Family Care (CMO) offset by a \$4.8 million contribution to the Family Care Reserve for a net zero impact, \$0.2 in the Department on Aging and \$4.6 million for the Department of Health and Humans Services.

Non-departmental surpluses include a surplus of \$2.0 million in Fringe Benefits.

These surpluses are offset by projected departmental deficits including: (\$0.1) million for the Clerk of Courts, (\$0.1) million for the Election Commission, (\$0.17) million for the Register of Deeds, (\$2.1) million for the Office of the Sheriff, (\$1.2) million for the House of Correction, (\$0.5) million for DAS – Utilities, (\$1.9) million for the Behavioral Health Division (DHHS-BHD) and (\$1.2) million for the Zoological Department.

Non-departmental deficits include a (\$0.5) million deficit from the Reserve for Delinquent Property Taxes, (\$0.7) million in Earnings on Investments and (\$1.8) million in Sales Tax Revenues.

On July 6, 2013, a fire occurred in the Courthouse basement utility room causing electrical and smoke damage to the Courthouse and the Safety Building. The Department of Administrative Services Risk Management Division and Facilities Management Division are working with the County's insurance provider and coordinating the various improvements. It is anticipated at this point that all costs will be reimbursed by the insurance provider and the fire will not affect the year end position of the County.

The following attachments provide further detail:

- Attachment A: provides the projected surpluses and deficits in excess of \$100,000 by department.
- Attachment B: provides narrative explanations of the amounts reported in Attachment A.
- Attachment C: provides the projected surplus or deficit for 2013 by agency.

#### **Overview of Process for Determining County-wide Year End Financial Projections:**

The projection of the County's year-end results begins with an analysis of year-to-date actual results by each Department for the most recent quarter that has ended. These actual results become the basis for each department projecting twelve months of actual activity. Departments then submit a report of projected year-end results to the Comptroller. The departmental projections include a fiscal report of budget versus projected actual results by appropriation category, a written report of variances between budgeted and projected actual results, and a written report of any corrective action plan that the department intends to implement to reduce any projected deficit.

The Comptroller reviews the reports submitted by departments. During the review, questions may arise regarding departmental projections. Discussions will then occur with department personnel on the expected annual results. In rare instances, when the Comptroller projections differ from departmental financial results, the County-wide report will reflect the Comptroller projection, which will be noted in this report.

The Comptroller analyzes and projects financial results for most non-departmental accounts including fringe benefits, sales taxes, delinquent property taxes, investment income, unallocated contingency fund, debt service fund and capital projects fund. In addition, the Comptroller prepares salary projections for each department and compares the results to the salary projections prepared by departments.

The projections by departments and the Comptroller are combined to arrive at a year-end projection of financial results for the County. The fiscal report is then submitted to the County Board and County Executive.

### **Committee Action**

This is an informational report only. This report should be referred to and reviewed by the Finance and Audit Committee.



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Scott B. Manske  
Comptroller

### Attachments

cc: Chris Abele, County Executive  
Supervisor Willie Johnson, Jr., Co-Chairman, Finance, Audit and Personnel Committee  
Supervisor David Cullen, Co-Chairman, Finance, Audit and Personnel Committee  
Finance, Audit and Personnel Committee  
Don Tyler, Director, Department of Administrative Services  
Josh Fudge, Fiscal and Budget Administrator  
Stephen Cady, Fiscal and Budget Analyst, County Board  
Department Heads

<b>Milwaukee County</b>			
<b>Projection for 2013 - Based on Activity as of October 31, 2013</b>			
		<i>Prior Report</i>	<i>Current Proj</i>
<b>Dept</b>	<b>Department Name</b>	<b>08/31/13</b>	<b>10/31/13</b>
1040	Community Business Development Partners	137,300	101,700
1140	Human Resources	174,200	74,100
1190	Economic Development	393,500	305,900
1135	Labor Relations	190,000	190,100
2000	Combined Courts	(102,900)	(102,900)
2900	Pre Trial Services	753,700	-
3010	Election Commission	(111,300)	(111,300)
3400	Register of Deeds	(222,400)	(173,000)
3090	Treasurer	-	167,300
4000	Sheriff's Office	(1,217,700)	(2,146,200)
4300	HOC	(806,900)	(1,239,400)
4500	District Attorney	92,800	92,800
4900	Medical Examiner	145,900	78,000
5100	DOT Highway	(14,500)	(97,800)
5500	DAS-Utilities	(475,000)	(475,000)
5600	DOT - Transit/Paratransit System	834,500	1,979,400
6300	Behavioral Health Division	(1,791,400)	(1,994,200)
7900	Department on Aging	-	200,000
7990	Department of Family Care (CMO)	3,097,000	4,800,200
7990	Contribution From/(To) Family Care Reserve	(3,097,000)	(4,800,200)
8000	Department of Health and Human Services	3,913,300	4,609,200
9000	Department of Parks, Recreation and Culture	-	-
9500	Zoological Department	(791,000)	(1,178,200)
	Other Departments not shown above	82,689	285,175
	<b>Departmental Total</b>	<b>1,184,789</b>	<b>565,675</b>
Various	Capital Projects Funding	-	-
1945	Unallocated Contingency Fund	6,640,745	6,640,745
1950	Fringe Benefits	2,000,000	2,000,000
1991	Reserve for Delinquent Property Taxes	(500,000)	(500,000)
1992	Earnings on Investments	(711,411)	(711,411)
1993	State Shared Revenue	-	-
1996	Sales Tax Revenue	(2,400,000)	(1,800,000)
9960	Debt Service Fund/Froedtert Lease Payment	-	-
	<b>Non-Departmental Total</b>	<b>5,029,334</b>	<b>5,629,334</b>
<b>Projected County Surplus (Deficit)</b>		<b>\$ 6,214,123</b>	<b>\$ 6,195,009</b>

## **Description of Significant Surplus and Deficit Projections for 2013:**

### **Departmental Surpluses and Deficits:**

#### **Org Unit 1040- Community Development Business Partners *\$0.1 million surplus***

The Office of Community Development Business Partners is projecting a surplus of \$101,700 for 2013. The surplus is primarily in salaries due to the vacant Director's position which is currently being filled on a part time basis via a professional services contract.

#### **Org Unit 1135 - Labor Relations *\$0.2 million surplus***

The Department of Labor Relations is projecting a surplus of \$190,000 for 2013. The surplus is partially the result of holding one position of Labor Relations Specialist 3 vacant and the transfer of department personnel to the Department of Human Resources during the year based on Wisconsin Act 14.

#### **Org Unit 1190 – DAS Economic Development Division *\$0.3 million surplus***

The Economic Development division is projecting a surplus of \$305,900 primarily due to staffing vacancies at the beginning of 2013.

#### **Org Unit 2000 - Combined Court Related Operations *(\$0.1 million deficit)***

The Combined Courts is projecting a revenue deficit of \$523,657 partially offset by a projected expenditure surplus of \$420,756 for an overall projected deficit of \$102,900.

The projected revenue deficit includes a deficit in fees, fines and forfeitures including bail fees of \$139,000. Courts also have a projected revenue deficit of \$170,000 in interest income. A variety of revenue accounts comprise the remaining deficit.

Offsetting these revenue deficits is an expenditure surplus of **\$465,731**, including contractual services surpluses of \$294,000 partially related to guardian ad litem fees. The remaining surplus is related to abatements for charges to Child Support Enforcement.

#### **Org Unit 3010 Election Commission *(\$0.1 million deficit)***

The Election Commission is projecting an expenditure deficit of \$111,000 due to the supplies needed for two special elections for Assembly seats in 2013.

#### **Org Unit 3090 – Treasurer *\$0.2 million surplus***

The Treasurer is projecting a revenue surplus of \$53,000 in service fee charges and undistributed revenue. In addition, the Treasurer is projecting an expenditure surplus of \$114,000 in contractual services mainly due to a credit for earned interest from banks.

**Org Unit 3400 – Register of Deeds**

**(\$.2 million deficit)**

The Register of Deeds is projecting a revenue deficit of \$196,000 in real estate transfer and recording fees which are partially offset by an expenditure surplus of \$23,000 primarily in services.

**Org Unit 4000 - Office of the Sheriff**

**(\$2.1 million deficit)**

The Sheriff’s Department is projecting a 2013 deficit of \$2.1 million due to a revenue deficit of \$1,172,400 and an expenditure deficit of \$973,700. The variances are due to surpluses and deficits in a variety of revenue and expenditure categories discussed in more detail below.

Expenditures

A Personal Services deficit of \$1,000,000 is projected in the following areas:

<b>Area</b>	<b>Reason</b>	<b>Deficit Amount</b>
Bailiffs	5 additional FTEs	(\$633,632)
Courthouse Building Security	Courthouse Fire	(\$300,000)
DSA contract agreement	Unbudgeted increases	(\$183,934)

There are additional areas within the Sheriff that are projecting personal services deficits due to the difference between budgeted and actual staffing levels. However, the Sheriff also has personal service savings offsetting these deficits to arrive at the \$1.0 million deficit.

The Sheriff is projecting a surplus of \$172,000 in contractual services and a surplus of \$500,000 in commodities. The contractual services deficit consists of \$147,000 in inmate transportation and \$80,000 computer software, offset by equipment rental and professional service contract savings. The inmate transportation deficit is due to the extension of the current contract at an increased rate in October 2013. The commodities surplus consists of \$250,000 in law enforcement supplies and \$118,000 in office supplies.

The Sheriff is projecting a deficit of \$500,000 in abatements including \$750,000 as a result of a decreased abatement to the Airport due to fringe benefit costs being lower than budget. Comptroller Office Note: This deficit will be monitored during the year, since overall fringe costs for Milwaukee County are projected to breakeven.

Revenues

The Sheriff is projecting a revenue deficit of \$861,500 in traffic citation revenue based upon revenue received from the Clerk of Courts year to date.

Federal inmate revenue is projected to deficit \$721,062. The 2013 budget estimated that 35 federal prisoners would be housed per day at the correctional facility, however only 9 inmates per day were housed as of September 2013.

Org Unit 4000 - Office of the Sheriff (continued)

General Transportation Aids are projected to deficit by \$161,745 due to actuals being less than budgeted for the Office of the Sheriff.

Partially offsetting these revenue deficits is an anticipated revenue surplus of \$321,773 in inmate telephone commission in 2013. In 2012, the Sheriff's Office had a surplus of \$239,000 in telephone commissions, due to a new contract executed in February 2012.

**Org Unit 4300 - House of Correction (HOC)**

***(\$1.2 million deficit)***

The House of Correction is projecting a deficit of \$1.2 million, which includes deficits in the inmate medical unit of \$1.3 million, and personnel services of \$1.5 million. This will be offset by surpluses in inmate drugs of \$0.6 million, services of \$0.6 million, and revenues \$0.4 million.

In May of 2013, the County was ordered by Judge Brash to enter into a contract with Armor Correctional Health Services Inc. to provide health care services to inmates of the Milwaukee County Jail and House of Correction. The County signed a contract with Armor on May 10, 2013 with an annual cost of \$9,092,361. The contract provides for Armor staffing of 45.3 FTEs with the remaining positions being County employees. However, whenever a vacancy occurs within the County staff the person will be replaced with Armor personnel. In comparing the cost of the Armor contract to the budgeted personnel and contractual service costs for inmate medical services, the Armor contract will exceed budget. It is currently estimated that a deficit for 2013 of \$1.3 million for the Inmate Medical Unit for 2013 will be incurred. This is in addition to the \$2.0 million that was transferred from the Electronic Medical Records Capital project earlier in 2013.

Personnel services are currently projected to deficit by \$1,500,000 due to higher overtime costs than budgeted. Note: The Office of the Comptroller is projecting approximately \$500,000 less in personnel services costs than the HOC. The above figures are the Comptroller's estimates for salaries.

Additional expenditure surpluses are projected in Drugs of \$600,000, \$400,000 in Building and Repairs and \$282,000 in equipment rental for the Electronic Monitoring Unit.

The House of Correction is currently projecting a revenue surplus of \$400,000 mainly due to increased housing of state inmates and increased telephone commission revenue.

**Org Unit 5500 - DAS Water Utility**

***(\$0.5 million deficit)***

DAS Water Utility is projecting a revenue deficit of \$470,000 in Fire Protection payments budgeted to be received from tenants on the County Grounds. The budget for fire protection services is \$1.3 million. It is anticipated that only \$830,000 will be received in 2013. The deficit of \$470,000 is for WE Energies proportional share of fire protection services.

Comptroller Note: The private geographical members on the County grounds have not made Fire Protection payments for the billings made in the current year, except for Children's Hospital, based on a separate agreement with them.

**Org Unit 5600 - DTPW - Transit/Paratransit System**

***\$1.9 million surplus***

For 2013, fixed route transit services are projecting a surplus of \$3.1 million, and Paratransit services are projecting a surplus of \$3.1 million. This overall surplus of \$6.2 million will be offset by the deferral of \$4.3 million of Federal revenues (discussed below) which will result in a net surplus of \$1.9million for Transit/ Paratransit System for 2013.

The Transit/Paratransit System reported a projected surplus of \$6.2 million for 2013. Based on this surplus, two Federal revenues will be deferred until 2014 of \$4.3 million. The revenue deferrals included \$2.8 million in CMAQ funding which will be deferred for express services in 2014, and \$1.5 million in Federal Section 5307 Capitalized Maintenance funds will be deferred into a future year.

The surplus in fixed route transit operations is \$3.1 million. Fixed route expenditures are expected to surplus by \$3.7 million primarily due to estimated savings from the 2012 self-insured medical plan recognized in 2013. Other fixed route revenue is estimated to surplus by \$1.0 million due to traffic mitigation contracts with the State of Wisconsin DOT and other revenue. Offsetting these surpluses is a revenue deficit of (\$1.6) million in transit system fixed route passenger revenue due to ridership declines in all revenue categories.

The surplus in Paratransit surpluses is also expected to be \$3.1 million. Transit plus expenses are projected to surplus by \$3.6 million due to fewer trips being taken by clients. This decline in ridership is a continuation of a decline seen in the prior year. Transit Plus program revenue is estimated to deficit by (\$0.6) million due to the ridership decline being 22% below budget.

**Org Unit 6300 - DHHS - Behavioral Health Division (BHD)**

***(\$2.0 million deficit)***

BHD is projecting a deficit of (\$2.0) million for 2013, which consists of a revenue deficit of (\$3.9) million partially offset by an expenditure surplus of \$1.9 million.

A revenue deficit of (\$4.1) million is projected in health care revenues. This is in part due to delays in getting the Medicaid State Plan Amendment through the necessary levels of State approval to receive enhanced inpatient Medicaid reimbursement, which results in a deficit of (\$2.65) million. The request was submitted by the State to the Federal Government in September 2013 and BHD is awaiting approval. BHD expects to receive a partial payment of approximately \$430,000 around June of 2014 for the last quarter of 2013. A full annual payment is not expected until 2015. The 2013 budget was based upon a full year of reimbursement. Separately, a revenue deficit of (\$1.1) million is projected in patient revenue as a result of the State denying BHD to charge Family Care for services to Family Care Clients. An additional deficit of (\$1.0) million is related to Crisis Community Services. These items are offset by higher than expected WIMCR reimbursement of \$500,000 and other federal reimbursement of \$100,000.

The WRAP around program is projecting a revenue surplus of \$265,000 for services outside the capitated rate.

Org Unit 6300 - DHHS - Behavioral Health Division (BHD) (Continued)

Expenditure surpluses are as follows: \$900,000 for salaries, \$750,000 in pharmacy costs, \$514,000 for individuals placed in state institutions, \$581,000 in the Emergency Medical Services area, and \$125,000 in non-incurred GAMP Medical expenses.

Offsetting these surpluses are the following projected deficits: \$200,000 in charges from DAS-Facilities to BHD due to capital improvements related to the corrective action plan, \$393,000 in for various initiatives not included in the budget and \$580,000 to the WRAP reserve. The WRAP reserve was created in the prior year to set aside Federal funds that were not spent for the WRAP program. These funds are placed into a trust that are held to offset costs in a future year.

**Org Unit 7900 - Department on Aging** *\$0.2 million surplus*

The Department on Aging is projecting a year-end surplus of \$0.2 million in Federal revenue due to the under accrual of December 2012 federal revenue that was realized in 2013 versus 2012.

**Org Unit 7990 - Department of Family Care** *\$4.8 million surplus*  
**Org Unit 7990 - Department of Family Care Reserve** *(\$4.8 million contribution)*

The Department of Family Care is projecting a year-end surplus of \$4.8 million which results in a contribution to its reserves equal to the surplus for a net zero impact to the County's bottom line. The surplus is projected as a result of a small increase in the capitation rate and intensive management of service utilization.

**Org Unit 8000 - Department of Health and Human Services (DHHS)** *\$4.6 million surplus*

DHHS is projecting a surplus of \$4.6 million for 2013, which consists of a revenue deficit of (\$1.8) million offset by an expenditure surplus of \$6.4 million.

DHHS is projecting a revenue surplus in Youth Aids revenue of \$3.5 million. The State's Community Youth and Family Aids Program (Youth Aids) provides each county with an annual allocation of State and Federal funds from which a County may pay for juvenile delinquency related services including incarceration in the State secure Juvenile Correctional Institution (JCI) located in Marathon County, and alternatives to incarceration such as local out of home placements and community based services. The 2013 Adopted Budget included estimated revenues of \$15.4 million in Youth Aids. This revenue budget included an offset for JCI and CCI (Child Caring Institution) costs based on a census of 165.1. DHHS is now projecting to receive \$18.9 million for 2013 partly due to a smaller cost offset for JCI and CCI census. The census is expected to be 149.3 or a decrease of 15.8 from budget. The annual cost per child is approximately \$110,000.

Prior year revenue is anticipated to surplus by \$2.2 million for Income Maintenance Shared Services, Disabilities Services and Child Care Recovery.

The Housing Division is projecting a (\$7.6) deficit in HUD program revenue due to the Federal Sequester. These revenues are offset by an expenditure surplus in Housing of \$6.6 million. Federal revenue for the Resource Center is projected to surplus by \$1.5 million partially offsetting projected deficit of (\$1.9) million in State funding.

Org Unit 8000 - Department of Health and Human Services (DHHS) continued

Personnel services are projected to surplus by \$0.5 million, commodities by \$0.1 million and capital outlay by \$0.2 million. Offsetting these surplus expenditures is a deficit in purchase services of (\$0.8) million for costs associated with additional grant revenues.

Funding of \$0.5 million from surplus expenditures is provided to assist in signing up clients under the Affordable Healthcare Act per County Board action.

**Org Unit 9500 – Zoological Department** *(\$1.2 million deficit)*

The Zoo Department is projecting a deficit of (\$1.18) million for 2013 and is under its projected attendance goals for 2013 as of the third quarter due to poor weather conditions. In addition, the multiple construction projects for the Zoo Interchange are having an impact on attendance.

Non - Departmental Surpluses and Deficits:

**Org Unit 1945 - Unallocated Contingency Fund** *\$6.6 million surplus*

The unallocated contingency account was appropriated at \$4.1 million. The current balance is \$6.6. The unallocated contingency fund, for purposes of this report, is being utilized to offset deficits projected by various departments in order to arrive at a net surplus for the County for 2013.

**Org Unit 1950 - Fringe Benefits** *\$2.0 million surplus*

Based on analysis performed by the County's Comptroller, fringe benefit costs are currently projected to surplus by \$2.0 million for 2013. The County's actuary is projecting a surplus of at least \$3.0 million for 2013.

**Org Unit 1991 - Delinquent Property Taxes** *(\$0.5 million deficit)*

Based on delinquent property receipts for the first four months of the year, which lag behind prior year payments, the County is projected to increase its reserves for delinquent property taxes by \$500,000. Receipts in the remaining months of 2013 may offset this deficit.

**Org Unit 1992 – Earnings on Investments** *(\$0.7 million deficit)*

Based upon data from the Office of the Comptroller and the Treasurer's Office, earnings on investments are projected to deficit by (\$0.7) million in 2013. The 2013 Adopted Budget anticipated \$1.7 million in earnings.

**Org Unit 1996 – Sales Tax Revenue** *(\$1.8 million deficit)*

Subsequent to the 2nd quarter projection, the County has received additional distributions from Wisconsin Department of Revenue (DOR). Based on the first eight distributions received, the 2013 collections are still relatively flat (+1.01%) compared to 2012. However, this is an improvement compared to the 2nd quarter projection (-0.52%). Based on the distributions received year to date and extrapolating based on previous years' performances, the Comptroller's Office is projecting a deficit of \$1.8 million for 2013 or a 1.01% growth compared to 2012.

Milwaukee County								Attachment C
Annual Fiscal Report of Surplus/Deficit as of October 31, 2013								
		2013	2013		2013	2013		
		Projected	Budgeted Net	Revenue	Projected	Budgeted Net	Expense	
		Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	
							Surplus	
							(Deficit)	
<b>Legislative, Executive &amp; Staff</b>								
1000	County Board	1,582	-	1,582	6,661,337	6,677,337	16,000	17,582
<b>County Executive</b>								
1011	General Office	-	-	-	1,314,994	1,326,286	11,292	11,292
1040	Community Business Development Partners	258,236	258,236	-	1,096,072	1,197,783	101,711	101,711
1021	Veterans Service	13,000	13,000	-	318,147	318,147	-	-
1110	Civil Service Commission	-	-	-	15,310	15,514	204	204
1120	Personnel Review Board	-	-	-	260,779	253,210	(7,569)	(7,569)
1130	Corporation Counsel	120,000	120,000	-	1,769,802	1,769,802	-	-
1140	Human Resources	1,242,291	1,483,690	(241,399)	6,226,867	6,542,342	315,475	74,076
<b>Dept of Administrative Services</b>								
1019	Persons with Disabilities	163,000	154,500	8,500	1,067,633	1,050,981	(16,652)	(8,152)
1135	Labor Relations	-	-	-	294,400	484,537	190,137	190,137
1150	Risk Management	-	8,345,206	(8,345,206)	-	8,352,097	8,352,097	6,891
1151	Fiscal Affairs Division	-	-	-	1,217,512	1,312,498	94,986	94,986
1152	Procurement	-	-	-	1,050,880	1,050,880	-	-
1160	Information Management Services	16,310,407	16,310,407	-	18,355,604	18,355,604	-	-
1190	Economic Development	2,908,580	2,908,580	-	3,700,000	4,005,915	305,915	305,915
3010	Election Commission	70,500	70,750	(250)	787,020	675,952	(111,068)	(111,318)
3090	County Treasurer	3,459,093	3,405,250	53,843	1,355,734	1,469,159	113,425	167,268
3270	County Clerk	492,498	475,325	17,173	787,100	820,609	33,509	50,682
3400	Register of Deeds	5,205,373	5,401,536	(196,163)	4,559,681	4,582,813	23,132	(173,031)
3700	Office of the Comptroller	94,931	74,700	20,231	5,728,108	5,799,704	71,596	91,827
	<b>Total Legislative, Executive &amp; Staff</b>	<b>30,339,491</b>	<b>39,021,180</b>	<b>(8,681,689)</b>	<b>56,566,980</b>	<b>66,061,170</b>	<b>9,494,190</b>	<b>812,501</b>
<b>Courts and Judiciary</b>								
2000	Combined Court Related Operations	9,057,921	9,581,578	(523,657)	38,751,461	39,172,217	420,756	(102,901)
2430	Dept. of Child Support Enforcement	19,093,749	19,245,704	(151,955)	20,643,259	20,777,707	134,448	(17,507)
2900	Courts - Pre-Trial Services	601,064	598,101	2,963	5,508,583	5,505,642	(2,941)	22
	<b>Total Courts and Judiciary</b>	<b>28,752,734</b>	<b>29,425,383</b>	<b>(672,649)</b>	<b>64,903,303</b>	<b>65,455,566</b>	<b>552,263</b>	<b>(120,386)</b>
<b>Public Safety</b>								
4900	Medical Examiner	1,895,988	1,846,235	49,733	4,717,738	4,746,003	28,265	77,998
4000	Sheriff	11,948,745	13,121,227	(1,172,482)	86,754,235	85,780,532	(973,703)	(2,146,185)
4300	House of Correction	7,305,115	6,893,814	411,301	64,165,067	62,514,331	(1,650,736)	(1,239,435)
4500	District Attorney	5,822,238	6,319,673	(497,435)	17,832,267	18,422,542	590,275	92,840
	<b>Total Public Safety</b>	<b>26,972,066</b>	<b>28,180,949</b>	<b>(1,208,883)</b>	<b>173,469,307</b>	<b>171,463,408</b>	<b>(2,005,899)</b>	<b>(3,214,782)</b>
<b>Non-Departmental's</b>								
1945	Contingency	-	-	-	-	6,640,745	6,640,745	6,640,745
1950	Fringe Benefits	18,878,944	16,976,607	1,902,337	16,976,607	17,074,270	97,663	2,000,000
1991	Property Taxes	278,821,196	279,321,196	(500,000)	-	-	-	(500,000)
1992	Interest Income	1,000,000	1,711,411	(711,411)	-	-	-	(711,411)
1993	State Shared Revenue	30,990,382	30,990,382	-	-	-	-	-
1996	Sales Taxes	58,989,514	60,789,514	(1,800,000)	-	-	-	(1,800,000)
	Other Non-Departmental	21,288,867	21,288,867	-	2,210,552	2,210,552	-	-
1900'S	<b>Total Non-Departmental</b>	<b>409,968,903</b>	<b>411,077,977</b>	<b>(1,109,074)</b>	<b>19,187,159</b>	<b>25,925,567</b>	<b>6,738,408</b>	<b>5,629,334</b>

Milwaukee County								Attachment C
Annual Fiscal Report of Surplus/Deficit as of October 31, 2013								
	2013	2013		2013	2013			
	Projected	Budgeted Net	Revenue	Projected	Budgeted Net	Expense	Surplus	
October 31, 2013 Fiscal Report	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	(Deficit)	
	2013	2013		2013	2013			
	Projected	Budgeted Net	Revenue	Projected	Budgeted Net	Expense	Surplus	
	Revenues	Revenues	Variance	Expenditures	Expenditures	Variance	(Deficit)	
<b>Public Works &amp; Development</b>								
5040	DOT - Airport Division	84,242,260	89,466,202	(5,223,942)	84,242,260	89,466,258	5,223,998	56
5100	DOT - Highway Maintenance	18,836,911	19,881,715	(1,044,804)	20,093,988	21,040,980	946,992	(97,812)
5300	DOT - Fleet Management	10,844,214	10,857,260	(13,046)	9,708,631	9,681,474	(27,157)	(40,203)
5600	DOT - Transit/Paratransit System	96,504,327	101,122,581	(4,618,254)	112,254,838	118,852,473	6,597,635	1,979,381
5800	DOT - Admin Div	223,833	269,180	(45,347)	9,781	140,219	130,438	85,091
5500	DAS - Utility	3,641,392	4,116,392	(475,000)	4,280,956	4,280,956	-	(475,000)
5700	DAS - Facilities Mngmnt	29,028,735	29,028,735	-	29,386,920	29,386,920	-	-
	<b>Total Public Works &amp; Development</b>	<b>243,321,672</b>	<b>254,742,065</b>	<b>(11,420,393)</b>	<b>259,977,374</b>	<b>272,849,280</b>	<b>12,871,906</b>	<b>1,451,513</b>
<b>Health &amp; Human Services</b>								
6300	Behavioral Health Division	117,759,684	121,667,731	(3,908,047)	186,704,133	188,618,007	1,913,874	(1,994,173)
7900	Department on Aging	17,295,812	17,071,415	224,397	18,580,696	18,556,299	(24,397)	200,000
7990	Department of Family Care (CMO)	288,317,125	285,413,861	2,903,264	284,298,656	286,195,632	1,896,976	4,800,240
8000	Department of Human Services	67,188,438	69,048,430	(1,859,992)	85,143,510	91,612,704	6,469,194	4,609,202
	<b>Total Health &amp; Human Services</b>	<b>490,561,059</b>	<b>493,201,437</b>	<b>(2,640,378)</b>	<b>574,726,995</b>	<b>584,982,642</b>	<b>10,255,647</b>	<b>7,615,269</b>
<b>Parks, Recreation &amp; Culture</b>								
9000	Department of Parks	17,688,248	17,688,248	-	42,746,596	42,746,596	-	-
9500	Zoological Department	17,663,964	20,317,470	(2,653,506)	23,992,380	25,467,685	1,475,305	(1,178,201)
9700	Milwaukee Public Museum	-	-	-	8,211,330	8,211,330	-	-
9910	University Extension	144,350	144,350	-	480,214	480,214	-	-
	<b>Total Parks, Recreation &amp; Culture</b>	<b>35,496,562</b>	<b>38,150,068</b>	<b>(2,653,506)</b>	<b>75,430,520</b>	<b>76,905,825</b>	<b>1,475,305</b>	<b>(1,178,201)</b>
9960	Debt Retirement and Interest	255,015,719	255,015,719	-	304,224,720	304,224,720	-	-
1200-1899	Capital Improvements	332,725,874	332,725,874	-	367,667,874	367,667,874	-	-
<b>Expendable Trusts</b>								
FUND 3	Zoc Trust Funds	7,526	954,602	(947,076)	-	959,321	959,321	12,245
FUND 5	Parks Trust Funds	144,105	-	144,105	1,483	1,483	-	144,105
FUND 6	Office on Handicapped Trust Fund	-	25,000	(25,000)	4,000	25,000	21,000	(4,000)
FUND 8	Airport PFC	-	-	-	5,393,313	-	(5,393,313)	(5,393,313)
FUND 9	DAS -- Trust	4,174	-	4,174	-	149,000	149,000	153,174
FUND 11	Fleet Facilities Reserve Trust	-	-	-	74,322	-	(74,322)	(74,322)
	<b>Total Expendable Trusts</b>	<b>155,805</b>	<b>1,014,702</b>	<b>(858,897)</b>	<b>5,473,118</b>	<b>1,169,904</b>	<b>(4,303,214)</b>	<b>(5,162,111)</b>
	<b>Projected Surplus (Deficit)</b>	<b>1,853,309,885</b>	<b>1,882,555,354</b>	<b>(29,245,469)</b>	<b>1,901,627,349</b>	<b>1,936,705,956</b>	<b>35,078,607</b>	<b>5,833,138</b>
	<b>Addback the following:</b>							
	Reserves Expendable Trusts							5,162,111
	Contribution to Family Care Reserves							(4,800,240)
	<b>Total Projected Surplus (Deficit)</b>							<b>6,195,009</b>

1 By Supervisors Bowen and Rainey

2  
3 **A RESOLUTION/ORDINANCE**  
4

5 Enacting a minimum living wage ordinance for service, concession, lease and  
6 financial assistance agreements publicly funded by Milwaukee County and  
7 amending the Milwaukee County General Ordinance (MCGO) Chapter 32.09(17)  
8 definition of "Service Contracts."  
9

10 WHEREAS, living and minimum wage ordinances have been established  
11 in the United States for over two decades with the city of Baltimore taking the  
12 lead in 1994; and  
13

14 WHEREAS, more than 140 municipalities have adopted living or  
15 minimum wage ordinances in the United States including Dane County, the City  
16 of Madison and the City of Milwaukee; and  
17

18 WHEREAS, a 2010 study by Ken Jacobs and T. Williams Lester suggests  
19 that raising job standards does not reduce jobs in a city; the study compared 15  
20 cities that impose such ordinances against similar cities that did not and found  
21 no direct negative effects on job demand; and  
22

23 WHEREAS, Milwaukee County is the most populated county in the State  
24 of Wisconsin with the largest ethnically diverse population in the State; and  
25

26 WHEREAS, the Census Bureau in 2011 indicates that 41% of African  
27 Americans and 35% of Latinos living in Milwaukee are impoverished; and  
28

29 WHEREAS, the IRS reports in 2012 that single parent tax filers with  
30 dependents in inner city Milwaukee had a 26% decrease in state earned income  
31 tax credits in 2011 as a result of state legislation lowering the credit for  
32 "working poor" families with 2 or more children; and  
33

34 WHEREAS, as of April 2012, 275,058 Milwaukee County residents and  
35 558,158 residents in the balance of Wisconsin were enrolled in the Food Share  
36 program; and,  
37

38 WHEREAS, in 2005, Wisconsin Chapter 104, Minimum Wage Law was  
39 created and repealed any city, village, town or county living wage ordinances in  
40 place before June 16 of that year; and  
41

42 WHEREAS, Wisconsin Chapter 104 excludes from its provisions, public  
43 works projects governed by prevailing wage rates, service contracts, and any  
44 work funded by financial assistance from a city, village, town or county;  
45

46 WHEREAS, the rates of impoverished population, cost of living, and the  
47 increased number of working poor in Milwaukee County are a matter of local  
48 concern; now, therefore,

49  
50 BE IT RESOLVED, that the Milwaukee County Board of Supervisors  
51 hereby requires all service, leases, and economic development financial  
52 assistance agreements funded by Milwaukee County to follow the procedures  
53 established by this ordinance:

54  
55 **AN ORDINANCE**

56  
57 The Milwaukee County Board of Supervisors ordains as follows:

58  
59 **Section 1. Chapter 111 of the Milwaukee County General Ordinances is hereby created**  
60 **as follows:**

61  
62 **111.01. Policy.**

63  
64 It shall be the policy of Milwaukee County that certain contractors,  
65 subcontractors, lessees and recipients of financial assistance doing business  
66 with the County shall be subject to the requirements of this chapter, a minimum  
67 wage ordinance, as below. This minimum wage ordinance shall apply to all  
68 contractors, subcontractors, and recipients of financial assistance as defined  
69 herein party to an agreement covered under this Chapter with any Milwaukee  
70 County unit, division, office, department, or sub-unit thereof, and Milwaukee  
71 County quasi-public entity including:

- 72 (a) A service contract as defined in MCGO 32.20(17), or an agreement to  
73 provide personal care and supportive home care to persons with  
74 disabilities or the frail elderly provided by agencies that exclusively  
75 contract with Milwaukee County, involving an amount greater than or  
76 equal to \$20,000; and,  
77 (b) A lease agreement involving County funding or a public asset involving  
78 an amount greater than or equal to \$20,000; and,  
79 (c) A concession agreement involving an amount greater than or equal to  
80 \$20,000; and,  
81 (d) Economic development financial assistance involving an amount of  
82 financial assistance from the County greater than or equal to \$1,000,000.

83  
84 **111.02. Definitions.**

85  
86 For all agreements covered under this chapter, the following definitions shall  
87 apply:

- 88 (a) *Service Contract* means an agreement between the County or  
89 related entity and another party that provides a set of services  
90 defined in MCGO 32.20(17), as well as personal care, or supportive

91 home care provided to persons with disabilities or the frail elderly by  
92 preferred provider.

93 (1) Service contracts do not include:

- 94 i. Purchase of goods or commodities or its delivery
- 95 ii. Equipment lease and maintenance
- 96 iii. Professional services contracts
- 97 iv. Contracts with any school district, municipality, or any  
98 other governmental unit
- 99 v. Contracts in which State or Federal funder has a  
100 prevailing wage requirement
- 101 vi. Contracts for Family Care *other than* preferred provider  
102 agencies that exclusively contract with Milwaukee County to  
103 provide personal care and supportive home care.
- 104 vii. Contracts procured under Milwaukee County Ordinance  
105 Chapter 46.

106 (b) *Concession Agreement* means an agreement between the County or  
107 related entity and another party to allow the organization exclusive or  
108 semi-exclusive right to operate a particular enterprise usually making  
109 use of some resource of the County or related entity requiring  
110 payment to the County or related entity fees, rent, or percentage of  
111 revenues derived from the particular enterprise; airport concessions  
112 are included as defined by Milwaukee County ordinance 42.02(1)(c).

113 (c) *Lease* means an agreement between the County or related entity as  
114 lessor and another party as lessee to provide exclusive use of real  
115 property, a particular asset or resource in exchange for rental  
116 payments or a fee, and which involves financial assistance consistent  
117 with Wisconsin Chapter 104.001(3). The following leases are  
118 exempted:

119 (1) *Cultural institutions*: Leases with institutions including the  
120 Fund for the Arts/CAMPAC, Milwaukee County, Historical  
121 Society, Milwaukee County Federated Library System, Marcus  
122 Center, Milwaukee Public Museum, Charles Allis & Villa  
123 Terrace Museums, War Memorial Center, Milwaukee Art  
124 Museum, and any other cultural organization that receives  
125 contributions from Milwaukee County.

126 (2) *Non Profit*: Leases with nonprofit corporations, unless the nonprofit  
127 corporation passes through to a for-profit entity an amount greater  
128 than or equal to \$1,000,000 in which case the for-profit entity shall  
129 be subject to this chapter as a subcontractor as in 111.03(1)(b).

130 (3) *Other Local Units of Government*: Leases with any school  
131 district, municipality or any other governmental or quasi-  
132 governmental unit.

133 (d) *Economic Development Financial Assistance* means any form of  
134 assistance, consistent with Wisconsin Chapter 104.001(3), of an  
135 amount greater than or equal to \$1,000,000, provided to a recipient  
136 directly by the County in the form of loan rates below those

137 commercially available, loan forgiveness or guarantees, bond  
138 financing or forgiveness, sales or leases of land or real property or  
139 other assets for an amount below fair market value, or grants of land  
140 or real property, or other valuable consideration, or any other assets  
141 provided to develop real property, to foster economic development or  
142 to create or retain jobs or for other similar purposes which inure to  
143 the benefit of the recipient. The following are exempted:

- 144 a. *Non-Profit Corporations:* Economic Development Financial  
145 Assistance provided to nonprofit corporations, unless the  
146 nonprofit corporation passes through to a for-profit entity an  
147 amount greater than or equal to \$1,000,000 in which case the  
148 for-profit entity shall be subject to this chapter as a  
149 subcontractor as in 111.03(1)(b).
- 150 b. *Cultural Institutions:* Economic Development Financial  
151 Assistance to the Fund for the Arts/CAMPAC, Milwaukee  
152 County Historical Society, Milwaukee County Federated  
153 Library System, Marcus Center, Milwaukee Public Museum,  
154 Charles Allis and Villa Terrace Museums, War Memorial  
155 Center, Milwaukee Art Museum, and any other cultural  
156 organization that receives contributions from Milwaukee  
157 County.
- 158 c. *Other Units of Government:* Economic Development Financial  
159 Assistance provided to any school district, municipality or any  
160 other governmental or quasi-governmental unit.
- 161 (e) *Living wage means* a minimum hourly wage rate equal to 110% of  
162 the poverty income level set forth annually by the U.S. Department  
163 of Health and Human Services a family of four (4) divided by 2,080  
164 hours.
- 165 (f) *Contractor means* a person or an entity that has a service contract,  
166 lease, or concession agreement with Milwaukee County covered  
167 under this Chapter.
- 168 (g) *Subcontractor means* a person or an entity:  
169 (1) Having an agreement or arrangement with a contractor to  
170 furnish a service for the benefit of Milwaukee County that  
171 would be covered under this chapter; or,  
172 (2) Having an agreement or arrangement with a contractor to  
173 operate on a property that is subject to a lease or concession  
174 agreement with Milwaukee County that would be covered  
175 under this chapter; or,  
176 (3) Purchasing or leasing from a recipient of financial  
177 assistance; or, managing or operating an enterprise  
178 employing people on the premises of property developed or  
179 improved as a result of financial assistance.
- 180 (h) *Recipient means* a person or entity receiving economic  
181 development financial assistance as defined in 111.02 (d) but does

182 not include a person or entity indirectly benefiting from incidental  
183 effects of County policies, regulations or ordinances.

184  
185 **111 .03. Standards Requirement**

- 186  
187 (1) All employees performing part or full time work for a contractor,  
188 subcontractor, lessee or recipient of economic development financial  
189 assistance covered under this chapter and all direct employees of the  
190 County, shall be paid the minimum wage rate defined in Chapter  
191 111.02(e), except as provided in sub-section (c) of this section.
- 192 (a) Tipped employees, employees paid on commission, or employees  
193 whose compensation consists of more than hourly wages shall be paid  
194 an hourly wage, when coupled with the other compensation, that will  
195 at least equal the minimum wage rate. The value of meals or lodging  
196 shall be calculated pursuant to Chapter DWD 272, Wisconsin  
197 Administrative Code.
- 198 (b) Contractors and subcontractors as defined in Chapter 111.02(g) (1)  
199 and (2) shall be subject to the requirements of this chapter for the  
200 duration of the agreement with the County. Employees of contractors  
201 and subcontractors shall be covered under the requirements of this  
202 chapter for the hours worked in performance of covered agreements.
- 203 (c) Recipients of economic development financial assistance and  
204 subcontractors as defined in Chapter shall:
- 205 i. Be subject to the requirements of this chapter for a period  
206 equal to one year for every \$100,000 provided in economic  
207 development financial assistance, rounded to the nearest  
208 whole year; and employees of such recipients and  
209 subcontractors shall be covered under the requirements of  
210 this chapter for work performed on the premises of a project  
211 benefiting from financial assistance; and,
- 212 ii. Be subject to the wage requirements of this section as  
213 follows:
- 214 (1) Effective January 1, 2015, employees of such  
215 recipients and subcontractors shall be  
216 compensated at an hourly wage rate equal to  
217 100% of the poverty income level set forth  
218 annually by the U.S. Department of Health and  
219 Human Services for a family of four (4), divided  
220 by 2080 hours.
- 221 (2) Effective January 1, 2016, employees of such  
222 recipients and subcontractors shall be  
223 compensated at an hourly wage rate equal to  
224 105% of the poverty income level set forth  
225 annually by the U.S. Department of Health and  
226 Human Services for a family of four (4), divided  
227 by 2080 hours.

228 (3) Effective January 1, 2017, employees of such  
229 recipients and subcontractors shall be  
230 compensated at an hourly wage rate equal to  
231 110% of the poverty income level set forth  
232 annually by the U.S. Department of Health and  
233 Human Services for a family of four (4), divided  
234 by 2080 hours.

235 (d) Minimum wage rate requirement will be updated annually on the last  
236 business day of February.

237 (2) Excluded employees:

238 (a) The provisions in this chapter shall exclude:

- 239 i. Student learners as defined by Wisconsin Chapter 104.01(7);  
240 and,
- 241 ii. Employees of sheltered workshops as defined by Wisconsin  
242 Chapter 104.01 (6); and,
- 243 iii. Employees under the age of 18; and,
- 244 iv. Employees not performing work under a Milwaukee County  
245 service contract, concession, or lease; and,
- 246 v. Employees not working in a financially assisted economic  
247 development project; and,
- 248 vi. Interns and seasonal employees; and,
- 249 vii. Volunteers receiving stipends; and
- 250 viii. Any other category of employee excluded under Wisconsin  
251 Chapter 104.
- 252 ix. Employees of a contractor, subcontractor, concessionaire or  
253 recipient of financial assistance otherwise covered under this  
254 chapter where the employer otherwise subject to the  
255 provisions of this chapter employs no more than 20 employees  
256 and where the employer otherwise subject to the provisions of  
257 this chapter is not an affiliate or subsidiary of another business  
258 entity dominant in its field of operation.
- 259 x. Employees of contractors, subcontractors or a recipient of  
260 financial assistance who provide residential services such as  
261 Community Based Residential Facilities, Adult Family Homes,  
262 Residential Community Apartment Complexes, and Supportive  
263 and Independent living.
- 264 xi. Employees of a member who receives personal care and  
265 supportive home care through a self-directed service program  
266 model in Milwaukee County.

267 (b) The requirements of this section may be modified or waived as regard  
268 employees who are covered by a collective bargaining agreement  
269 between the employer and a bona fide union, where the parties to  
270 such collective bargaining agreement expressly specify their intent in  
271 the agreement.

272

273 **111.04. Contracting Requirements**

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- (1) Department heads or their designee shall include requirements for compliance with this Chapter in:
  - (a) Every bid, request for proposal, or request for qualifications for services, leases, concessions or economic development financial assistance covered under this Chapter,
  - (b) All new service, lease, and concession agreements, and all new agreements involving financial assistance; and,
  - (c) All renewals or amendments of agreements for services, leases, concessions, or economic development financial assistance covered under this Chapter after the effective date of this ordinance.
- (2) Contractors, subcontractors, and recipients of financial assistance must submit to the department a notarized affidavit certifying that they will comply with the requirements of this chapter prior to contract or subcontract award or receipt of any financial assistance.
- (3) Contractors and subcontractors as defined in Chapter 111.02(g) shall submit to the Department of Audit at the conclusion of every third month during the period of an agreement covered under this chapter verifiable payroll records that shall minimally contain:
  - a. Name of contractor, and in the case of sub-contractor, the name of the direct employer of employees covered under this chapter; and,
  - b. Contract or project name; and
  - c. Name of all employees employed to perform the contract or subcontract and their job classifications; and,
  - d. Address of each employee employed to perform the contract or subcontract; and,
  - e. Hourly rate of pay for each employee employed to perform the contract or subcontract.
- (4) Contractors, subcontractors and recipients of financial assistance shall not use the requirements of this chapter to reduce the wages of employees.
- (5) For every service contract and economic development assistance grant the current rate shall be posted by the contractor or grant beneficiary at the site of the work in a prominent place where it can be easily seen and read by persons employed in the performance of such contract or grant. The poster shall also provide information of the means the reader may use to file a complaint of violation. In addition, copies of the current rate requirements shall be supplied to any person employed in the performance of a service contract or economic development assistance grant at the request of such person and within a reasonable period of time after the request.
- (6) Milwaukee County reserves the right to inspect and audit any payroll records of any contractor or subcontractor or recipient of financial assistance for which this chapter applies, for any reason and at any time.

316 **111.05 Accountability, Enforcement and Monitoring**  
317

- 318 (1) The Division of Audit shall enforce this ordinance and shall convene a  
319 workgroup, the composition of which will be determined by the Auditor,  
320 from stakeholders in county departments. This workgroup will:  
321 (a) Develop language for RFP's, bids, concessions and leases  
322 agreements; and  
323 (b) Define processes for field and desk audits ensuring compliance with  
324 this section; and,  
325 (c) Ensure that each department/division head or his/her designee  
326 complies with payroll monitoring processes imposed on agreements;  
327 and  
328 (d) Define penalties and sanctions for noncompliance, subject to  
329 county board approval, including any combination of the following:  
330 a. withholding of payment or imposing monetary penalties in an  
331 amount sufficient to pay the wages of all affected employees;  
332 or  
333 b. termination of agreement; or  
334 c. temporary debarment of contractors or subcontractors no less  
335 than three years; or  
336 d. permanent debarment of contractors or subcontractors; and  
337 (e) Examine the impact on airport concessionaires, real estate  
338 development contracts, and human service providers a year after the  
339 implementation of this ordinance; and  
340 (f) Publish and disseminate all procedures within sixty (60) days of the  
341 passage and publication of this ordinance.
- 342 (2) Contractors, subcontractors and recipients of financial assistance covered  
343 under this chapter shall not discriminate or take adverse employment  
344 action against an employee covered by this ordinance for filing a  
345 complaint under this chapter, informing another covered employee of the  
346 provisions of this chapter, or assisting another covered employee in filing a  
347 complaint under this chapter.
- 348 (3) Successor contractors or subcontractors shall offer employees of the  
349 incumbent or previous contractor or subcontractors, who perform or  
350 performed the same or substantially similar work in performance of the  
351 current or previous contract or subcontract as will be performed under the  
352 successor contract or subcontract, continued employment for at least 90  
353 days, unless the successor contractor or subcontractor demonstrates  
354 cause for discontinuation of employment.
- 355 (4) Nothing in this section shall prevent a covered employee, a group of  
356 covered employees, or other person adversely affected by a violation of this  
357 section from attempting to bring an action against a contractor or  
358 subcontractor in a court of competent jurisdiction seeking relief under  
359 MCGO Chapter 111. Milwaukee County shall not be liable in any action  
360 arising under this Chapter brought by a covered employee, a group of  
361 employees, or other person adversely affected violation of this section.

362 (5) An aggrieved individual, contractor or subcontractor may appeal findings of  
363 noncompliance in accordance with procedures established in chapter 110  
364 of this Code.

365  
366 **111.06. Severability and Savings**

367  
368 If any provision of this chapter or application thereof is judged invalid, the  
369 invalidity shall not affect other provisions or application of the chapter which can  
370 be given effect without the invalid provisions or application, and to this end the  
371 provisions of this chapter are declared severable.

372  
373 **111.07. Waiver by County Board/Rights of Enforcement**

374 Milwaukee County recognizes that from time to time it may be in the County's  
375 best interest to enter into contracts, leases or other agreements, including agreements  
376 involving financial assistance, which have been negotiated, bid for, or otherwise entered  
377 into in a manner which is not in strict conformity with the terms of this ordinance. Upon  
378 adoption or ratification of any such contract, lease or other agreement by the County  
379 Board through a vote carrying two-thirds of all seats on the County Board, any such  
380 nonconformity shall be deemed to have been waived by the County.

381  
382 This ordinance shall not be construed to create any right or rights of enforcement  
383 in any person seeking to do business with the County and compliance with the terms of  
384 the ordinance shall rest solely with the County of Milwaukee.

385  
386 **Section 2. Chapter 32.09 of the General Ordinances is hereby amended**  
387 **as follows:**

388  
389 (17) "Service contract" means an agreement primarily related to staff  
390 services including, but not limited to, housekeeping, security, landscaping,  
391 maintenance, clerical services, food services, and other non-professional  
392 services.

393  
394 **Section 3. This ordinance shall become effective upon passage and**  
395 **publication.**

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:** 12/12/2013

Original Fiscal Note            X

Substitute Fiscal Note       

**SUBJECT:** Resolution/ Ordinance on Minimum Wage for Milwaukee County

**FISCAL EFFECT:**

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

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year</b>	<b>Subsequent Year</b>
<b>Operating Budget</b>	Expenditure	0	2,107,334
	Revenue	0	156,479
	Net Cost	0	1,950,856
<b>Capital Improvement Budget</b>	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. <sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A request has been made for a fiscal analysis of a resolution on the enactment of a minimum wage for service, concession, concession, lease and financial assistance agreements publicly funded by Milwaukee County. The resolution provides detail as to the applicability of the ordinance to various type of contracts, agreements, leases, and economic development entered into by Milwaukee County. A separate report has been prepared to discuss the results of the Office of Comptroller's fiscal analysis of this resolution/ ordinance. The Office of the Comptroller's report is based on the our review of the resolution/ordinance entered for County Board review.

Department/Prepared By Office of the Comptroller

Authorized Signature 

Did DAS-Fiscal Staff Review?  Yes  No

Did CDBP Review?<sup>2</sup>  Yes  No  Not Required

<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

DATE : December 12, 2013  
TO : Chairwoman Marina Dimitrijevic  
FROM: Scott B. Manske, Comptroller  
RE : Fiscal Analysis of the Proposed Minimum Wage

---

At the request of Supervisor David Bowen, the Office of the Comptroller is submitting the following fiscal analysis of the proposed minimum wage ordinance.



---

Scott B. Manske  
Comptroller

cc: Supervisor David Bowen  
Supervisor Khalif Rainey  
County Executive Chris Abele  
Amber Moreen, Chief of Staff, Office of the County Executive  
Jerry Heer, Director of Audits, Office of the Comptroller  
Steve Cady, Research Director, Office of the Comptroller

## EXECUTIVE SUMMARY

Milwaukee County is proposing a Minimum Wage Ordinance (County MWO). The County MWO will require businesses that enter into certain contracts, leases, concessions, or that receive subsidies or other public benefits from local government to pay a “living wage” to the workers employed as a result of this funding. In addition, all tenants within a development that received over \$1.0 million in funding from Milwaukee County will also be subject to the County MWO. Working with departments, the Office of the Comptroller identified the impact to Milwaukee County for contracts, leases and other operations that fall within the boundaries of the County MWO. This amount does not include the impact if a developer chooses to receive financial assistance directly from the County in excess of \$1.0 million. The pages below offer a more detailed analysis by contract area and by department where applicable. The estimated expenditure increase in 2014 is \$1.9 million rising to \$8.0 million in 2015 and continuing to increase annually thereafter. Costs will continue to increase as current contracts expire and the bidding for new contracts requires compliance with the County MWO.

For 2014, few revenue sources are available to offset the increase in expenditures resulting in \$1.7 million of tax levy funding needed to support the additional costs. Since the 2014 Budget has already been adopted, funding will need to come from either the Contingency Fund or savings found in departments from other items or the costs will fall to the final surplus/deficit for Milwaukee County for 2014. In years 2015 – 2017 Family Care reserves are available to offset the financial impact in that department. In 2018 when the Family Care reserves are exhausted, it is anticipated that the \$8.4 million in tax levy funding will be needed to support the additional costs of the County MWO.

The Office of the Comptroller understands that many studies have been performed regarding “Living Wage” ordinances. These studies have been done to show the social, economic and fiscal impact that the implementation of a “Living Wage” ordinance can have. In fact, many of these studies point to data suggesting that employers actually absorb the full impact of the minimum wage increase through various efficiencies and other mechanisms, with no pass-through of cost increases to the government entity. The Office of the Comptroller acknowledges that the impact of the County MWO may be minimal for certain service and concession contracts where employers absorb most of the increased wage costs. However, as discussed in detail below, other agreements will likely result in significant impacts to the County.

The implementation of the County MWO and the impact on tax levy is a decision policy makers will need to evaluate and assess the cost versus the benefit to Milwaukee County and its residents. There are two areas of the County MWO that Office of the Comptroller has substantial concerns as summarized below. Additional detail is contained in the report:

### **Impact on Family Care and the Family Care Reserves**

Contracts with preferred provider agencies that exclusively contract with Milwaukee County’s Family Care program to provide personal care and supportive home care are included under the County MWO. The additional cost to Family Care to comply with the County MWO is \$5.4 million in 2015. Family Care maintains excess reserves which can be used to offset costs of the program. Although the added Family Care expenditures of \$5.4 million could be offset in the near future by Family Care reserves, it is estimated that the Family Care excess reserves will be exhausted due to the County MWO by the end of 2017, possibly sooner. Family Care, by State contract, must maintain certain other restricted reserves;

therefore tax levy would be required to subsidize the Family Care costs after 2017. While the reserves remain sufficient to meet State requirements, there will be no tax levy impact. When State requirements are not met or reserves are exhausted, the State may allow the County to supplement MCDFC losses with tax levy or may choose to terminate the program. The current trend by the State has been to terminate insolvent programs.

### **Impact on Economic Development in Milwaukee County**

The County MWO includes a provision if a developer chooses to receive financial assistance directly from the County in excess of \$1.0 million, the developer and their buildings' tenants would be subject to the County MWO for their employees and for services provided within the building. The site must comply with the County MWO for the equivalent of 1 year for every \$100,000 of financial assistance. It is estimated that the \$100,000 of benefit is equivalent to 20 people being raised to the "living wage". If developers find it too costly to develop County land, they may choose other properties with similar land value and less costly contingencies or merely purchase the land from Milwaukee County at fair market value and seek aid from municipalities for development of sites.

While Milwaukee County currently plays a minor role in economic development in the region compared to most municipalities, the inclusion of developers and their tenants in the County MWO may reduce the County's role to nonexistent. The direct financial risk to Milwaukee County is the loss of potential land sales. However, there is additional impact to the community, as County properties could remain undeveloped or the value of projects will be decreased to achieve a breakeven in complying with the County MWO.

### **Fiscal Analysis**

This fiscal analysis provides the Office of the Comptroller's best estimate of the cost of a MWO. The Office of the Comptroller consulted with departments to determine both contracts affected and potential fiscal impacts. The actual tax levy impact to the County will not be known until future contracts are bid and accepted in the normal course of the County operations. The MWO will not apply to existing contracts.

The chart below shows the types of operations that were reviewed and the estimated additional expenditures required for those operations, and possible revenue offsets available for the next six years. The costs and associated State and Federal revenues have been inflated by 2.5% per year to match the historical increase in the "living wage" rate.

Annual Costs of the Proposed Minimum Wage Ordinance						
	2014	2015	2016	2017	2018	2019
<b>Expenditures:</b>						
Food Service	\$ 8,248	\$ 239,247	\$ 245,204	\$ 251,310	\$ 257,567	\$ 263,981
Security	\$ 284,488	\$ 494,526	\$ 551,418	\$ 565,148	\$ 579,221	\$ 593,643
Janitorial	\$ 922,953	\$ 945,935	\$ 969,489	\$ 993,629	\$ 1,018,370	\$ 1,043,728
Clerical	\$ 55,365	\$ 56,744	\$ 58,157	\$ 59,605	\$ 61,089	\$ 62,610
County Wages	\$ 571,883	\$ 586,123	\$ 600,717	\$ 615,675	\$ 631,005	\$ 646,717
Family Care - Personal & Supportive Home Care	\$ -	\$ 5,365,298	\$ 5,498,894	\$ 5,635,817	\$ 5,776,148	\$ 5,919,975
Parks Concession Agreements	\$ 3,960	\$ 26,601	\$ 91,929	\$ 98,614	\$ 112,083	\$ 120,031
Airport Concession Agreements	\$ -	\$ 250,178	\$ 256,408	\$ 262,792	\$ 784,011	\$ 1,422,079
Zoo Concession Agreements	\$ 7,437	\$ 17,936	\$ 35,819	\$ 36,711	\$ 37,625	\$ 38,562
Lease Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit Function	\$ 253,000	\$ 259,300	\$ 265,756	\$ 272,374	\$ 279,156	\$ 286,107
Financial Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SubTotal</b>	<b>\$2,107,334</b>	<b>\$ 8,241,886</b>	<b>\$ 8,573,790</b>	<b>\$ 8,791,674</b>	<b>\$ 9,536,276</b>	<b>\$10,397,433</b>
<b>Revenue:</b>						
Airlines Rates & Charges	\$ (145,884)	\$ (399,695)	\$ (365,068)	\$ (374,158)	\$ (898,151)	\$ (1,539,061)
Family Care Reserves	\$ -	\$ (5,365,298)	\$ (5,498,894)	\$ (5,635,817)	\$ -	\$ -
Other	\$ (10,595)	\$ (10,859)	\$ (11,129)	\$ (11,406)	\$ (11,690)	\$ (11,981)
<b>SubTotal</b>	<b>\$ (156,479)</b>	<b>\$ (5,775,852)</b>	<b>\$ (5,875,092)</b>	<b>\$ (6,021,381)</b>	<b>\$ (909,841)</b>	<b>\$ (1,551,042)</b>
<b>Tax Levy</b>	<b>\$1,950,856</b>	<b>\$ 2,466,035</b>	<b>\$ 2,698,699</b>	<b>\$ 2,770,293</b>	<b>\$ 8,626,435</b>	<b>\$ 8,846,391</b>

This document does not discuss options for the funding of the projected tax levy impact. Any change to the proposed County MWO may affect the future tax levy impact. The costs identified are for the major items made known to us during our review. Other issues may arise subsequent to the issuance of this report, which we were unaware of or were not considered included under the proposed County MWO.

The preparation of this report could not have been accomplished without the assistance of personnel in the various departments. We would like to express our appreciation to all persons who assisted in its preparation.

## OVERVIEW

Milwaukee County is proposing a Minimum Wage Ordinance (County MWO). The County MWO is similar to living wage ordinances that have been implemented by other governmental units in the United States. However, no two “living wage”, minimum wage, or prevailing wage ordinances, statutes or laws are the same. The County MWO will require businesses that enter into certain contracts, leases or concessions with Milwaukee County or that receive subsidies or other public benefits from the County to pay a “living wage” to the workers employed as a result of this funding. For the proposed ordinance a “living wage” is defined as “the minimum hourly compensation rate equal to 110% of the poverty income level for a family of four as published by the US Department of Health and Human Services divided by 2080 hours.” As of December 12, 2013, the County minimum wage rate would be \$12.45 per hour. Per the ordinance, this rate will change on February 1 of each year.

There are two types of minimum wage laws: 1) broad legislation that covers all employers in that jurisdiction, regardless of the relationship with the government, or 2) narrow legislation that is applied only to entities that have a contractual relationship with the government. The proposed County MWO is narrow legislation that will only apply to certain vendors of the County. The County MWO does not

require Milwaukee County businesses not doing business directly with Milwaukee County to comply with the minimum wage rate set in the ordinance.

Under State Statute, the County is not allowed to create a minimum wage ordinance that would apply unilaterally to all businesses operating within Milwaukee County. However, pursuant to Wisconsin State Statute Chapter 104.001 (3) (a) the County may establish a minimum wage ordinance for:

- Milwaukee County employees;
- Employees who perform work under a contract for services with Milwaukee County; or,
- Employees who perform work that is funded by financial assistance from Milwaukee County.

In contrast, the Federal Minimum Wage Law is a broad law that requires pay of \$7.25 per hour, with exceptions for certain occupations or industries. States are allowed to adopt their own broad minimum wage law, with Federal law as a floor. Twenty-two states have adopted the Federal Minimum Wage Law, and 19 states have adopted minimum wage laws that exceed the Federal limit. The State of Wisconsin has adopted the Federal Minimum Wage rate.

Milwaukee County spends hundreds of millions of dollars every year with private businesses service contracts, lease and concession agreements, and economic development incentives and subsidies. The County budgeted \$269 million in 2014 for Service-related items including transit operations and \$408 million for purchase of service contracts within the health and human needs area.

Based on the proposed ordinance, the following types of contracts **will be** subject to a living wage provision. This list is not exhaustive, but is representative of the types of services and contracts that will be subject to the ordinance:

- Service Contracts which generally include services such as: janitorial and housekeeping services, security, landscaping, clerical services, food services.
- Personal care and home healthcare services for Family Care members in their homes, provided by agencies that exclusively contract with Milwaukee County.
- Concession Agreements with a value of \$20,000 or more which generally include services such as: food services at the airport, car rental services at the airport, food services throughout the County Parks, various services at the Zoo and other miscellaneous concessions through the County.
- Leases of \$20,000 or more, excluding agreements such as Milwaukee Public Museum, Milwaukee Performing Arts Center, and other cultural entities, governments, and leases with non-profit entities. Generally, this applies to certain for-profit entities operating businesses on County Parks land.
- Any type of contract which provides economic development financial assistance from Milwaukee County in excess of \$1,000,000 or more to a recipient, which would generally include development agreements and will likely impact land sales at the Park East and Downtown Transit Center.

The following types of contracts **are not** subject to the County MWO, as specifically stated in that document:

- Purchase of goods or commodities or its delivery.
- Equipment lease or maintenance.
- Contracts or leases with any school district, municipality, or any other governmental unit.
- Contracts in which State or Federal funder has a prevailing wage requirement.
- Contracts with Family Care other than preferred provider agencies that exclusively contract with Milwaukee County to provide personal care and supportive home care.
- Leases with cultural institutions.
- Professional Service Contracts under Chapter 56 of County ordinances.
- Purchase of Service contracts under Milwaukee County Ordinance Chapter 46.09.
- County financial assistance to nonprofit corporations, unless the nonprofit passes an amount equal to a \$1,000,000 benefit of the financial assistance to a for profit entity.

The following types of contracts are **not** subject to the County MWO, by their absence in the County MWO.

- Management Contracts such as those for Transit/ Paratransit and parking at the Airport.
- Fee for Service agreements for Wraparound and DHHS/ BHD.

A separate table is attached which shows a list of contract types for Milwaukee County and whether the contracts are included or not-included in the County MWO.

The proposed County MWO will also apply to pay grades within the Milwaukee County Civil Service System where the first step is less than \$12.45 and to pay grades where the first step is between \$12.45 and \$13.50. The pay grades would have to be amended to place the “living wage” at the first step of the pay scale, and then each higher step inflated from that base. Therefore, all positions, currently assigned to those pay grades would be adjusted. While less than 110 non-seasonal employees make less than \$12.45 per hour, approximately 350 employees of Milwaukee County will be impacted by this change because they reside in one of twelve pay ranges impacted by this change. The Wisconsin State Statute Chapter 104 excludes certain employees from the State Minimum Wage Statute; the County MWO excludes these same employee groups. The County MWO in 111.03 (3) further excludes other employees such as interns, seasonals, volunteers receiving stipends, and companies subject to the provisions of the County MWO that have 20 employees or less.

The County MWO provides for the automatic adjustment of the minimum wage based on the Federal Poverty Guidelines issued annually by the U.S. Department of Health and Human Services. Below is the history of the minimum wage at 110% of the poverty level for a family of four. The effect of this provision will be an increase in costs annually associated with all employees of Milwaukee County and employees of vendors subject to the County MWO. Please take note of the recent percentage increases. Based on the figures below, the average increase is 2.5 percent, and has been taken into account in our fiscal analysis.

Living Wage Rates		
Year	LWO Rate	Pcntg Incr
2014	\$ 12.45	2.05%
2013	\$ 12.20	3.13%
2012	\$ 11.83	1.37%
2011	\$ 11.67	0.00%
2010	\$ 11.67	4.01%
2009	\$ 11.22	2.75%
2008	\$ 10.92	3.21%
2007	\$ 10.58	3.32%
2006	\$ 10.24	2.61%
2005	\$ 9.98	2.46%

## CAVEAT ON FINANCIAL IMPACT

The County MWO will have a financial impact on the County and on the businesses that choose to do business with the County. However, given the timeframe in which this report was produced, the long-term financial impact of this ordinance is not easily quantified. Many of the contracts affected by this ordinance will only be impacted as current contracts expire and new contracts are negotiated. For example, many concession agreements within the Department of Parks, Recreation and Culture (DPRC) are long-term contracts that have five or more years remaining on the current contract. Other leases that the County has are long-term and will be unaffected by this ordinance for years unless amendments to the contracts are negotiated. And, most contracts for 2014 have already been negotiated lessening any fiscal impact in 2014.

In an effort to analyze the possible financial risks associated with the County MWO, the Office of the Comptroller has assembled areas where the County MWO will likely have a financial or operational impact to the County. It is important to note that this fiscal analysis was not intended to fully cover the universe of contracts that this ordinance will impact. It is likely that this ordinance will have unintended consequences as new or previous agreements are negotiated and become subject to the provisions of the County MWO. Until such time, those impacts will remain unknown.

A survey was sent to many of the larger contracted entities that were likely to be impacted by the County MWO. Only a few of these surveys were returned to the County. Calls were made by departments to contract employers who were potentially impacted by the County MWO. In certain cases, data was received from the employer that allowed us to perform the calculation, in other cases only limited data was received. If a County department maintains specific wage data for a contracted employer, than that data was used to calculate the fiscal impact of the proposed County MWO. If data was limited, research was done to attempt to determine a fiscal impact of the County MWO. The research included internet searches, discussions with departments, using data for similar contract vendors, or hypothesizing on the potential impact. Where no data existed, or where no current financial impact could be determined the

Office of the Comptroller stated that the impact was unknown. The County had specific data for the County wages, janitorial service contracts, clerical contracts, and Family Care identified programs.

The Office of the Comptroller understands that many studies have been performed regarding “Living Wage” ordinances. These studies have been done to show the social, economic and fiscal impact that the implementation of a “Living Wage” ordinance can have. In fact, many of these studies point to data suggesting that employers actually absorb the full impact of the minimum wage increase through various efficiencies and other mechanisms, with no pass-through of cost increases to the government entity. The Office of the Comptroller acknowledges that the impact of the County MWO may be minimal for certain service and concession contracts where employers absorb most of the increased wage costs. However, no tools exist to precisely predict how the market will react to a County MWO and in what situations an employer may fully absorb the cost or in what situations an employer may absorb no costs or may partially absorb the costs. Further complicating the issue is the current economic market and the impact that such a market will have on a MWO. Therefore, for purposes of this fiscal analysis, the maximum financial risk to the County is presented, which assumes that 100 percent of the costs will be passed through to the County. Where revenue offsets are known, they are also included.

## SERVICE CONTRACTS

<b>Annualized Impact</b>	<b>\$1,736,800</b>
<b>2014 Impact</b>	<b>\$1,268,677</b>
<b>Annualized Tax Levy</b>	<b>\$1,692,000</b>

Service Contracts - Impact of County MWO							
Type	Avg Wage Rate	Impacted Employees	Addl Wage Cost	Addl Tax Cost	Total Cost	Revenue Offset	Net Tax Levy
Food Service	\$ 10.08	46.0	\$ 193,600	\$ 39,800	\$ 233,400	\$ -	\$ 233,400
Security	\$ 10.12	90.0	\$ 435,300	\$ 89,700	\$ 525,000	\$ (42,400)	\$ 482,600
Janitorial	\$ 9.10	110.0	\$ 765,400	\$ 157,600	\$ 923,000	\$ -	\$ 923,000
Clerical	\$ 11.88	44.0	\$ 46,000	\$ 9,400	\$ 55,400	\$ (2,400)	\$ 53,000
			<b>\$ 1,440,300</b>	<b>\$ 296,500</b>	<b>\$ 1,736,800</b>	<b>\$ (44,800)</b>	<b>\$ 1,692,000</b>
	End Date	Full Contract Cost	Net Tax Levy	Percentage Impact 2014	2014 Tax Levy		
Food Service	Varies	\$ 9,810,300	\$ 233,400	4.0%	\$ 8,248		
Security	Varies	\$ 3,650,900	\$ 482,600	54.0%	\$ 284,488		
Janitorial	Open	\$ 3,374,600	\$ 923,000	100.0%	\$ 922,953		
Clerical	Open	\$ 1,554,600	\$ 53,000	100.0%	\$ 52,987		
			<b>\$ 1,692,000</b>		<b>\$ 1,268,677</b>		

\*Amounts shown as if all contracts were subject to minimum wage ordinance as of January 1, 2014.

The County has agreements with food service vendors for the preparation of meals at the House of Correction, which also provides meal for the Criminal Justice Facility, and at the Behavioral Health Division, which also provides meals for the senior meal program. It was determined that 46 food service

employees make less than the minimum wage rate of \$12.45. Based on one agreement terminating in mid-2014, and the second one terminating at the end of 2014, the impact in 2014 will be \$8,248.

Security services are contracted to various providers at the Airport, Behavioral Health Division and Office of the Sheriff. These security contracts were based on bids from the procurement division under Chapter 32. Communications with some of the vendors has indicated that certain security workers make less than the minimum wage. One of the vendors did not provide data, so an estimated cost was derived based on the costs of the other security vendors. Based on our best estimate, 90 employees will be affected. Based on the agreement end dates staggered in 2014, the estimated impact for 2014 will be \$284,488.

The janitorial contract was bid prior to the County MWO, and has not yet been approved. Based on discussions with the proposed vendor and our best estimate, a total cost was derived. No discussion occurred with the vendor whether the costs would be passed onto the County or not. It is worth noting that because the County currently procures janitorial services through a month-to-month agreement with the current vendor the County MWO would likely apply to the current vendor immediately. Should the current vendor choose not to continue its contract with the County unless reimbursed for the additional costs of the MWO, the County may find itself in a position with no vendor.

The clerical contracts are related to the temporary help firms that provide clerical support to the County. In reviewing the contracts, the Office of the Comptroller was able to determine which contracted rates was less than the minimum wage. The cost impact is noted above.

## MILWAUKEE COUNTY WAGES

**Annualized Impact**                    **\$572,000**  
**2014 Impact**                            **\$572,000**  
**Annualized Tax Levy Impact** **\$417,900**

Milwaukee County Employee Cost - Impact of County MWO							
Type	Avg Wage Rate for Group	Impacted Employees	Addl Wage Cost	Addl Tax Cost	Total Cost	Revenue Offset	Net Tax Levy
Full Time	\$ 14.82	267.0	\$ 456,200	\$ 34,900	\$ 491,100	\$ (154,100)	\$ 337,000
Half Time	\$ 11.81	79.0	\$ 74,600	\$ 5,700	\$ 80,300	\$ -	\$ 80,300
3/4 Time	\$ 15.50	1.0	\$ 600	\$ -	\$ 600	\$ -	\$ 600
		347.0	\$ 531,400	\$ 40,600	\$ 572,000	\$ (154,100)	\$ 417,900
	<b>End Date</b>	<b>Full Salary Cost</b>	<b>Net Tax Levy Percentage Impact 2014</b>		<b>2014 Tax Levy</b>		
Full Time	1/1/2014	\$ 8,231,768	\$ 337,000	100.0%	\$ 337,000		
Half Time	1/1/2014	\$ 970,490	\$ 80,300	100.0%	\$ 80,300		
3/4 Time	1/1/2014	\$ 24,174	\$ 600	100.0%	\$ 600		
			<u>\$ 417,900</u>		<u>\$ 417,900</u>		

\*Amounts shown as if all wages were subject to minimum wage ordinance as of January 1, 2014.

The County MWO requires that all employees be paid the minimum wage with the exception of interns and seasonal employees. There are currently less than 110 employees who make less than \$12.45 per hour. These employees are in positions of security, nursing assistance and janitorial. The cost impact associated with increasing these 110 employees actually includes the cost of adjusting all employees in the pay grades that are impacted. Changes to 12 pay grades would result from the County MWO and impact 347 employees in total. For purposes of this calculation, the base step in each pay grade was adjusted to either \$12.45 or by \$0.21. Each step thereafter was inflated by the same amount as the first step. Because entire pay grades were impacted, employees other than those below the minimum wage were impacted.

The County MWO requires an annual increase in the minimum wage based on the new Federal Poverty Guidelines. The result is that these 12 pay grades (and others in the long-term) will have to be adjusted annually. This could potentially result in annual increases to employees within these pay grades while other employees may be subject to no increases based on the annual budget process. Over time, this could result in additional pay grades being adjusted annually. The County could consider pay bands for these 12 pay grades, and lift the bottom of the pay band each year.

## DEPARTMENT OF FAMILY CARE

**Annualized Impact**                    **\$5,234,947**  
**2014 Impact**                            **\$0**  
**Annualized Tax Levy Impact**   **\$0**

Family Care Contracts - Impact of County MWO							
Type	Avg Wage Rate	Impacted Employees	Addl Wage Cost	Addl Tax Cost	Total Cost	Revenue Offset	Net Tax Levy
SHCE	\$ 10.54	2,428.0	\$ 4,369,135	\$ 996,163	\$ 5,365,297	\$ (5,365,297)	\$ -
			\$ 4,369,135	\$ 996,163	\$ 5,365,297	\$ (5,365,297)	\$ -
	End Date	Full Contract Cost	Net Tax Levy	Percentage Impact 2014	2014 Tax Levy		
SHCE	12/31/2014	\$ 32,046,071	\$ -	0.0%	\$ -		
			\$ -		\$ -		

Preferred provider agencies exclusively contracting with Milwaukee County Department of Family Care (MCDFC) to provide personal care, supportive home healthcare and home healthcare would be subject to the County MWO.

Based on the data provided by the MCDFC for these three agencies, approximately 1,234 employees make an average of \$10.35; 1,085 make an average of \$10.50; and 109 make \$10.78. Increasing these employees to \$12.45 an hour results in an increase of approximately \$5,234,947 for these services, on an annual basis. It is our understanding that two of the providers have workers represented by unions. Language within the resolution states that if a union and company have an agreement as to "living wage" than the County MWO would not have to be considered for the vendor contract. No determination was

made as to whether the current contract between the union and the preferred provider allows for application of the minimum wage to these employees. It was assumed for purposes of the fiscal analysis that the County MWO would apply to all workers.

In reviewing the financial impact of the County MWO on the MCDFC, it appears that the County MWO poses potential risks for the overall fiscal health of the MCDFC. The major risk is that the MCDFC is unable to fully absorb the increase in costs for the County MWO over time and continues to tap reserves to cover shortfalls. In the event that reserves were exhausted, one of two events will occur:

- Termination by the State of the Department of Family Care contract, or
- Supplement of MCDFC losses with County tax levy if selected by the County Board and approved by the State.

The current trend by the State has been to terminate an insolvent MCO's contract.

Based on the model impacted by the County MWO, the full cost of the County MWO will be paid by the MCDFC. There would be no potential sharing of costs between the contractor and MCDFC because the three agencies subject to the ordinance act significantly similar to a temporary agency specifically for MCDFC in the provision of these services.

Since the full impact is paid by the MCDFC, the cost would have to be absorbed within the current year capitation rate (per member per month rate) received by the MCDFC from the State. Capitation rates are determined by the State based on a variety of factors. The capitation rate is typically set in late summer for the upcoming year using data from two years prior. Therefore, if the increase in costs due to the County MWO were to have a difference on the capitation rate, it would have no impact for at least two years following the enactment of the ordinance. In the past, the State has exercised their authority to determine if a rate increase that an MCO has given to a provider is "too high". If they do so again in this instance, they will "throw out" the cost data and the amounts spent on this increase will never be part of the capitation rate calculation. This is solely up to the State's discretion. Implementing a phased in approach to the minimum wage requirement mitigates this risk.

Because the cost of the County MWO is passed through the MCDFC, the current capitation rate will not be sufficient to pay for the wage increase and to continue to provide the same level of service without accessing the reserves. Therefore, for at least the first year of the County MWO and possibly subsequent years, the MCDFC will likely have to access their reserves. It should be noted that if the MWO is implemented with a phased in approach the MCDFC may be able to decrease reserve withdrawals in subsequent years (i.e., 2015 going forward).

The MCDFC currently has excess reserves of \$21 million, plus required reserves of \$12.1 million. For 2014, the State has recognized the MCDFC excess reserves, and has provided a preliminary capitation rate decrease from 2013 to specifically draw down these reserves. This decrease results in MCDFC budgeting \$4.9 million of excess reserves for its 2014 operations. Any subsequent draw from reserves necessitated from the MWO will be in addition to the \$4.9 million. Therefore, excess reserves will be reduced by at least \$10.1 million by the end of 2015 with implementation of the County MWO, leaving approximately \$10 million in excess reserves. Assuming no other draws on excess reserves and no adjustment to capitation rates, approximately two years of excess reserves would be available to fund

minimum wages. Required reserves must always be maintained at current levels to remain compliant with State rules. In the event that required reserves would need to be accessed to fund a minimum wage, State approval would be required. As mentioned previously, other Family Care providers in this situation have had their contracts terminated, effectively eliminating the program.

## PARKS CONCESSION AGREEMENTS

**Annualized Impact**                    **\$266,100**  
**2014 Impact**                         **\$3,971**  
**Annualized Tax Levy Impact** **\$266,100**

Parks Concession Contracts - Impact of County MWO*							
Concession Type	Location	Contract Expiration Date	Impacted Employees	Contract Value	Total Cost	Revenue Offset	Net Tax Levy
Rental/Food Service	Veterans Park	11/30/2019	unknown	\$ 31,000	\$ 15,800	\$ -	\$ 15,800
Food/Beverage Service & Programming	Bradford Beach	2/28/2016	unknown	\$ 52,830	\$ 8,800	\$ -	\$ 8,800
Food Service	Northpoint	2/28/2016	unknown	\$ 27,987	\$ 16,900	\$ -	\$ 16,900
Retail	Veterans Park	3/30/2019	unknown	\$ 19,000	\$ 10,600	\$ -	\$ 10,600
Food Service	McKinley Marina Roadhouse	4/30/2014	unknown	\$ 9,190	\$ 5,900	\$ -	\$ 5,900
Rental	Veterans Park	3/30/2018	unknown	\$ 22,000	\$ 13,200	\$ -	\$ 13,200
Food/Beverage Service	Estabrook Comfort Station	11/30/2020	unknown	\$ 80,760	\$ 30,000	\$ -	\$ 30,000
Food Service	Lake Park Bistro	8/31/2015	unknown	\$ 42,577	\$ 60,000	\$ -	\$ 60,000
Food Service	Boerner Botanical Gardens	12/31/2023	unknown	\$ 84,000	\$ 61,700	\$ -	\$ 61,700
Food Service	Mitchell Park Domes	12/31/2023	unknown	\$ 28,773	\$ 25,200	\$ -	\$ 25,200
Food Service	Miller Room at O'Donnell	12/31/2023	unknown	\$ 24,000	\$ 18,000	\$ -	\$ 18,000
				<b>\$ 422,117</b>	<b>\$ 266,100</b>	<b>\$ -</b>	<b>\$ 266,100</b>
		End Date	Full Contract Value	Net Tax Levy	Percentage Impact 2014	2014 Tax Levy	
Food Service/McKinley Marina		4/30/2014	\$ 9,190	\$ 5,900	67%	\$ 3,960	
				\$ 5,900		\$ 3,960	

\*Information based solely on best County estimates; no data provided by vendors

\*Amounts shown as if all contracts were subject to minimum wage ordinance as of January 1, 2014.

The Parks Department has several vendors throughout the Parks system which provide amenities to users within the Parks system through concession agreements. These vendors will be subject to the County MWO if the value of their concession agreement equals \$20,000 or more. The ordinance does however exempt businesses that employ 20 or less employees, unless the employer is affiliate or subsidiary of another business dominant in the field of operation.

For purposes of this report, only current concessions contracts with a value exceeding \$20,000 were reviewed. Most contracts will be unaffected by the County MWO for several years as the Parks Department recently entered into agreements with several vendors. Based on current contracts, only one will be affected in 2014. Other new services proposed in 2014 may result in new contracts subject to the MWO.

Because no data was requested of these vendors, comparable data was used to extrapolate the fiscal impact to the vendor. Because these contracts are concessions contracts that typically provide a minimum annual guarantee, it was assumed for purposes of this fiscal analysis that the full cost of the wage increase would be absorbed by the County through a reduction in the minimum annual guarantee. The worst case scenario is that vendors stop providing these services in their entirety because it is no longer profitable for them. Because no revenue offset exists within the Parks Department, any reduction to revenue would result in an increase in tax levy for the department.

## LEASE AGREEMENTS

Annualized Impact \$0

2014 Impact \$0

Annualized Tax Levy Impact \$0

Parks Lease Agreements - Impact of County MWO							
Lease Type	Location	Contract Expiration Date	Impacted Employees	Contract Value	Total Cost	Revenue Offset	Net Tax Levy
Food/Beverage & Programming	Crystal Ridge	9/29/2027	unknown	\$ 25,000	Unknown	\$ -	Unknown
Food Service	Coast at O'Donnell	1/1/2016	unknown	\$ 56,641	Unknown	\$ -	Unknown
				\$ 81,641	\$ -	\$ -	\$ -

\*Amounts shown as if all contracts were subject to minimum wage ordinance as of January 1, 2014.

For purposes of this fiscal note, leases were reviewed throughout the County with a focus on leases within the Parks Department, where a majority of County leases currently exist. The Parks Department leases land and building space to various entities throughout the Parks system. These entities will be subject to the County MWO if the value of their lease agreement exceeds \$20,000 or more and the entity receives financial assistance from the County. The ordinance does however provide for various exemptions, including:

- Entities that employ 20 or less employees, unless the employer is affiliate or subsidiary of another business dominant in the field of operation;
- Cultural Institutions; and,
- Non-profit entities, unless the entity passes through financial assistance in an amount equal to \$1,000,000 or more to a for-profit entity.

After a review of the leases, it was determined that only two current leases may be subject to the County MWO when the lease is amended or renewed. A final determination would need to be made as to whether these two entities are the recipients of financial assistance because of the nature of their agreements with the County. No determination has been made at this time and no cost associated with these leases has been calculated.

## ZOO CONCESSION AGREEMENTS

<b>Annualized Impact</b>	<b>\$33,100</b>
<b>2014 Impact</b>	<b>\$4,038</b>
<b>Annualized Tax Levy Impact</b>	<b>\$33,100</b>

Zoo Concession Contracts - Impact of County MWO*							
Concession Type	Location	Contract Expiration Date	Impacted Employees	Contract Value	Total Cost	Revenue Offset	Net Tax Levy
Pony Rides	Zoo	12/31/2015	unknown	\$ 31,605	\$ 1,900	\$ -	\$ 1,900
Camel Rides	Zoo	12/31/2015	unknown	\$ 18,930	\$ 1,100	\$ -	\$ 1,100
Photos	Zoo	12/31/2015	unknown	\$ 45,328	\$ 2,800	\$ -	\$ 2,800
Face Painting	Zoo	12/31/2015	unknown	\$ 37,472	\$ 2,300	\$ -	\$ 2,300
Strollers	Zoo	12/31/2015	unknown	\$ 66,025	\$ 6,000	\$ -	\$ 6,000
Penny Press/Footsie Wootsie	Zoo	2/28/2014	unknown	\$ 30,925	\$ 2,900	\$ -	\$ 2,900
Mold-A-Rama	Zoo	4/14/2014	unknown	\$ 56,762	\$ 7,000	\$ -	\$ 7,000
Sky Glider	Zoo	12/31/2014	unknown	\$ 37,245	\$ 7,600	\$ -	\$ 7,600
Zip Line	Zoo	12/31/2015	unknown	\$ 41,188	\$ 2,500	\$ -	\$ 2,500
				<b>\$ 365,480</b>	<b>\$ 34,100</b>	<b>\$ -</b>	<b>\$ 34,100</b>
	<b>End Date</b>	<b>Full Contract Value</b>	<b>Net Tax Levy</b>	<b>Percentage Impact 2014</b>	<b>2014 Tax Levy</b>		
Penny Press/Footsie Wootsie	2/28/2014	\$ 30,925	\$ 2,900	84%	\$ 2,431		
Mold-A-Rama	4/14/2014	\$ 56,762	\$ 7,000	72%	\$ 5,005		
				<b>\$ 9,900</b>	<b>\$ 7,437</b>		

\*Information based solely on best County estimates; no data provided by vendors

\*Amounts shown as if all contracts were subject to minimum wage ordinance as of January 1, 2014.

The Milwaukee County Zoo has several vendors throughout the Zoo that provide amenities to visitors to enhance their Zoo experience. These vendors will be subject to the County MWO if the value of their concession agreement equals \$20,000 or more. The ordinance does however exempt businesses that employee 20 or less employees, unless the employer is affiliate or subsidiary of another business dominant in the field of operation.

For purposes of this report, concessions contracts with a value exceeding \$20,000 were reviewed. Most contracts will be unaffected by the County MWO in the short-term as the Zoo has several agreements already in place. Only one contract will be affected for 2014. However, other services could be evaluated throughout the year resulting in new contracts that could be subject to the County MWO.

Because minimal data was available from these vendors, comparable data was used to extrapolate the fiscal impact to the vendor. It is worth noting that because these contracts are concessions contracts that typically provide a minimum annual guarantee, it can be assumed that all or some portion of the cost of the wage increase would be absorbed by the County through a reduction in the minimum annual guarantee. The worst case scenario is that vendors stop providing these services in their entirety because it is no longer profitable for them. Because no revenue offset exists within the Zoo, any reduction to these revenue sources would result in an increase in an overall tax levy for the department.

# AIRPORT CONCESSION AGREEMENTS

**Annualized Impact** **\$1,696,700**  
**2014 Impact** **\$0**  
**Annualized Tax Levy Impact** **\$0**

Airport Concession Contracts - Impact of County MWO*							
Concession Type	Location	Contract Expiration Date	Impacted Employees	Contract Value	Total Cost	Revenue Offset	Net Tax Levy
Car Rental	Airport	6/30/2018	150.7	7,288,161.0	925,300.0	(925,300.0)	-
Food Service	Airport	10/31/2019	133.9	3,532,400.0	527,300.0	(527,300.0)	-
Retail	Airport	2/28/2015	45.9	\$ 1,210,000	\$ 244,100	\$ (244,100)	\$ -
				\$ 12,030,561	\$ 1,696,700	\$(1,696,700)	\$ -
	End Date	Full Contract Value	Net Tax Levy	Percentage Impact 2014	2014 Tax Levy		
None		\$ -	\$ -		\$ -		
			\$ -		\$ -		

\*Information based solely on best County estimates; no data provided by vendors

\*Amounts shown as if all contracts were subject to minimum wage ordinance as of January 1, 2014.

General Mitchell International Airport has several concession agreements which upon their renewal will be subject to the terms of the County MWO. The three service categories impacted will be car rental, food service and retail.

For purposes of this report, concessions contracts with a value exceeding \$20,000 were reviewed. Most contracts will be unaffected by the County MWO in the short-term as the Airport has several agreements already in place. Only one contract will be affected for 2014. However, other services could be evaluated throughout the year resulting in new contracts that could be subject to the County MWO. In addition, the parking management contract was reviewed and determined to be a management contract. Based on our interpretation of the County MWO, these contract types are not included and therefore, it has not been included in this fiscal analysis.

Because no data was requested of these vendors, only comparable data was used to calculate the fiscal impact on car rental, food service and retail workers. However, it is worth noting that because these contracts are concessions contracts that typically provide a minimum annual guarantee, it can be assumed that all or some portion of the cost of the wage increase would be absorbed by the County through a reduction in the minimum annual guarantee. The worst case scenario is that vendors stop providing these services in their entirety because it is no longer profitable for them. Because user rates and charges are used to reimburse the Airport for expenditures, any reduction to these revenue sources would result in an increase in user rates and charges. There would be no tax levy impact.

## ECONOMIC DEVELOPMENT

**Total Impact \$34,534,157 assuming no land sales in the future**

The County MWO would apply to developers who are receiving direct financial assistance of over \$1 million from the County, as well as concessionaries, leases and all contractors and subcontractors of the financial assistance recipients. The wage mandate requirement would extend to each of these employers for a period equal to one year for every \$100,000 provided in economic development financial assistance. Additional requirements within the County MWO would also include the provision that any new service providers employ the previous service providers for a period of at least 90 days, unless the new provider can demonstrate cause for discontinuation of employment. Also included is the provision that all economic development financial assistance recipients and their subcontractors submit payroll data every three months.

Estimated Values of Projected Inventory of Surplus Land							
	Acres	Total Fair Market Value	Total Construction Value	Total DBE Construction Value	Total Additional Tax Base	Total Additional Tax Revenue	Jobs Total
Park East	10.11	\$ 12,934,158	\$ 166,126,762	\$ 41,531,688	\$ 166,126,762	\$ 4,983,805	3,955
Downtown Transit Center	2.8	\$ 9,599,999	\$ 160,000,000	\$ 39,999,999	\$ 160,000,000	\$ 4,800,001	3,810
Future Excess	40	\$ 12,000,000	\$ 40,000,000	\$ 10,000,000	\$ 40,000,000	\$ 1,200,000	952
<b>Total:</b>	<b>52.91</b>	<b>\$ 34,534,157</b>	<b>\$ 366,126,761</b>	<b>\$ 91,531,687</b>	<b>\$ 366,126,761</b>	<b>\$ 10,983,806</b>	<b>8,717</b>

Information provided by Department of Administrative Services - Economic Development Division

The County is not a major player in economic development in Milwaukee County. As shown in the table above, the County has approximately 13 acres of land between the Part East and Downtown Transit Center. There could potentially be an additional 40 acres of surplus land in the future. A recent report by the Public Policy Forum "Assembling the Parts: an examination of Milwaukee County's economic development landscape" issued in November 2011 stated the following:

Given Milwaukee County's limited economic development tools and budgetary resources, it is of little surprise that its role in City of Milwaukee economic development – outside of efforts to sell and/or develop its own real estate – has been limited. Recent steps taken by county officials to enhance partnerships, develop new business financing tools, and play a more influential role in coordinating countywide economic development policies may change that assessment, but care will need to be taken to ensure that the county's efforts do not simply duplicate, but rather strategically complement, those conducted by other players. Overall, county government still should be viewed as a relatively minor player in the city's economic development framework.

There is limited evidence in support of or against wage mandates for economic development, but in this case the County MWO is limited to the County owned property and the few tools that the County has for economic development. In most circumstances, one would look to studies or reports to determine what impacts of the living wage policy would be on economic development. However, only one such study exists which was commissioned in response to the then proposed living wage legislation proposed in New York City (NYC) in 2011. In that study, the effects of the living wage proposal on real estate development projects fell into one of four categories:

- (1) Projects that would be continued to be developed with financial assistance even with living wage coverage;

- (2) Projects that would be developed, albeit with substantial modification, with financial assistance and living wage coverage;
- (3) Projects that would have been developed with financial assistance are developed, but without financial assistance; and
- (4) Projects that would have been developed with financial assistance are abandoned.

The study found that the costs associated with the living wage provision tend to negate the benefits provided by financial assistance. The study deduces then that most projects in NYC would fall into the latter two categories, resulting in development without financial assistance (and hence without increases in wages of low-wage workers) and reduced investment and associated job losses, where financial assistance would otherwise be required.

The NYC law was originally proposed in May 2011. After much discussion, negotiation and change NYC council adopted the resolution in May 2012, overrode a veto of the law in June 2012, and it became law. Recent reports have contended that economic development still continues for NYC, since the law applies to all five Burroughs and NYC provides much of the financial assistance to entities wanting to move into the city. The final resolution placed a limit on the application of the living wage law to the greater of ten years or the term of the financial assistance. In addition, the law would not apply to not-for-profits, fresh food vendors or manufacturing companies. Further, only negotiated sales would cause the “living wage” provisions to apply to the economic development site. Finally, all service contracts that were less than 90 days in length would not have to comply with the minimum wage law.

Similar to the NYC study, the County must look to the cost – benefit analysis of a developer when deciding to invest in County property with or without financial assistance. Within the past couple of years, the County has taken a stronger position on economic development, specifically with the possible development of the Downtown Transit Center and the Park East sites. First, assuming that financial assistance is almost a necessity to guarantee sale of the property, one must look at whether the \$100,000 in assistance is more or less than the additional costs of the minimum wage mandate. In very general terms, it would only take 20 employees within a building making \$10.50 being raised to a \$12.45 to cost \$100,000. Any facility of a large scale development could easily exceed 20 employees below the current living wage. (This amount easily adds up as every business within the building is subject to the County MWO as well as any vendors servicing the building such as cleaners, parking lot attendants, bell persons, landscapers, gardeners, painters, window cleaners, security, etc.) The site must comply with the County MWO for the equivalent of 1 year for every \$100,000 of financial assistance. While a small project could prove feasible, a large project’s cost of compliance with the County MWO would quickly exceed the \$100,000 break-even. Therefore, in most projects, the costs of the minimum wage mandate would likely exceed the benefit of financial assistance and developers will likely choose to develop the property without financial assistance from Milwaukee County or may choose not to develop County property at all. This result is similar to the conclusions of the New York study.

In addition to the wage costs, a cost – benefit analysis must take into account costs associated with stringent regulation and enforcement. The provisions of the County MWO could easily be viewed by developers to be cost prohibitive and prevent investment in County property. Since these regulations would carry through to all the tenants within the development, this would likely limit the developer’s ability to attract tenants. For example:

A large, well-known financial consulting firm agrees to rent space in a newly developed project. This firm is required to pay all of its employees the living wage, not just service providers within the building. This is more inclusive than the County's own policy.

The developer hires a janitorial firm to provide cleaning services. After one year, the contract is rebid and a new provider is selected. The new janitorial firm is required to hire the outgoing provider's employees. Every business within the development would be required to submit payroll data every three months. Businesses will likely to choose to lease from properties where this is not regulated. This will severely limit the developer's ability to attract and retain businesses within the development.

The effects of stringent regulation were analyzed in an older study where the impacts of land use restrictions in the Chicago area that were perceived to be too restrictive by the market were analyzed.<sup>1</sup> In that study, it was found that the benefits of economic development in less regulated districts were 24 percent higher than those in highly regulated districts. In other words, the value of the property in the highly restricted area was 24 percent less than the value in other areas.

The possible risk of wage mandate on economic development lies mainly within the community. Construction losses would result in less dollars being spent in the community and fewer jobs being created during the construction phase. Smaller, lower valued projects would result in smaller tax roll additions. Lack of development would provide no benefit to the community.

With regard to the direct impact on the County's finances, most of the impact is in lost opportunity costs. The County MWO is limited to economic development financial assistance recipients, and it is expected that the ordinance's impact will mostly fall on the mix of projects, partners and terms of the investments, rather than on the County's budget. It is possible, however, that the value of the land being sold is reduced due to the increased regulation. This would result in lost revenue to the County when the land is actually sold. An additional lost opportunity cost is the potential expenditure reductions resulting from selling properties that are costly to maintain. This result is similar to that cited in the NYC fiscal impact, where no direct fiscal impact on revenue or expenditures was anticipated.

This fiscal analysis provides the Office of the Comptroller's best estimate of the cost of a MWO on economic development projects. The actual tax levy impact to the County will not be known until the contracts are bid and accepted in the normal course of the County operations. The fiscal impact would be lost land sale revenue, and the potential loss of economic development assistance to the community.

## **IMPLEMENTATION, ADMINISTRATION AND ENFORCEMENT**

<b>Annualized Impact</b>	<b>\$253,022</b>
<b>2014 Impact</b>	<b>\$253,022</b>
<b>Annualized Tax Levy Impact</b>	<b>\$253,022</b>

The proposed ordinance tasks the Office of the Comptroller – Audit Division with enforcement and coordination of the stakeholder group. The ongoing coordination and enforcement provisions of the

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<sup>1</sup> Schaeffer, Peter and Millerick, Cecily. The Impact of Historic District Designation on Property Values: An Empirical Study, 5 Econ. Dev. Q. 301 (1991), available at <http://edq.sagepub.com/content/5/4/301.short>

ordinance cannot be accomplished with the current staffing levels in the Audit Division. Additional staff will be necessary to monitor compliance, conduct investigations of employee complaints, manage the quarterly reporting process and respond to open records requests. Ideally, the Administration will be charged with ongoing administration ensuring departments have access to and understand the rules established by the stakeholder group. In addition, funds should be allocated to provide ongoing training to County vendors, to produce and maintain training materials, and other services that will need to be provided to a unit that can assist with the ongoing administration. It is also anticipated that staff from Corporation Counsel will be necessary to issue legal opinions, legal research and analysis, legislative drafting and other legal services related to enforcement and general administration.

At a minimum, 3.5 FTE would be needed to support the minimum wage mandate. It is estimated that 1.0 Lead Auditor (Pay Grade 29M), 1.0 FTE Performance Evaluator 1.0 (Pay Grade 18M) and 1.0 FTE Performance Evaluator 3.0 (Pay Grade 25M) should be created and charged with monitoring the County MWO. Additionally, 0.5 Principal Assistant Corporation Counsel (Pay Grade 34Z) would be needed. This results in a cost of \$253,022 for salary, social security, pension and healthcare in 2014.

	FTE	Hours	Salary	Annual	SS	Pension	Health	Total
Lead Auditor	1.0	2080	\$ 26.86	\$ 55,873	\$ 4,274	\$ 6,034	\$ 13,836	\$ 80,018
Performance Evaluator 1	1.0	2080	\$ 18.69	\$ 38,881	\$ 2,974	\$ 4,199	\$ 13,836	\$ 59,890
Performance Evaluator 3	1.0	2080	\$ 23.63	\$ 49,154	\$ 3,760	\$ 5,309	\$ 13,836	\$ 72,059
Principal Asst. Corp Counsel	0.5	1040	\$ 22.10	\$ 22,980	\$ 1,758	\$ 2,482	\$ 13,836	\$ 41,055
				\$ 166,888	\$ 12,767	\$ 18,024	\$ 55,344	\$ 253,022

## Outstanding Questions

The Office of the Comptroller worked closely with departments, Corporation Counsel, County Supervisors and County Board staff to address many of the questions that were material to the findings of this analysis. Although the Office of the Comptroller does not believe that the responses to these questions would significantly impact the results of the current analysis, we do believe that the responses to these questions would have associated costs that have not been addressed in this analysis.

1. With respect to “Leases” defined on Line 113, there is no clear definition of what constitutes financial assistance. For example, would a lessee that pays \$1 less per square foot than market value be subject to the terms of the County MWO? Further, the proposed ordinance makes no provision for investments provided by tenants in County-owned property. For example, if a tenant agrees to provide \$100,000 in capital investments in the property for reduced rent, would the lessee still be subject to the terms of the proposed ordinance?
2. If the developer was offered an industrial development revenue bond that provides tax exempt interest rates, would the savings difference between tax exempt debt and taxable debt be considered financial assistance for purposes of this definition? How would the length of coverage under the County MWO be determined in this circumstance? Would it be based on the total bond amount, or on the difference between the tax exempt and taxable interest rates? Would the analysis be based on a net present value formula or on total cash flow?
3. Would a guarantee of a loan count as financial assistance for purposes of this paragraph? How would the length of coverage under the County MWO be determined in this circumstance?
4. With respect to “Successor contractors or subcontractors” as defined on Line 348, would this provision apply to all tenants of a project developed with economic assistance from the County? For example, would a tenant that contracts for its own janitorial service be required to impose on a new contractor that the new contractor must employ all the previous contractor’s employees?
5. This analysis assumes that for a project developed with financial assistance, all businesses within the development are required to pay the minimum wage (with the exception of a project developed by a non-profit or municipality). However, it was not clear if a private developer builds an office building with financial assistance and rents to non-profit or municipality, whether that non-profit or municipality is subject to the proposed ordinance.

**Appendix A**  
**Summary of Contract Types and County Minimum Wage Ordinance Applicability**

Note that this list is representative of the types of contracts the County enters into; it is not exhaustive and does not address whether providers of the following services will be exempt from the County MWO under the exemptions provided within the ordinance.

Contract Type	Group	Yes	No
Commodities w/a Service Component	Commodities		X
Ala Carte Vendors – Zoo	Concessions	X	
Boerner Botanical Gardens - Food/Beverage	Concessions	X	
Bradford Beach Food/Beverage and Programming	Concessions	X	
Camel Rides – Zoo	Concessions	X	
Car Rental Services (Airport)	Concessions	X	
Caters – Zoo	Concessions	X	
Estabrook Food/Beverage	Concessions	X	
Face Painters – Zoo	Concessions	X	
Food Services (Airport)	Concessions	X	
Kites Concessions (Parks)	Concessions	X	
Lake Park Food/Beverage	Concessions	X	
McKinley Marina Food	Concessions	X	
Miller Room at O'Donnell	Concessions	X	
Mitchell Park Domes Food/Beverage	Concessions	X	
Mold-a-Rama	Concessions	X	
News/Gift/Retail	Concessions	X	
Northpoint Concessions (Parks)	Concessions	X	
Other Concessions over \$20,000 (Parks)	Concessions	X	
Other Concessions under \$20,000 (Parks)	Concessions		X
Paddleboats	Concessions	X	
Pony Rides	Concessions	X	
Retail Services (Airport)	Concessions	X	
SkyRider	Concessions	X	
Veterans Park Rental/Food/Retail	Concessions	X	
Zip Line	Concessions	X	
Economic Development with Financial Assistance more than \$1,000,000	Economic Development	X	
Economic Development with no Financial Assistance	Economic Development		X
Fee-for-Service (MCO)	Family Care		X
Other MCO Services	Family Care		X
Personal Care, Home Healthcare and Supportive Home Care - MCO All Providers	Family Care		X
Personal Care, Home Healthcare and Supportive Home Care - MCO Preferred Providers	Family Care	X	
Agreements with Governmental Entities	General		X
Agreements with Non-Profits	General		X
Art Museum	Lease/Management		X
Charles Allis/Villa Terrace	Lease/Management		X
Milwaukee Public Museum	Lease/Management		X
PAC	Lease/Management		X
War Memorial	Lease/Management		X
Coast at O'Donnell	Leases	X	
Crystal Ridge Operator	Leases	X	
Equipment Lease & Maintenance	Leases		X
Leases over \$20,000 with financial assistance	Leases	X	
Leases over \$20,000 with no financial assistance	Leases		X

Contract Type	Group	Yes	No
Leases under \$20,000	Leases		X
Airport Parking Operator	Management Contracts		X
CAMPAC	Management Contracts		X
Historical Society	Management Contracts		X
Parking Management Contracts (GMIA, Facilities)	Management Contracts		X
Transit Management Contract	Management Contracts		X
Zoological Society	Management Contracts		X
Current County Employees	Personnel		X
Alternatives to Incarceration	Professional Services		X
Bird Show	Professional Services		X
Booking & Engagement – Zoo	Professional Services		X
Child Support - Children's First other Grant Services	Professional Services		X
DNA Testing	Professional Services		X
Legal Services	Professional Services		X
Library Services	Professional Services		X
Medical	Professional Services		X
Professional Services	Professional Services		X
Seal/Sea Lion Show	Professional Services		X
Stingray Exhibit	Professional Services		X
Technical Services	Professional Services		X
Ch. 46 Contracts – Aging	Purchase of Service Contracts		X
Ch. 46 Contracts – BHD	Purchase of Service Contracts		X
Ch. 46 Contracts – DHHS	Purchase of Service Contracts		X
Ch. 46 Community Living Arrangements	Purchase of Service Contracts		X
Ch. 46 Contracts to Operate Senior Centers	Purchase of Service Contracts		X
Ch. 46 Fee-for-Service (DHHS/BHD)	Purchase of Service Contracts		X
Ch. 46 Fee-for-Service (Other)	Purchase of Service Contracts		X
Ch. 46 Home Healthcare (DHHS/BHD)	Purchase of Service Contracts		X
Ch. 46 Personal Care (DHHS/BHD)	Purchase of Service Contracts		X
Ch. 46 Supportive Home Care (DHHS/BHD)	Purchase of Service Contracts		X
Ch. 46 Transportation (Aging)	Purchase of Service Contracts		X
Ala Carte Personnel	Service Contracts	X	
Asphalt Paving	Service Contracts	X	
Automotive Services	Service Contracts	X	
Carpet Cleaning Maintenance	Service Contracts	X	
Collection Services	Service Contracts		
Contracts subject to Milwaukee County's Existing Prevailing Wage Requirement	Service Contracts		X
Drug Testing	Service Contracts		X
Filing Services	Service Contracts	X	
Fire Equipment Services	Service Contracts	X	
Food Services (DHHS/BHD/HOC/Sheriff)	Service Contracts	X	
Housekeeping/Janitorial	Service Contracts	X	
Installation of Cabling	Service Contracts		X
Installation of Time Warner	Service Contracts		X
Interpreter Services	Service Contracts	X	
Janitorial	Service Contracts	X	
Landscaping	Service Contracts	X	
Landscaping Services	Service Contracts	X	
Laundry Services	Service Contracts	X	
Mail Services	Service Contracts	X	

<b>Contract Type</b>	<b>Group</b>	<b>Yes</b>	<b>No</b>
Messenger Pickup/Delivery Services	Service Contracts	X	
Painting	Service Contracts	X	
Printing Services	Service Contracts	X	
Process Services	Service Contracts	X	
Recycling/Waste Services	Service Contracts	X	
Reporting and Indexing Services	Service Contracts	X	
Reproduction Services	Service Contracts	X	
Roofing	Service Contracts	X	
Security	Service Contracts	X	
Shredding Services	Service Contracts	X	
Storage Services	Service Contracts	X	
Temporary Help	Service Contracts	X	
Tent Rental Services – Zoo	Service Contracts	X	
Testing Services	Service Contracts	X	
Time & Materials	Service Contracts		X
Tire Services	Service Contracts	X	
Towing Services	Service Contracts	X	
Transcription Services	Service Contracts	X	
Transportation (Sheriff)	Service Contracts	X	

**Appendix B**  
**Information on Other Minimum Wage Ordinances in Other Municipalities**

Municipality	Rate	Rate if Health Care Not Offered
Milwaukee County PROPOSED	\$12.45	
Dane County	\$11.33	
City of Madison	\$12.45	
City of Milwaukee	\$9.39	
Cook County	\$11.32	\$14.15
City of Chicago	\$11.53	
City of St. Paul	\$12.45	\$14.72
City of Minneapolis	\$12.45	\$14.72
City of Cincinnati	\$11.32	\$12.82

<b>Municipality</b>	<b>Dane County</b>	<b>City of Madison</b>	<b>City of Milwaukee</b>	<b>Milwaukee County PROPOSED</b>
<b>Ord. Ref/Date eff.</b>	Section 25.015 1/1/99	Section 4.20 1/1/00	Chapter 310 – Department of Administration 12/31/95	
<b>Type of Contracts</b>	Dane County Employees  Service Contracts over \$5,000 <ul style="list-style-type: none"> <li>• General Labor, clerical work, janitorial, security, food services, human services, personal care, home care work</li> <li>• Contractors (Subcontractors)</li> <li>• Includes small business and nonprofits</li> </ul>	City of Madison Employees  Service Contracts over \$5,000  Contracts in which City Financial Assistance was provided for agreement exceeding \$100,000	Service contracts over \$5,000 designated by the Central Board of Purchases.  Covers part time and temporary employees	Service Contracts over \$20,000  Concession and revenue generating agreements over \$20,000.  Leases with financial assistance.  Financial Assistance over \$1,000,000.  Family Care Contracts with preferred providers that exclusively contract with Milwaukee County for the provision of personal care and supportive home care.  Milwaukee County employees.
<b>Exclusions</b>	Some nonprofits. All other types of contracts. Seasonal, Temporary, tipped, interns	All other types of contracts i.e. professional services and public works.  Seasonal, Temporary, tipped, interns, workshop employees	All other types of contracts i.e. professional services and public works.	All other types of contracts i.e. professional services and public works.  Non-profits; cultural institutions; businesses with 20 employees or less; other governmental entities.  Contracts with State or Fed prevailing wage requirement  Interns, student learners, job trainees, workshop employees, volunteers receiving stipends, and employees under age 18
<b>Enforcement Agent</b>	Contract Compliance Office in Purchasing Dept.	Department of Equal Opportunity and Diversity	Department of Public Works and DOA Administration Procurement Division	Department of Audit
<b>Method of Enf.</b>	Payroll records must be made available upon request	Investigate complaints	Sworn report or affidavit with wages and benefits per person	Payroll records must be made available upon request
<b>Waivers</b>	Yes by County Board	Allowed if no bids received	Not identified	Yes by County Board
<b>Sanctions</b>	<ul style="list-style-type: none"> <li>• Payment withholding</li> <li>• Suspension</li> <li>• Termination</li> <li>• Debarring for 3 years</li> </ul>	<ul style="list-style-type: none"> <li>• \$200 fine</li> <li>• Payment withholding</li> <li>• Suspension</li> <li>• Termination</li> <li>• Debarring</li> </ul>	<ul style="list-style-type: none"> <li>• Payment withholding</li> <li>• Suspension</li> <li>• Termination</li> <li>• Debarring for 3 years</li> </ul>	<ul style="list-style-type: none"> <li>• Payment withholding</li> <li>• Termination</li> <li>• Debarring for 3 years</li> <li>• Permanent Debarment</li> </ul>
<b>Formula/Rate</b>	100% of US Department of Health and Human Services (DHHS) poverty level wages for a family of 4/2080 hours  2013 = \$11.33	110% of DHHS poverty level wages for a family of 4/2080 hours  2013 = \$12.45	100% of DHHS poverty level for a family of 3/2080 hours  2013 = \$9.39	110% of US DHHS poverty level wages for a family of 4/2080 hours  2013 = \$12.45

<b>Municipality</b>	<b>Cook County</b>	<b>City of Chicago</b>	<b>City of Cincinnati</b>
<b>Ord. Ref/Date eff.</b>	Sec 34-160 9/7/11	2-92-610 Amend 11/6/02	Section 317 12/26/02
<b>Type of Contracts</b>	Service or labor contracts with use of full time employees	Service contracts with use of 25 or more full time security guards, parking attendants, day laborers, home & health care workers, cashiers, elevator operators, custodial workers & clerical workers	Service contracts over \$20,000  Full Time Employees
<b>Exclusions</b>	Not-for-profit organizations or contracts funded by Fed grants or loans.	Not-for-profit organizations	<ul style="list-style-type: none"> <li>• Contracts funded by Fed grants or loans</li> <li>• Charitable or social service agencies</li> <li>• Employee who is a trainee in job training</li> <li>• Employee under 21</li> <li>• Employed by nonprofit corporation for after school or summer employment</li> </ul>
<b>Enforcement Agent</b>	Chief Procurement Officer	Chief Procurement Officer	City Manager - Office of Contract Compliance
<b>Method of Enforcement</b>	Investigate complaints	Investigate complaints	Investigate complaints
<b>Waivers</b>	Not specified	Not specified	Council may waive
<b>Sanctions</b>	<ul style="list-style-type: none"> <li>• Fines</li> <li>• Payment of back pay to employees</li> </ul>	<ul style="list-style-type: none"> <li>• Termination</li> <li>• Debarring</li> </ul>	<ul style="list-style-type: none"> <li>• Termination</li> <li>• Suspension</li> <li>• Payback of any or all of the contract</li> <li>• Debarring until all penalties and restitution paid in full</li> </ul>
<b>Formula/Rate</b>	<p>125% of US DHHS poverty level for a family of 4 if employer does not offer benefits.</p> <p style="text-align: center;"><b>2013 = \$14.15</b></p> <p>100% of US DHHS poverty level for a family of 4 if employer does offer benefits.</p> <p style="text-align: center;"><b>2013 = \$11.32</b></p>	<p>100% of US DHHS poverty level for a family of 4/2000</p> <p style="text-align: center;"><b>2012 = \$11.53</b></p>	<p>100% of US DHHS poverty level for a family of 4 if employer does not offer benefits plus \$1.50/hour.</p> <p style="text-align: center;"><b>2013 = \$12.82</b></p> <p>100% of US DHHS poverty level for a family of 4 if employer does offer benefits.</p> <p style="text-align: center;"><b>2013 = \$11.32</b></p>

Municipality	City of St. Paul	City of Minneapolis
Ord. Ref/Date eff.	98.04 2/27/2007	Chapter 38 11/4/05
Type of Contracts	Any city contract or subcontract and any city business subsidy with a value of \$100,000 or more	Service contracts and investment in private development projects with a value of \$100,000 or more
Exclusions	<p>Entities:</p> <ul style="list-style-type: none"> <li>• Small Business</li> <li>• Not-for-profit</li> <li>• Job readiness and training service contract</li> <li>• When in conflict with state or federal law or program requirement</li> <li>• Any contract with employees covered by collective bargaining but only for employees covered by the collective bargaining</li> <li>• Pass through agency for grants</li> </ul> <p>Employees:</p> <ul style="list-style-type: none"> <li>• Internships</li> <li>• Job readiness or training participants</li> <li>• Seasonal, part-time or temporary</li> </ul>	<ul style="list-style-type: none"> <li>• Small Business</li> <li>• Not-for-profit</li> <li>• Contract that provide health care benefits to city staff or wellness or fitness related service to city staff</li> <li>• Contracts involving city depository and financial service institutions</li> <li>• Job readiness and training service contract</li> <li>• When in conflict with state or federal law or program requirement</li> <li>• Any contract with employees covered by collective bargaining</li> <li>• City business subsidy recipient where the purpose is housing</li> <li>• Business subsidies for remediation of property pollution control or abatement</li> <li>• Projects where investment was made at fair market value</li> <li>• Contracts with a max of 10 % temp or seasonal employees</li> <li>• Internships</li> <li>• Seasonal, part-time or temporary employees</li> <li>• Conduit bonds and 501 (c) bonds</li> </ul>
Enforcement Agent	Department of Planning & Economic Development	Department of Comm. Planning & Economic Development
Method of Enf.	Investigate complaints	Upon request, submit copy of payroll records
Waivers	Yes by City council or HRA board	Yes with majority vote of City Council
Sanctions	<ul style="list-style-type: none"> <li>• Repayment of entire value of contract if compliance less than 50%</li> <li>• Repayment of ½ the value if compliance between 50 – 80%</li> <li>• Proportionate repayment if compliance is between 80-100%</li> <li>• Debarring for next contract cycle or calendar year</li> </ul>	<p>Contracts</p> <ul style="list-style-type: none"> <li>• Damages at 20% of the value of the contract</li> <li>• Debarring for next contract cycle or calendar year</li> </ul> <p>Business Subsidy</p> <ul style="list-style-type: none"> <li>• Damages at 4 times the values of the subsidy at the proportionate rate of job creation</li> <li>• Debarring for next calendar year</li> </ul>
Formula/Rate	<p>130% of US DHHS poverty level for a family of 4 if employer does not offer benefits.</p> <p style="text-align: center;">2013 = \$14.72</p> <p>110% of US DHHS poverty level for a family of 4 if employer does offer benefits.</p> <p style="text-align: center;">2013 = \$12.45</p>	<p>130% of US DHHS poverty level for a family of 4 if employer does not offer benefits.</p> <p style="text-align: center;">2013 = \$14.72</p> <p>110% of US DHHS poverty level for a family of 4 if employer does offer benefits.</p> <p style="text-align: center;">2013 = \$12.45</p>

**INTEROFFICE COMMUNICATION  
COUNTY OF MILWAUKEE**

DATE: November 26, 2013

TO: Theodore Lipscomb Sr., Chairman  
Committee on Judiciary, Safety and General Services

Willie Johnson & David Cullen, Co-Chairmen  
Committee on Finance, Personnel and Audit

FROM: Mark A. Grady, Deputy Corporation Counsel

SUBJECT: Status update on pending litigation

The following is a list of some of the significant pending cases that we believe may be of interest to the Committees. New information and additions to the list since the last committee meetings are noted in **bold**. However, our office is prepared to discuss any pending litigation or claim involving Milwaukee County, at your discretion.

1. *DC48 v. Milwaukee County* (Rule of 75)  
Case No. 11-CV-16826 (stay of case until March 14, 2014)
2. *MDSA v. Milwaukee County* (overturn arbitration award on 2012 deputy layoffs)  
Case No. 12-CV-1984 (circuit court affirmed award)
3. Retiree health plan (co-pays, deductibles, etc.) cases:  
*Estate of Hussey v. Milwaukee County* (Retiree health)  
Case No. 12-C-73 (U.S. District Court ruled in County's favor, appealed by Hussey to U.S. Seventh Circuit Court of Appeals)  
*MDSA prohibited practice complaint*  
WERC Case No. 792 No. 71690 MP-4726  
*Rieder & MDSA v. Milwaukee County*  
Case No. 12-CV-12978  
*DC48 prohibited practice complaint*  
WERC Case No. 762 No. 70685 MP-4657  
*DC48 et al. v. Milwaukee County et al.*  
Case No. 12-CV-13612 (stayed pending outcome of *Hussey* case)
4. Medicare Part B premium reimbursement cases:  
*FNHP and AMCA v. Milwaukee County*  
Case No. 12-CV-1528 (Court of Appeals ruled in favor of County; Petition for Review filed with Supreme Court)  
*DC48 et al. v. Milwaukee County et al.*  
Case No. 12-CV-13612 (stayed pending outcome of case above)

5. 1.6% Pension Multiplier cases:  
*Stoker & FNHP v. Milwaukee County*  
Case No. 11-CV-16550 (**Court of Appeals ruled against County, petition for review authorized**)  
*AFSCME v. Milwaukee County*  
Case No. 12-CV-9911 (stayed pending *Stoker* appeal)  
*Brillowski & Trades v. Milwaukee County*  
Case No. 12-CV-13343 (stayed pending *Stoker* appeal)
6. *McKenzie & Goodlette v. Milwaukee County* (captains layoffs, **settlement proposed**)  
Case No. 12-CV-0079  
*Rewolinski v Milwaukee County* (captain layoff, **settlement proposed**)  
Case No. 12-CV-0645
7. *Wosinski et al. v. Advance Cast Stone et al.* (O'Donnell Park)  
Case No. 11-CV-1003 (**Jury Verdict**)
8. *Christensen et al. v. Sullivan et al.*  
Case No. 96-CV-1835
9. *Milwaukee Riverkeeper v. Milwaukee County* (Estabrook dam)  
Case No. 11-CV-8784
10. *Milwaukee County v. Federal National Mortgage Ass'n. et al.* (transfer taxes)  
Case No. 12-C-732 (U.S. District Court ruled against County, appealed to Seventh Circuit by County)
11. *Midwest Development Corporation v. Milwaukee County* (Crystal Ridge)  
Case No. 12-CV-11071
12. Retirement sick allowance payment for employees not represented at retirement, but previously represented  
*Pasko v. Milwaukee County*  
Case No. 11-CV-2577 (petition to WI Supreme Court filed by County)  
*Porth v. Milwaukee County*  
Case No. 11-CV-4908 (consolidated with Pasko case, petition to WI Supreme Court filed by County)  
*Koehn v. Milwaukee County*  
Case No. 12-CV-1402 (stayed in circuit court pending appeal of other cases)  
*Marchewka v. Milwaukee County*  
Case No. 13-CV-969
13. Froedtert Hospital petition to disturb burial sites – petition granted by State.

14. *FNHP, AMCA & AFSCME v. Milwaukee County and ERS*  
Case No. 13-CV-3134 (backdrop modification)
15. *Roeschen's Healthcare LLC v. Milwaukee County*  
Case No. 13-CV-3853 (court ordered records produced; attorneys' fee issue remaining)
16. *MTS v. Milwaukee County*  
Case No. 13-CV-7234 (**court ordered records produced; attorneys' fee issue remaining**)
17. *Madison Teachers Inc. v. Walker*  
Dane County Circuit Court Case No. 11-CV-3774 (Act 10)
18. **Orlowski v. Milwaukee County**  
**Case No. 13-C-994 (E.D. Wis.)(2007 death of inmate in HOC)**
19. **In re Mental Commitment of Mary F-R**  
**2013 WI 92**  
**(Supreme Court held that 6 person jury is constitutional in mental commitment cases)**