



**FINANCE COMMITTEE
Minutes –October 20, 2016**

Call to Order. Chair Mawhinney called the meeting of the Finance Committee to order at 7:30 A.M. on Thursday, October 20, 2016, in Conference Room N-1, Courthouse East.

Committee Members Present. Supervisors Mawhinney, Kraft, Beaver, and Podzilni.

Committee Members Excused: Supervisor Fox.

Staff Members Present. Sherry Oja, Finance Director; Josh Smith, County Administrator; Randy Terronez and Nick Osborne, Assistants to the County Administrator; Mickey Crittenden, Information Technology Director; Randy Leyes, Register of Deeds; Sandy Disrud, Deputy Register of Deeds; Ben Coopman, Public Works Director; Michelle DeRubeis, Public Works - Accounting Supervisor.

Others Present: None.

Approval of Agenda. Supervisor Beaver moved approval of the agenda as presented, second by Supervisor Podzilni. ADOPTED.

Citizen Participation, Communications and Announcements. None.

Approval of Minutes – October 6, 2016. Supervisor Kraft moved approval of the minutes of October 6, 2016 as presented, second by Supervisor Podzilni. ADOPTED.

Transfers and Appropriations. None.

Resolutions.

Authorizing Purchase of Budgeted Network Servers

“NOW, THEREFORE, BE IT RESOLVED by the Rock County Board of Supervisors duly assembled this ____ day of _____, 2016 that a Purchase Order for a Cisco enclosure and Cisco blade servers be issued to Core BTS, Inc. of Madison, WI in the amount of \$29,899.24.”

Supervisor Kraft moved approval of the above resolution, second by Supervisor Beaver. ADOPTED.

Awarding Contract for Investment Advisory Services for Calendar Years 2017 – 2019 (With Options for 2020 – 2022)

“NOW, THEREFORE, BE IT RESOLVED, by the Rock County Board of Supervisors duly assembled this ____ day of _____, 2016 that the County Board Chair and County Clerk be authorized and directed to execute an Investment Advisory Services contract with PFM Asset Management for calendar years 2017 – 2019 (with options for 2020 – 2022).

BE IT FURTHER RESOLVED, that the Finance Committee is delegated the authority to exercise the options for calendar years 2020 - 2022.”

Chair Mawhinney moved approval of the above resolution, second by Supervisor Kraft.
ADOPTED.

Amending Rock County’s Purchasing Ordinance

“**NOW, THEREFORE, BE IT RESOLVED**, by the Rock County Board of Supervisors duly assembled this ____ day of _____, 2016 does hereby amend Chapter 2, Part 2, Subpart 2, of the County’s Purchasing Ordinance as follows (deleted language crossed out, added language underscored):

CHAPTER 2, PART 2, SUBPART 2 PURCHASING ORDINANCE

2.211 Purpose

- (1) This ordinance is intended to achieve greater efficiency and economy in the operation of Rock County government and to encourage competition and business in Rock County by centralizing all County purchasing within the Finance Department, except insofar as otherwise specifically authorized by provisions of this ordinance.
- (2) This ordinance shall not be construed to grant any rights to any vendor or any person applying to be a vendor of goods or services to Rock County.
- (3) This ordinance shall be administered and construed in a manner consistent with all applicable State and Federal laws and, insofar as any State or Federal law is intended to preempt local authority, any provision of this ordinance which is inconsistent with such State or Federal law, that provision of this ordinance shall be null and void to the extent of the inconsistency.

2.212 Authority

This ordinance is created pursuant to the authority granted by, without limitation by reason of enumeration, Sections 59.03(1), 59.51(2), 59.52(6), 59.52(8), 59.52(9) and 59.52(29) of the Wisconsin Statutes.

2.213 Administration

The provisions of this ordinance and any regulations adopted hereunder shall be administered, supervised and enforced by the Finance Director, subject to the authority of the County Administrator and policy review by the Finance Committee. Administrative rules shall be developed which are appropriate to ensure compliance with the terms of this ordinance and on-going administrative, financial and legal review of all contract documents entered into on behalf of Rock County. The Finance Committee may by rule require additional procedures or impose limitations beyond those expressly set forth in this ordinance insofar as the Committee determines that such action will further the intent and purpose of this ordinance.

2.214 Appropriations

All procurement transactions shall be in accordance with the appropriations made by the County Board for the operation of the respective County departments and agencies. No transaction shall be substantially completed unless adequate funds have been appropriated for the purpose. Items not separately enumerated in the annual County budget, including furniture and equipment, must be approved for purchase, in advance, by the County Administrator or designee upon written justification.

2.215 Definitions

(1) Bidder - shall mean all natural persons, corporations, partnerships, associations, joint ventures, trusts, or any other form of business affiliation whatever, submitting an offer for the provision of goods or services to the County in accord with specifications supplied by the County, or making an offer to purchase an item in accord with a call for bids issued by the County.

(2) Decentralized purchasing authority - shall mean the authority to determine the need for and procure goods and services in accordance with the delegation of such authority by the Finance Committee to a department other than the Purchasing Division of the Finance Department. Such authority may only be exercised in the requisitioning of specified purchases in a designated period of time as described in a written purchase order issued by the Purchasing Division.

(3) Most responsible and responsive bidder - shall mean that Bidder who offers, as appropriate, either lowest cost or highest payment, the best quality to the County, and who possesses the necessary financial responsibility, skill, ability and integrity to perform the obligations required by the transaction. However, in no instance may a bidder who has been convicted of bid rigging or price fixing within three years of submission of the bid involved and which involved a contract with the County, be considered the most responsible and responsive bidder.

(4) Professional Services - shall mean unique or technical functions performed by independent contractors whose primary occupation is the rendering of these services. Such services are characterized by extended analysis, the exercise of discretion and independent judgment in their performance, and an advanced, specialized type of knowledge, expertise, or training customarily acquired either by a prolonged course of study or equivalent experience in the field. Examples of professional services include, without limitation by reason of enumeration, medicine and the medical arts, management and systems consultation, research, the performing arts, surveyor and surveyor services, engineering and architectural design services.

(5) Purchase of Goods - shall mean any transaction between the County and any party or parties by which the County is to receive a tangible commodity or property, excepting real property, in exchange for money or other valuable consideration.

(6) Purchase of Services - shall mean any transaction between the County and any party by which the County is to receive useful labor or activity in return for money or other valuable consideration, but does not include labor performed as an employee of Rock County.

(7) County Auction - shall mean an auction conducted on behalf of Rock County which is advertised in advance and open to the general public.

(8) Regulations - shall mean those rules or guidelines issued by the Finance Committee to implement the provisions or administration of this ordinance.

(9) Transactions - shall mean any act or agreement between the County and any other party or parties which alters the legal relationship between them, such as, but not limited to, contracts or agreements for services or goods or any real or personal property, concessions, leases and rentals.

2.216 Finance Director and Finance Committee

The Finance Director, acting under the administrative authority of the County Administrator and the policy oversight of the Finance Committee, shall exercise the following duties and functions relating to this ordinance:

(1) Implement the provisions of this ordinance through the activities of the Purchasing Division of the Finance Department, and by providing administrative assistance, training and support to all County officials and employees in activities governed by this ordinance.

(2) Ensure that sufficient appropriate written regulations are in place to provide guidance to those engaged in activities within the scope of this ordinance, and monitor the administration of prescribed policies and procedures.

(3) Enforce the provisions of the ordinance by suitable measures.

(4) Advise and consult with all concerned departments and committees concerning the conduct of transactions in accordance with this ordinance, upon request, or as deemed necessary by the Finance Director, the County Administrator, or the Finance Committee.

(5) Promote standardization of equipment and supplies within Rock County government.

(6) In conjunction with the Finance Committee, provide suitable safeguards and procedures so that relatively small or routine matters need not be automatically referred to the Board or its committees.

(7) Refer to the County Administrator or County Board any transactions which the Finance Director or Finance Committee views as affecting general County policy.

(8) In conjunction with the Finance Committee, designate decentralized buying authorities, as provided for under sec. 2.218(3)(a) of this ordinance.

2.217 Disposal of Unsuitable or Unusable Goods

All equipment or supplies which have become unsuitable or unnecessary to their needs shall be disposed of through a County auction, except for items which are to be traded in or applied on any purchases or are determined to be worthless. Exceptions may be made by the Finance Committee for the sale of certain items on the open market at a minimum predetermined price to be approved by the Committee, and for items needed by any county department or municipality. Sales of items to another municipality shall be at a price approved by the Committee. Surplus County property shall not be sold to any County employee, officer or agent, except through a County auction.

In addition, the Finance Committee may authorize the Purchasing Division to dispose of items by alternative means including but not limited to: outside auctions, listings on the Internet, either government or private, by donation to not-for-profit organizations or other means that may become available in the future.

2.218 Procedure (Purchase of Goods and Certain Contracts for Professional Services)

(1) Procedure and Bids - General

(a) Compliance with sec. 59.52 (29). All public work, as defined under state statutes and including any contract for the construction, repair, remodeling or improvement of any public work, building, or furnishing of supplies or material of any kind where the estimated cost of such work exceeds \$25,000, shall be let by contract to the lowest responsible bidder in accordance with sec. 66.0901(2), Wis. Stats, except that the County Board may by a three-fourths vote provide that any class of public work or any part thereof may be done directly by the County

without submitting the same for bids. If the estimated cost of any public work is between \$5,000 and \$25,000, the board shall give a class I notice under ch. 985 before it contracts for the work or shall contract with a person qualified as a bidder under s. 66.0901(2). The requirements under this subsection shall be interpreted and applied as being in addition to any requirements created or arising under this ordinance. This subsection does not apply to highway contracts which the county highway committee or the county highway commissioner is authorized by law to let or make, or to the emergency repair or reconstruction of public facilities when the County Board by resolution determines that the public health or welfare of the County is endangered by damage or threatened damage to such facilities.

(b) All invitations for furnishing goods, and non-professional services, where the estimated cost exceeds ~~\$10,000~~ \$25,000 shall be bid only after notice by publication, once (class I notice) in the official newspaper of Rock County. Additional newspapers or trade magazines may be used to obtain the best advertising and widest notice at the most reasonable cost. The advertisement shall call for sealed bids to furnish the desired items, or supplies or services, in accordance with specifications prepared or approved by the Purchasing Division, which specifications shall describe completely the items, supplies or services to be furnished, the department for which the same are required, and the quantities desired.

Bids shall be received and opened by the Finance Director's designee on the date and at the time and place specified in the Advertisement for Bid. The reading of all bids shall be open to the public. A Bid bond or certified check in the amount required by the bid specifications may be required to accompany the bid. A performance bond or material/payment bond may also be required of the bidder upon acceptance of the bid.

~~(c) All contracts for purchases not defined as public work in Section 2.218(1)(a), where the estimated costs exceeds \$5,000 but does not exceed \$10,000 shall be made only after attempting to obtain at least three sealed quotations, where possible, in lieu of advertised bids. Sealed quotations shall be received and opened by the Finance Director's designee on the date and at the time and place specified in the quote specifications. All quotations shall be available for viewing by the public.~~

~~(d)~~(c) All contracts for purchases where the estimated cost is between ~~\$1,000~~ \$5,000 and ~~\$5,000~~ \$25,000 may be made on the open market and directly from a dealer or supplier without obtaining sealed quotations,

but such contracts shall be made only after multiple quotations or proposals have been solicited, where practicable. Quotations obtained in this manner shall be confirmed by the successful quoter.

~~(e)~~(d) Purchases under ~~\$1,000~~ \$5,000 may be made directly by the Purchasing Division from approved dealers or suppliers.

~~(f)~~(e) The Finance Committee or Purchasing Division may reject any or all bids, proposals or quotations; waive any technicality or error in any bid, proposal or quotation, or part thereof, and to accept the same, or combinations thereof, in whole or in part, whenever such waiver and acceptance is deemed to be in the best interest of Rock County.

~~(g)~~(f) Contracts for purchases shall be awarded to the lowest, most responsible and responsive bidder or quoter.

(2) Procedure and Bids – Direct Purchases Allowed

(a) If bids, quotations or proposals are not obtainable, or in cases of immediate need for the items or supplies due to an emergency situation, purchases may be made directly from an approved supplier. The County Administrator or Finance Committee may also authorize direct purchases without bids or multiple quotations under circumstances deemed justified and advantageous to Rock County.

(b) The justification and reasons for awards of contracts for purchases made by the procedures authorized above, shall be recorded and kept on file in the Finance Director's office.

(3) Special Purchases

(a) Goods and Services. Consistent with all other provisions of this ordinance, departments requiring goods and services may be granted decentralized purchasing authority by the Finance Committee, in consultation with the Finance Director, in accordance with sec. 2.216(8) of this ordinance. Such authority shall be exercised by the requisitioning department only after the issuance of a purchase order by the Purchasing Division covering specified purchase(s) for a designated period of time.

(b) Highway Purchases. The Highway Commissioner is authorized to make purchases directly related to highway construction and maintenance in accordance with sec. 83.015(2)(b), Wis. Stats. Purchases not directly related to highway construction and maintenance shall be made through the Purchasing Division. The Highway Commissioner, at his/her discretion, may utilize the services of the Purchasing Division for

any or all highway related purchases. All purchases related to County highway, parks and airport activities not specifically otherwise regulated by state statute or County Board Resolution shall be made through the Purchasing Division.

(c) Purchases from Governmental Units. Materials, supplies, machinery and equipment offered for sale by the federal government or by any municipality may be purchased without bids, at prices to be agreed upon between the Purchasing Division and the respective department or agency for whom the item is to be acquired.

(d) December Purchases. With the exception of repair parts, foods, stock office supplies, expendable maintenance/housekeeping supplies, fuel, gas and oil for automobiles, trucks and equipment, and necessary medical supplies, there shall be no purchases made during the month of December in any year, except as approved in advance by the County Administrator or designee.

(4) Intergovernmental Cooperative Purchases. The Finance Committee is herein authorized to enter into cooperative purchasing agreements with the State of Wisconsin and other Wisconsin municipalities consistent with sec. 16.73 and 66.0301 or 66.0303, Wis. Stats. for the purpose of administering, sponsoring or conducting purchasing transactions under a joint contract for the purchase of materials, supplies, equipment, permanent personal property, miscellaneous capital or contractual services.

2.219 Purchase of Services

(1) Purchases of services shall be made by contract or purchase order through the Purchasing Division. The department or agency which requires the services shall prepare relevant specifications or standards and shall forward the same to the Purchasing Division for distribution to at least two prospective, qualified providers of the services desired.

(2) Purchases of professional services are exempt from bidding requirements, but are subject to all other purchasing policies and procedures.

(3) Services specifically required under State and/or Federal regulations may be purchased with the approval of the County Committee or Board administering such services, where the demand for services and market conditions do not allow for compliance with bidding and Request for Qualification procedures established under this ordinance.

2.220 Severability

Should any section or provision of this ordinance be declared unconstitutional or invalid or be repealed, the constitutionality or validity of the remainder shall not be affected thereby.

2.221 Effect on Other Ordinances

Provisions of other ordinances of Rock County inconsistent herewith are hereby repealed.

2.222 Time of Effectiveness

This ordinance shall take effect immediately upon passage and publication.”

Supervisor Beaver moved approval of the above resolution, second by Supervisor Podzilni. ADOPTED.

Committee Approval.

Approval for Purchase of RT Vision Software for Timecard - Plus

Supervisor Beaver moved Committee approval for purchase of Timecard – Plus software from RT Vision in the amount of \$9,350, second by Supervisor Podzilni.

Mr. Coopman, Ms. DeRubeis, and Mr. Crittenden went over how this software will help with the billing process; will have better accountability; will help with collections; automate the present manual process; is Cloud based; and is good from an IT standpoint.

ADOPTED.

2017 Budget Review.

Finance Director Ms. Oja said the main increase is due to Central Duplicating and Mail moving over to her department.

Information Technology Mr. Crittenden handed out the IT budget by fund code and the IT strategic initiatives for 2017 (attached) and went over his initiatives. He said the agenda management software used for voting at the County Board is no longer in existence and we are looking at new software and tablets. Mr. Smith added that we don’t know the timeline on the replacement of the voting board as we need to do more research at this time.

Mr. Smith said the funding for the security improvements software will be funded out of the tax levy.

County Clerk Mr. Smith said the County Clerk budget is pretty much a cost to continue. He added that elections in 2017 will be the lowest possible.

Treasurer Mr. Smith said the Treasurer's 2017 Recommended Budget is pretty much cost to continue with no big changes.

Register of Deeds Mr. Leyes said after 21 years, this is his last budget. He introduced Sandy Disrud as the new Register of Deeds and said that she will be an asset to the County. He said there are no big changes in the budget, that real estate sales have been good, and revenue should be about \$100,000 more than projected. Ms. Disrud said Vital Records is a new program starting after the first of the year, which will enable the department to produce birth certificates for any county throughout the state.

Land Records Ms. Oja said this department is split between Finance and Planning and Development and the comments are under Planning.

Other Mr. Smith said he has not heard from any departments at this time.

Supervisor Kraft complimented Mr. Smith on his presentation at County Board on October 13th.

Report on Cash Balances and Investments. Ms. Oja handed out copies and updated the Committee on cash balances and investments as of September 30, 2016.

Adjournment. Supervisor Podzilni moved adjournment at 9:14 A.M., second by Supervisor Beaver. ADOPTED.

Respectfully submitted,

Marilyn Bondehagen
Confidential Administrative Assistant

NOT OFFICIAL UNTIL APPROVED BY COMMITTEE.

Rock County Information Technology Strategic Initiatives For 2017

The 2017 IT budget reflects the mission of continuing to support current and planned business processes throughout all of Rock County's governmental operations, with a specific focus on helping all County departments to operate as cost-effectively as possible while meeting their departmental goals. Additionally, specific technology projects are planned to significantly improve County operations, including the following budget-affecting strategic projects, in priority sequence:

<u>Project</u>	<u>2016 Budget Affect</u>
<i>Further Roll-out of Microsoft Software Functionality</i>	\$181,085
<ul style="list-style-type: none"> <i>-- Continue updates to server software</i> <i>-- Facilitate additional training in the latest software versions</i> <i>-- Further use of collaboration and workflow technologies</i> <i>-- Maximize License rights via Software Assurance</i> <i>-- Capital Improvement Program project</i> 	

The project marks the 1st Year of a 3-year continuance of the Software Assurance that allows the County to deploy any desired version of licensed Microsoft server and enterprise software. The County will benefit through the further deployment of Microsoft's SharePoint collaboration and workflow software that will foster increased streamlining of business processes throughout the County operations. Additionally, the further implementation of Microsoft Skype for Business (formerly Lync) communications software will address a latent demand throughout the departments for an interactive environment that unifies enterprise voice, presence, instant messaging, and video conferencing, with specific integration with Office, Exchange, and SharePoint.

<i>Network Servers Replacements</i>	\$65,000
<ul style="list-style-type: none"> <i>-- Addresses aging servers that have increasing maintenance cost or no available support</i> <i>-- Provides a necessary server for a major upgrade to the HR/Payroll system</i> <i>-- Boosts performance and throughput of existing and future applications</i> <i>-- Lowers power and cooling requirements</i> <i>-- Increases Server Virtualization capabilities</i> <i>-- Capital Improvement Program project</i> 	

The IT department currently manages 60 servers, and a varying number of replacements are planned each year. The server replacement plan for 2017 includes addressing three general purpose Windows servers that will be out-of-support due to age or do not meet current demand. These servers are application and database servers used by multiple County operations. In addition to addressing performance and application requirements issues, the new servers will result in lower power and cooling costs.

Three new servers will be configured to provide hosting for multiple virtual servers, thus continuing the County's strategy of consolidating data center assets for the sake of streamlining operations. The two new physical virtual host servers will each be able to host several virtual servers that would otherwise require separate hardware systems. This will result in operational savings in terms of lower power and cooling requirements.

Additional Data Center Information Storage Capacity **\$85,000**

- Accommodates the increase in disk storage requirements throughout County operations
- Builds upon the County's current Storage Area Network
- Provides for increased data protection and replication of critical information
- Capital Improvement Program project

This capital project addresses the rapidly increasing disk storage requirements for virtually all County operations. Examples of applications that drive the need for additional storage capacity include the widespread use of document imaging, the management of audio, video, and photo files, and the growth of databases.

The project entails building upon the County's current Storage Area Network by installing disk drives and their associated enclosures and controllers, as well as taking advantage of SAN enhancements for data protection and replication of critical information.

In tandem with this initiative will be an analysis and identification of information that is no longer needed to be retained and can be removed from the County's storage systems.

Upgrade of County's Financial System **\$227,203**

- Implementation of latest generation of Sungard's Public Sector Financials System
- Includes much better reporting and dashboard capabilities
- Provides improved user interface and more efficient system processes
- Capital Improvement Program project

During the past few years, Sungard Public Sector has been rolling-out the newest generation of their financial system software, called One Solution, as the replacement for their legacy IFAS system. Sungard has placed priority on the development of the One Solution product family and is no longer updating their IFAS product. The new system will increase efficiency with better business intelligence and workflow functionalities, including integration with Microsoft Office software such as Excel and Word. The project includes the One Solution software, related hardware, professional services, and training.

Fiber Optic Cabling between the County and City of Janesville **\$64,500**

- Allows for discontinuance of expensive telecommunication circuits
- Fosters more shared services between County and City
- Enables greater Internet bandwidth and allows for Cloud-based processes

-- *Capital Improvement Program project*

The City of Janesville is in process of connecting city facilities with a municipally-owned fiber optic infrastructure. One of those facilities is the Janesville Senior Center, which is across S. Main St. from the Courthouse. This project will install a fiber optic connection between the Courthouse and the Senior Center and thus allow the County to take advantage of the existing fiber connection that exists between City Hall and the County's data center at the Health Care Center. The return on this investment will be approximately 2 years and will have a useful life of over 30 years, resulting in saving the County over \$900,000 in operational expense during that time, in today's dollars. The actual savings will most likely be significantly more than that, given the projected cost increases of telecommunication circuits that would otherwise be expected during the life of the fiber optic cabling.

Upgrading the Courts Video Conferencing System

\$450,000

- *Replaces an aging and increasingly unreliable system*
- *Allows for stable connections with outside entities*
- *Extends video conferencing capabilities to additional courtrooms and hearing rooms*
- *Capital Improvement Program project*

The current video conferencing system that is currently in use by the Courts is over 10 years old and is increasingly problematic for efficient Court operations. Most issues are related to video conferencing standards that have evolved over the years with which the current video conferencing system is no longer compliant. This non-compliance makes it regularly difficult for the equipped courtrooms to connect to state institutions and other outside entities for hearings, status meetings, and other video conferencing needs. These difficulties result in the need to transport inmates to court for appearances that otherwise would be conducted using the video conferencing system. The avoidance of transporting inmates to court is the primary justification of the video conferencing system. Additionally, the current system does not adhere to the latest courtroom video conferencing requirements and operational protocols, as defined by the state Supreme Court. This project scope includes the replacement of the current system and the extension of the system to include more courtrooms and hearing rooms so that more judges and court commissioners can take advantage of video conferencing technology.