

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: March 25, 2015

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for Authorization to enter into a First Amendment of a Sublease Agreement with CCATT LLC ("Crown") for implementation of the OASIS 800 MHz Public Safety Radio System

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
(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.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$6,400	\$9,740
	Revenue	0	0
	Net Cost	\$6,400	\$9,740
Capital Improvement Budget	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. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
 - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
 - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
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- A. The approval of the requested action item will allow the Office of Emergency Management to amend its existing Sublease Agreement for the 250-foot radio tower at the site at the Greenfield Police Department located at 5300 W. Layton Ave., Greenfield, WI, 53220. This First Amendment will allow the replacement of five (5) existing antennas and to hang three (3) new microwave antennas on that tower. This work is necessary for implementation of Milwaukee County Resolution #13-886, authorizing the Contract for Service with Motorola Solutions for the build-out of ten digital radio sites aligning the OASIS 800 MHz Public Safety Radio System with federal regulations. There is a one-time cost of \$2,500 for an engineering study to confirm the structural integrity of the tower and that has been adopted in the 2015 Operating Budget as the capital project WO614, Build Out Ten Sites to Digital. This study is included in Change Order #5 of the Contract for Service with Motorola Solutions Inc. This contract was authorized for execution by Milwaukee County Resolution #13-886, for a not to exceed of \$17,751,797.
- B. The current annual cost is \$21,940 and in subsequent years the annual cost is \$25,070. On January 1, 2016 and every year thereafter, a rent escalator of 4% is in place. The rent is commensurate with industry standards for radio tower space of this height (250 feet) in urban areas. Additionally, the increase in the monthly cost is attributable to competitive market pressures as this tower is sought by commercial carriers such as Verizon and AT&T. Therefore, the annual cost increase for the current year is \$6,400, and for subsequent years the annual cost increase is \$9,740 with an escalator of 4% each year, based on the monthly rate.
- C. There are sufficient funds allocated in the 2015 budget.
- D. This First Amendment to the Sublease Agreement with CCATT is part of the capital project WO614, Build Out Ten Sites to Digital.

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

Department/Prepared By Christine Westrich, Director, Office of Emergency Management

Authorized Signature *Christine Westrich*

Did Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

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