

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: 10/26/2023

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Amos Morris, Executive Zoo Director

Subject: From the Executive Zoo Director requesting authorization to advance \$9,248,410 in planned appropriations from 2025 to 2024 in order to create budget authority for capital project WZ0141 – Adventure Africa Rhinos

File Type: Action Report

REQUEST

The Executive Zoo Director is requesting authorization to advance the \$9,248,410 planned 2025 appropriation for capital project WZ0141 - Adventure Africa – Rhinos to 2024.

POLICY

Wisconsin State Statutes:	
Milwaukee County Code of General Ordinances:	
Specific Adopted Budget:	
Specific Adopted Budget Amendment:	
Specific Adopted Capital Project:	2024 Capital Budget WZ0141

BACKGROUND

Related File No's:	23-781; 23-889; 03-263
Associated File No's (Including Transfer Packets):	
Previous Action Date(s):	September 21, 2023

The County adopted File No. 23-781 authorizing the Executive Zoo Director to enter into an agreement with the Zoological Society of Milwaukee for the construction of a new rhino habitat in an amount not to exceed \$22,209,691. The appropriations for the project were to be included in 2024 and 2025 Capital Budgets. The 2024 Adopted Capital Budget includes \$12,474,238, with financing to be provided from \$6,961,116 in County funding and \$5,513,122 from the Zoological Society. The 2025 Capital Budget would include \$9,248,41 in funding from the County. In addition, an appropriation of \$487,043 was approved in 2023 with financing from the Zoological Society.

Table 1: Financing Plan

	2023	2024	2025	Total
County		\$6,961,116	\$9,248,410	\$16,209,526
Zoological Society	\$487,043	\$5,513,122		\$6,000,165
Total	\$487,043	\$12,474,238	\$9,248,410	\$22,209,691

The approved resolution authorized the County Executive, the Department of Administrative Services, the Office of the Comptroller, the County Clerk, Office of Corporation Counsel, Executive Zoo Director and any other Milwaukee County official deemed necessary to prepare and execute all documents, instruments, agreements, or otherwise, including without limitation execution of the Construction Agreement and to perform all actions necessary to effectuate the commitment to enter into an Adventure Africa Phase 3 Rhino Project agreement with Gilbane Building Company in an amount not to exceed \$22.2 million with the Society contributing \$6,000,165 of the project costs.

A construction cashflow analysis was completed and it was determined that \$12,474,238 was needed in 2024 and \$9,248,410 in 2025 and is reflected in the 2024 – 2028 Capital Five-Year Plan.

The Milwaukee County Comptroller has communicated that he will not sign the \$22,209,691 construction contract as to funds available without at least \$22,209,691 first being appropriated and available.

This resolution will increase the 2024 appropriation amount so that sufficient expenditure authority is available to sign the contract in 2024.

Change to 2025 Bonding Cap

The County maintains a self-imposed annual bond limit as defined by File No. 03-263, representing a 3% increase over the prior year's adopted bonding. Based on the 2024 adopted bonding amount of \$47,193,777, the estimated 3% bond increase results in a projected 2025 bonding limit of \$48,609,590.¹

The 2024 Capital Budget (Capital Budget) for Adventure Africa – Rhino's allocation of \$12,474,238 is financed with \$6,961,116 of property tax levy and a contribution from the Zoological Society of \$5,513,122. Within the Capital Budget's 5-Year Capital Improvement Plan, there is a planned (but not appropriated) amount of \$9,248,410 (in 2025) to be financed from General Obligation bonds. Assuming advancement of the \$9,248,410 appropriation from 2025 to 2024, the 2025 capital budget bonding cap will be reduced by \$9,248,410.

¹ At the time of this report, the stated bonding cap reflects the 2024 County Executive Recommended Budget. The final 2024 County Budget is adopted by the County Board of Supervisors in mid-November, and as a result, the 2024 bonding amount used for the 2025 bond cap calculation may change based on adopted amendments that either increase or decrease 2024 bond funded capital projects.

The adjustment to the 2025 bond cap maintains the 3% bonding cap over a two-year period (2024-2025) as shown in the table below. It should be noted that an allocation of \$9,248,410 would be required in 2025 related to the aforementioned contract. As a result, the estimated \$39,361,180 is the amount of available bond funding for all other projects in 2025.

Table 1 (2025 Bond Funding Detail)			
	2025	2025	
(Estimated 2025 Bond Cap)	\$48,609,590	\$48,609,590	(Estimated 2025 Bond Cap)
WZ014101 Contract Payment Required in 2025	(\$9,248,410)	(\$9,248,410)	WZ014101 Advance to 2024
<i>(Estimated) 2025 Bond funding available for all other projects</i>	\$39,361,180	\$39,361,180	<i>Adjusted (Estimated) 2025 Bond Cap (due to WZ014101 Advancement to 2024)</i>

Assuming approval of the advancement of the 2025 funding to 2024 for the Adventure Africa Rhinos project, the 2026 bond cap calculation is anticipated to include the \$9,248,410 as part of the 2025 base (\$48,609,590). As a result, the 2026 bonding cap is made whole.

Table 3 (2025 Bond Base Comparison for 2026 Bonding Cap Calculation)			
	W/O Rhino Bond Advanced	W/ Rhino Bond Advance	
Estimated 2025 Bond Amount	\$48,609,590	\$39,361,180	Estimated 2025 Bond Amount
Add-Back of WZ014101 Bond Advance from 2024	\$0	\$9,248,410	Add-Back of WZ014101 Bond Advance from 2024
<i>Estimated Bond Base used for 2026 Bonding Cap Calculation</i>	\$48,609,590	\$48,609,590	<i>Estimated Bond Base used for 2026 Bonding Cap Calculation</i>

Zoo management is committed to lowering the cost of Adventure Africa Rhino and seeking additional outside funds. A surplus of \$3 million is projected in Capital Project WZ0119 - Adventure Africa Elephant Life Support System (LSS) and once the project is closed, the funds will be requested to be transferred to the Rhino project. The Society has agreed to allocate their 50% share of the LSS surplus to the Rhino project lowering the County cost of the project (\$16.2 million). Any additional funds raised by the Society will be committed towards this project.

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the [strategic plan](#):

- 1A: Reflect the full diversity of the County at every level of County government
- 1B: Create and nurture an inclusive culture across County government
- 1C: Increase the number of County contracts awarded to minority and women-owned businesses
- 2A: Determine what, where, and how we deliver services to advance health equity
- 2B: Break down silos across County government to maximize access to and quality

- of services offered
- 2C: Apply a racial equity lens to all decisions
 - 3A: Invest “upstream” to address root causes of health disparities
 - 3B: Enhance the County’s fiscal health and sustainability
 - 3C: Dismantle barriers to diverse and inclusive communities

Advancing the 2025 funds into 2024 would provide sufficient appropriations to allow the Comptroller’s Office to sign off as to funds available in 2024 for the agreements with the Zoological Society and Gilbane Building Company. The project was designed in the most cost-effective reuse of space and providing year-round engagement to the public. The renovation includes sustainable, energy efficient practices and brings the complex up to current building codes that ensures public safety. It also brings the facility back to international animal care standards.

FISCAL EFFECT

Refer to attached Fiscal Note document for more details.

VIRTUAL MEETING INVITES

Amos Morris, Executive Zoo Director, Amos.Morris@milwaukeecountywi.gov
Vera Westphal, Deputy Zoo Director, Vera.Westphal@milwaukeecountywi.gov

PREPARED BY:

Vera Westphal, Deputy Zoo Director

APPROVED BY:

Amos Morris, Executive Zoo Director 

ATTACHMENTS:

Resolution, Fiscal Note

cc: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk
David Crowley, County Executive
Mary Jo Meyers, Chief of Staff, County Executive
Scott Manske, Comptroller
Aaron Hertzberg, Director, Department of Administrative Services
Joseph Lamers, Director, Budget and Management
Michelle Nate, Deputy Comptroller
Steve Cady, Research and Policy Director, Comptroller’s Office
Ciara Miller, Research Analyst, Comptroller’s Office
Pamela Bryant, Capital Finance Manager
Vincet Masterson, Capital Budget Coordinator
Anthony Rux, Budget and Management Analyst
Justin Rodriguez, Budget and Management Coordinator
Vera Westphal, Deputy Zoo Director
Kari Williams, Interim Director of Animal Management and Health