

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: November 18, 2011

TO: Supervisor Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit Committee

FROM: Frank Busalacchi, Acting Director of Transportation and Public Works

SUBJECT: Summary of Fund Transfers for Consideration at the Finance and Audit Committee
November 2011- **Informational Report**

<u>Description</u>	<u>Amount</u>
1. DTPW- Fleet Management Division	\$543,631

The Department of Transportation and Public Works Director, requests to transfer funds to expenditure accounts 7804 (automotive repair parts) and 8587 (capital outlay lease purchase) from revenue account 4905 (sale of capital assets). Revenue in account 4905 is higher than budgeted due to higher than anticipated auction revenue.

This fund transfer will offset a projected deficit in account 7804 resulting from an increase in repair parts used to fix user-departments' vehicles and equipment. This fund transfer also creates expenditure authority for the payment of debt service costs related to performance contracting work (i.e. HVAC upgrades, lighting upgrades, plumbing upgrades and vending misers) performed at the Fleet Management building. This fund transfer does not require any additional funding by Milwaukee County since these funds have already been received from the sale of capital assets.

<u>Description</u>	<u>Amount</u>
2. DTPW – Facilities Management	\$2,020,965

The Director of Transportation and Public Works and the Interim Director of DTPW-Facilities Management respectfully request the approval of this Appropriation Transfer which reallocates 2011 Adopted Square Footage amounts to the correct departments. During the construction of the 2011 Budget assumptions were made as to where departments would be housed and square footage assigned. Late in 2010 and throughout 2011 moves occurred and square footage allocations revised, which are different than those adopted for 2011. This Appropriation Transfer recognizes those adjustments and reallocates the Adopted budget to the correct areas. This action will ensure departments are charged for the square footage they occupy. This Appropriation Transfer has a \$-0- tax levy impact to Milwaukee County.

<u>Description</u>	<u>Amount</u>
3. DTPW – Airport Division	\$410,000

The purpose of this fund transfer request is to provide sufficient funding for the purchase of essential commodities should weather events in the last weeks of 2011 require it.

During the first several months of 2011, Milwaukee County experienced a number of significant snow events, and the winter in total was far more eventful than 2010. To deal with these snow events, the Airport needed to utilize a significant amount of commodity appropriation for the use of potassium acetate, a key commodity used as a deicer to help keep the airfield open during certain snow events. In the first months of 2011, the Airport spent \$1,734,322 for this runway deicer as compared to \$912,345 for the same five month period of 2010. This is an increase of \$821,977 on essentially flat pricing per unit. This sort of use was not foreseen in establishing the 2011 budget, and as a consequence of this unprecedented use, the Airport is significantly low on commodity funding for the balance of the year. Typically at this point in the year (November) the Airport would have approximately 30% of the commodity annual budget available to top off supplies as the Airport enters the winter season. At this writing, the airport has only 15% of an annual \$5.5 million budget available. Other budgeted airfield purchases may need to be made also.

This fund transfer is not eligible for carryover to the New Year. If the funds are not needed and not used, they simply lapse. If some or all of the funds are used, they will be included in the annual accounting of expenditures to the Airlines and billed accordingly. In either event, there is no impact on the tax levy of Milwaukee County.

<u>Description</u>	<u>Amount</u>
4. DTPW – Highway Maintenance	\$418,360

The Director of Transportation and Public Works is requesting an increase in state reimbursement revenue of \$418,360 and related increase in expenditure authority for winter maintenance overtime costs, fuel costs, waste removal and safety related structures. The requested increase in expenditure authority is for state reimbursable work and will have no impact on the tax levy.

A \$240,000 increase in expenditure authority is requested for overtime with related social security taxes of \$18,360, due to more than anticipated snow events. A fuel expenditure increase of \$120,000 is requested due to more than anticipated gallons of fuel usage and the current price of fuel of \$3.40 per gallon being greater than the budgeted \$2.95 per gallon price. Both the overtime and fuel expenditures will be reimbursed by the state for Winter Maintenance costs. A \$20,000 expenditure increase is requested for waste disposal costs due to the increase in removal costs and increased roadway debris removal. A \$20,000 expenditure increase is requested for building and roadway materials due to the increase in state work for safety related structures. Both the waste disposal and the building and roadway materials expenditures will be reimbursed by the state for Expressway Maintenance costs.

<u>Description</u>	<u>Amount</u>
5. DTPW – AE & ES Division/Parks	\$500,000

An appropriation transfer of \$500,000 is requested by the Directors of the Department of Parks, Recreation and Culture and Transportation and Public Works, to re-create capital project WP143xxx, Mitchell Park Greenhouse.

WisDOT is currently preparing the design for the Zoo interchange Reconstruction. The property that Parks' greenhouse at the County Grounds occupies will be acquired by WisDOT for the interchange improvements. WisDOT anticipates taking ownership of the greenhouse parcel by fall of 2012. The

Supervisor Michael Mayo, Sr.

Page 2

November 18, 2011

existing greenhouse will be demolished creating the need for a new greenhouse to support the specialized plant needs of Mitchell Park Conservatory. The cost for relocation of the greenhouse will be paid by WisDOT as part of the Zoo interchange project. The appraisal process has begun.

The replacement greenhouse is proposed for Mitchell Park. The design and construction of the greenhouse will be fast-tracked so the new greenhouse can be completed in time to relocate plants from the existing greenhouse when WisDOT takes ownership. Previously, a capital project, WP143-Mitchell Park Greenhouse, was included in the 2008 capital budget to create a 35,000 square foot greenhouse in Mitchell Park that would have replaced the existing greenhouse at the County Grounds. Kubala Washatko Architects, a consultant, was hired in 2008 via competitive RFP process to complete the planning and design for the greenhouse and site improvements at Mitchell Park. Their design effort was completed through the programming and schematic design phase. The design effort was halted at that time due to the projected large cost of the project and until further funding could be identified.

The planning efforts completed by Kubala Washatko in 2008 are still appropriate. Given their previous planning effort for a new greenhouse at Mitchell Park, Kubala Washatko will be retained again to produce the design and construction documents. Moving forward with Kubala Washatko will save time and money. All pertinent County requirements, such as DBE participation goals will be included.

It is requested that this fund transfer be approved. This transfer has no tax levy impact.

Approved by:

Frank Busalacchi, Acting Director
Transportation and Public Works

FJB:mmb