

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : April 9, 2019

TO : Scott Manske, Comptroller, Office of the Comptroller;
Chairperson, Capital Improvements Committee

FROM : Vince Masterson, Capital Budget Coordinator; Office of Performance,
Strategy and Budget, Department of Administrative Services

**SUBJECT: Capital Improvements Committee (CIC) Scoring Criteria Review and Update –
Temporary Workgroup Recommendations to the CIC**

Pursuant to Milwaukee County Ordinance (Section 36.03(b) and (c)) the Capital Improvements Committee (CIC) is responsible for the establishment of capital project scoring criteria (criteria) and prioritization of the projects based upon that criteria. Thereafter, the CIC submits a (non-binding) prioritized capital projects report (typically each August) to the County Board and County Executive to assist with the development of the annual capital budget.

Discussions regarding the potential updating of the capital criteria was introduced by the Department of Administrative Services (DAS) Director at the August 21, 2018, CIC meeting (agenda item #7) and the August 30, 2018, CIC meeting (agenda item #5). These are outlined below (items #1 through #3) as potential criteria updates. In addition, items #4 and #5 are proposed as potential criteria updates as well.

1. Building Mission Category component to account for service, utilization, and long-term disposition (see attachment #1 for category definitions created by the DAS- Facilities Management) – **ITEM 1, PAGE 2**
 2. Fleet (and Bus) replacement program(s) weight (review of current Return on Investment (ROI) criteria) – **ITEM 2, PAGE 3**
 3. Technology weight to support security risks mitigation (possibly incorporate into existing Life/Safety criteria) – **ITEM 3, PAGE 3**
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4. Racial equity scoring component – **ITEM 4, PAGE 4**
 5. Consolidated Facilities Planning scoring component – **(Addressed in ITEM 1, PAGE 2)**

At its March 8, 2019, meeting, the CIC established a temporary workgroup (workgroup) to convene with the goal of reviewing and updating the existing criteria. Recommendations from the workgroup are to be presented to the full CIC for review and approval of any proposed changes to the scoring criteria.

The workgroup met on April 5, 2019, to review and update the aforementioned criteria. Based on input from the workgroup members, the following criteria updates are being recommended to the CIC for review and approval (engrossed scoring criteria in attachment #2):

1. New Scoring Criteria for a Building Mission Category (BMC) component to account for service, utilization, and long-term disposition-

- a. An example of a Building Mission Category comparison between two projects would be a Parks small storage building project and a Courthouse HVAC project. Based upon the current BMC definitions, the Parks small storage building project would receive a BMC score of 0 and the Courthouse HVAC would receive a BMC score of 5. Please see attachment #1 for the Building Mission Category currently in use.
- b. Staff from the Facilities Condition and Assessment section (FCA) of DAS have updated the BMCs and input the data into the County’s VFA facility assessment system.
- c. FCA staff are continually working to enhance the BMC categories to make them as accurate as possible. In light of this, it is anticipated that FCA will present BMC updates for the CIC to consider for subsequent scoring modifications.
- d. Projects would be scored by County staff (from the County Facilities Plan (CFP) Steering Committee or CFP Steering Committee designee(s)) relative to the Criteria/Impact weights and alignment with CFP. CFP scoring would then be included into the overall CIC scoring matrix.
 - i. Projects not recommended (or on HOLD) by CFP will have supporting information provided to CIC.

CRITERIA	IMPACT
<u>7.) Building Mission Category</u>	<p><u>5 – Project relates to a building mission 1 category</u></p> <p><u>3 – Project relates to a building mission 2 category</u></p> <p><u>1 – Project relates to a building mission 3 category</u></p> <p><u>0 – Not Recommended (or HOLD) by CFP Project: Relates to a building mission 4 or 5 category</u></p>

EXAMPLE (highlighted area indicates scoring changes resulting from BMC variables):

BMC Variable	Criteria - Committed			Criteria - Scored							BMC	Composite Score
	Mandated Obligation	Contractual Obligation	On-Going Sub-Project (from 2016)	Programmatic	Safety	Compliance	Net Operations Cost	Deferred Maintenance	ADA/BLDG Code	Non-County Funding		
NO BMC	NO	NO	NO	3	0	3	0	3	0	0	0	9.5
BMC-3 (1 pt)	NO	NO	NO	3	0	3	0	3	0	0	1	10.6
BMC-2 (3 pts)	NO	NO	NO	3	0	3	0	3	0	0	3	12.7
BMC-1 (5pts)	NO	NO	NO	3	0	3	0	3	0	0	5	14.8

2. New Scoring Criteria for a Racial Equity (RE) component to account for service, utilization, and long-term disposition

- a. Impact weights based on the % of the racial minority populations served by each project (as provided by departments). For example, a destination (County facility, performance center, museum, park, zoo, etc.) could show how they are serving racial minorities through programs or attendance;

OR

If data from the item above is not available, then impact weights reflecting the % of the racial minority populations within a neighborhood (as defined by zip code) will be used. For example, the location of a project would determine the zip code, and thus the scoring for this criteria. Data source is the most recent version of the United States Census Bureau’s American Community Survey (at the time of budget instruction release). Inclusion of OAAA staff as part of the CIC (staff) sub-committee review of project requests.

- b. Although the proposed criteria provides a base, on-going guidance from the Office of African American Affairs (OAAA) is recommended (i.e. attendance at the annual CIC meetings to review the project scores).

Additionally, if a department is unable to provide service population data and/or the zip code location is not available, the project will be scored as a 0.

- c. The Workgroup removed the language that “Projects would be scored by Office of African American Affairs (OAAA) based on the Criteria/Impact weights (noted above) and then included into the overall CIC scoring matrix.”

<u>6.) Racial Equity</u>	<p><u>5 – 76-100% TBD population served (PRIMARY) OR TBD population of Zip Code where the project is located (SECONDARY).</u></p> <p><u>4 – 51%-75% TBD population served (PRIMARY) OR TBD population of Zip Code where the project is located (SECONDARY).</u></p> <p><u>3 – 26%-50% TBD population served (PRIMARY) OR TBD population of Zip Code where the project is located (SECONDARY).</u></p> <p><u>2 – 15%-25% TBD population served (PRIMARY) OR TBD population of Zip Code where the project is located (SECONDARY).</u></p> <p><u>0 – 0%-14% TBD population served (PRIMARY) OR TBD population of Zip Code where the project is located (SECONDARY).</u></p>
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3. Updated Fleet (and Bus) Replacement program(s) weight (review of current Operational criteria and its subgroup criteria of Net Annual Impact on Operating Costs)

- a. Fleet and Bus replacements (and requesting departments in general) could achieve higher scores in this area by providing additional information relating to the financial operating impacts related to each project. For example, departments could cite studies from bus/fleet

manufacturers or cite how other governments purchased similar vehicles and achieved savings. Therefore, no new criteria is recommended.

- b. The current subgroup criteria requires the department to show a reduction in operational costs of at least 25% to receive the maximum points. Impact weights in this category can be streamlined by modifying the existing percent-based impact model to a less complex model. The department will be required to provide documentation showing that cost savings can be achieved. The documentation will include a department’s own study, independent studies, or references to other governments, who have achieved savings. This will make the category less rigid, more achievable for operating departments, and establish two simple categories. As a result, the following is recommended:


CRITERIA	IMPACT
*NET Annual Impact on Operating Costs	5 - <u>Significant Documentation Provided (including major net operational savings)</u> Major impact (Reduces Div/Section Ops Costs by 25%) 3 - Moderate impact (Reduces Div/Section Ops Costs by 10% - 24%) 2 - Minor/General data provided Minor impact (Reduces Div/Section Ops Costs by 1% - 9%) 0 - No impact

4. Technology weight to support security risks mitigation (possibly incorporate into existing Life/Safety criteria)

- a. Based on discussions of this item (including input from the Director of DAS-IMSD), the workgroup concluded that a new 5-point criteria be added to the Safety component of the scoring matrix for projects. The wording for the Safety criteria would be changed as follows:

CRITERIA	IMPACT
1.) Safety – The project contributes to health, safety, and welfare, <u>and/or cyber security risk.</u>	10 – Eliminates an existing hazard <i>Addresses an existing life-safety Hazard that is posing an immediate threat to health and safety (within the 1st year).</i> 5 – Eliminates a potential hazard <i>Remedies a Hazard that would pose a threat to health and safety in the future (i.e. the next 2 - 3 years), but does not demand immediate attention.</i> <u>OR</u> <u>5 – Mitigates technology cyber security risk</u> <u>Addresses a known risk posing a security threat to County data and/or technology assets (i.e. the next 0 - 2 years).</u> 0 – No Safety Impact

The workgroup respectfully requests that the recommended criteria updates approved at its April 5, 2019, meeting be taken up for consideration at the next CIC meeting in order that such updates may be included as part of the 2020 capital budget development process.



Vince Masterson
Capital Budget Coordinator, Office of Performance, Strategy and Budget, Department of
Administrative Services

- Cc:
- Chris Abele, County Executive
 - Theodore Lipscomb, Sr., Chairperson, Milwaukee County Board of Supervisors
 - Kathleen Ehley, Mayor, City of Wauwatosa
 - John F. Weishan, Jr., Supervisor, Milwaukee County Board of Supervisors
 - James "Luigi" Schmitt, Supervisor, Milwaukee County Board of Supervisors
 - Willie Johnson, Jr., Supervisor, Milwaukee County Board of Supervisors
 - Donna Brown-Martin, Director, Department of Transportation
 - Joe Lamers, Director, Department of Administrative Services-Office of Performance, Strategy and Budget
 - Raisa Koltun, Chief of Staff, County Executive
 - Kelly Bablitch, Chief of Staff, County Board of Supervisors
 - Nicole Brookshire, Director, Office on African American Affairs
 - Teig Whaley-Smith, Director, Department of Administrative Services
 - Stephen Cady, Research & Policy Director, Research Services Division, Office of the Comptroller
 - Janelle Jensen, Legislative Service Division Manager, County Clerk's Office

Attachment #1

Milwaukee County

Building Asset Mission Category Definitions

August 2018

Mission Category 1

- Provides 24-hour housing for people
 - correctional facilities
- Provides a work place for MC employees (> 100 people)
- Provides critical Airport services
- Provides medical services
- Provides critical Office of Emergency Management services

Mission Category 2

- Provides a work place for MC employees (< 100 people)
- Provides a major community service – 365 days/year
 - cultural facilities
 - zoo exhibit buildings
 - community centers
 - senior centers
 - recreation centers
- Provides a major maintenance function
 - facility maintenance shops
 - vehicle maintenance shops
 - Provides a critical site mission function
 - parking structure
 - utility facilities

Mission Category 3

- Provides a community service – seasonal facilities
 - major park shelters
 - outdoor aquatic facilities
 - concession stands
- Provides a minor maintenance function
 - facility maintenance shops
 - vehicle maintenance shops
- Provides a minor site mission function
 - animal exhibit/holding facilities

Mission Category 4

- Provides a temporary work place for MC employees (< 5 people)
 - ticket booths
 - toll booths
- Provides a minor public shelter
- Provides a large storage function (minor occupancy)
 - MC vehicle storage
 - airline storage
 - warehousing

Mission Category 5

- Provides a small storage function (typically unoccupied)