

**COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION**

Date: November 12, 2014
To: Chairwoman Marina Dimitrijevic
From: Don Tyler, Director of Administrative Services
Subject: 2014-2016 Budget Years Management Strategy Regarding the Consolidated Facilities Plan (CFP) – Informational Report

BACKGROUND

Resolution #14-483 was approved at the Special Transportation, Public Works & Transit Committee Meeting and the June 26, 2014 Milwaukee County Board Meeting providing direction from the Board to the Department of Administrative Services (DAS) regarding specific actions related to the Consolidated Facilities Plan (CFP).

The Board approved \$700,000 for the CFP effort in the 2014 Operating Budget. Of that, \$250,000 was encumbered subject to Board approval. During the 2014 September cycle, the Board of Supervisors approved expending the encumbered \$250,000 on the relocation costs for all staff at City Campus except for DHHS Housing. The Board also approved during the 2014 September cycle, the expending of no more than an additional \$1.1 million out of the Debt Service Reserve Fund to cover costs specifically related to relocation costs for DHHS Housing (\$28,000), network, telecommunications, furniture & fixtures (\$818,000), leasehold Improvements (\$240,000). During the same period, the Board approved the execution of three lease agreements: one for 633 W. Wisconsin, one for 601 West Walnut and one for a lease at Technology Innovation Center.

This report is within the scope of the approved resolution and is meant to provide an update to the committee(s).

UPDATE ON PHASE 2 OF THE CFP

Deliverable # 1 – Detailed Space Program and Relocation Strategy for City Campus

- The CFP Workgroup, along with CBRE and Quorum completed the final architectural plans for the three locations and received approval from the Department Heads and DAS Director to begin leasehold improvements.
- Leasehold demolition and build outs are well underway and directionally on schedule at all three locations. Cabling for telecommunications and computer technology is either scheduled or in the process of being completed.
- More than 3,000 furniture & fixture items have been identified and tagged at City Campus for either relocation, storage, destruction and/or repurposing. Much of the City Campus furniture will be repurposed and integrated into cubicle partitions owned by the County and stored at Coggs. While there is no final estimate at this point, due to this repurposing

approach we anticipate being considerably below budget on costs related to furniture & fixtures.

- Final estimates related to the cost of moving DOT and DHHS Housing have been completed and are at or below the original budget. The final estimates for the remaining staff to move to 633 W. Wisconsin Avenue are due on November 20th.
- Move dates have been tentatively set: DOT move to TIC is slated for December 12th; DHHS-Housing to 601 W. Walnut is slated for November 12th and all other City Campus staff are slated to move to 633 W. Wisconsin during the month of January.
- Expenditures continue to be at or below estimated costs related to space planning & consulting services, relocation costs, network, telecommunications, furniture & fixtures, leasehold improvements and contingency. A reconciliation of the expenditures to budget will be provided to the Board upon completion of the project.
- Updates to staff and other key stakeholders are being made available through a “Meet Me at 633” newsletter on a weekly basis. A blog (<https://meetmeat633.wordpress.com>) is updated regularly and informational postings around City Campus are being done. An Open House was held at 633 W. Wisconsin during the month of October for City Campus staff to tour their new facility. Department/divisional meetings will be held in the coming weeks to help staff understand the moving process. These meetings are held approximately 10 days prior to the respective move and are hosted by a member of the County’s move team with a presentation provided by the moving company.

Deliverable #2 – Agreement with the State for Marcia Cogs Center *(No activity during this period)*

- The short term lease with the State has been completed and was submitted to Milwaukee County Board and approved during the November cycle.
- The State has yet to issue an RFP for space to house staff and operations currently at the Marcia Cogs Center due to delays related to the summer fire in the building housing the Department of Operations. We anticipate the RFP to be issued in the coming months. Once the RFP is issued we anticipate six to eight months before the State reaches a conclusion on the proposal evaluation.

Deliverable #3 – Finalization of an Updated County Master Space Plan

- Under the direction of the Board, as stated in Resolution #14-483, the Department of Administrative Services will present a preliminary plan no later than December 31, 2014;
- Attached is a copy of the Milwaukee County Consolidated Facilities Plan II Report which includes the framework of a Master Space Plan for the Board’s review. A presentation will be requested to be made at TPT/W on this topic and next steps as we head into 2015.

Deliverable #4 – Disposition Plan for the City Campus Property

- The CFP Workgroup engaged an outside consultant to fully assess the hazardous material remediation costs associated with the potential demolition of one, two or all three of the buildings at City Campus. The current estimate to demolish all buildings is \$3.8 million and was included in the 2015 Adopted Budget.
- The Economic Development Division of DAS is currently engaged with a potential developer for the City Campus site; an update is expected to be provided to the Economic Development Committee separate of this report.

Deliverable #5 – Comprehensive Plan for County Grounds (*Limited Activity This Period*)

- The Economic Development Division continues to pursue broad discussions with the Behavioral Health Division (BHD), City of Wauwatosa, Milwaukee County Research Park, Froedtert and Children’s Hospital, Milwaukee Medical College and other community organizations and institutions to begin to shape a long term strategy for maintaining a Milwaukee County government presence at the County Grounds as the BHD continues to wind down.

Deliverable #6 – Courthouse Complex Plan (*No Activity This Period*)

- The CFP Workgroup is beginning its initial data gathering work specifically related to the development of a strategy for the Safety Building.
- The CFP Workgroup is aware of and will be phasing into some initial research work regarding various options related to consolidation of Milwaukee County Courts and alternatives for the Office of the Medical Examiner, the Community Correction Center and the 6th & State Street lot.
- The CFP Workgroup will focus its effort on this Deliverable in 2015 as the City Campus relocation is completed (see Milwaukee County Consolidated Facilities Plan II Report).

Deliverable #7 – Facility Management Consolidation (*No Activity This Period*)

- This effort is an ongoing initiative begun with the creation of DAS-FM in the 2012 adopted budget and currently not specifically in the scope of the 2014 project and will be addressed in 2015 (see Milwaukee County Consolidated Facilities Plan II Report).
- Additionally, discussions are in the works to explore some level of contracting out of facilities management services to bring in the strategic expertise to consolidate and manage the significant real estate asset portfolio.

NEXT STEPS

The CFP Committee will continue to work through deliverables highlighted above during 2015.

Thank you for your consideration.

Prepared by: Don Tyler, Director of Administrative Services

Approved By:



Don Tyler, Director
Department of Administrative Services

Attachment: 1. Milwaukee County Consolidated Facilities Plan II Report

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