

**County of Milwaukee**  
**Interoffice Communication**

**DATE:** 2/19/2021  
**TO:** Marcelia Nicholson, Chairman, Milwaukee County Board of Supervisors  
**FROM:** Donna Brown-Martin, Director, Department of Transportation  
**SUBJECT:** Request to Transfer Bus purchase bond funds to Kinnickinnic HVAC and North-South Transit Enhancement Study/Project

**BACKGROUND**

The adopted 2021 Milwaukee County Capital Budget includes \$7 million in bonds for the purchase and inspection of fourteen (14) diesel buses for the transit system (capital project WT125). The actual per-bus price came in slightly higher than the amount included in the budget, necessitating an increase in expenditure authority. The Department of Transportation (MCDOT) has grant funding available through the Section 5339 Bus and Bus Facilities program to cover a substantial part of the total cost of this purchase, which would allow some of the currently-allocated bond funding to be reallocated for other, needed transit projects. MCDOT has identified two such projects.

The first project is the HVAC system at the Kinnickinnic (KK) facility. The design phase of capital project WT108 HVAC Replacement-KK Bus Storage/Washhouse was approved in the 2020 budget. Design work was not completed in time for the construction phase to be included in the 2021 budget, thereby pushing consideration of this phase to the 2022 budget. The construction phase has since taken on added urgency given that KK will be the primary depot for the battery electric buses (BEBs) slated to be used in the Bus Rapid Transit (BRT) project. Due to the roof-mounted battery packs, the physical height of these buses is such that they will not clear the HVAC infrastructure within the building. The construction cost of the HVAC system replacement is estimated to be approximately \$2.1 million. With the initial delivery of BEBs scheduled for early 2022, replacement of the HVAC system is crucial.

The second project is the initial phase of the North-South Transit Enhancement Study/Project. This phase would consist primarily of preliminary engineering design and environmental review. Early estimates for these activities are \$6-8 million. While the proposed reallocation of bond funding from project WT125 is not sufficient to cover the total cost, it will permit the study to advance in earnest and potentially enter into FTA project development.

**FISCAL EFFECT**

The 2020 adopted budget includes \$7 million in bonds for the purchase and inspection of fourteen diesel buses. It is proposed to utilize \$5,695,155 in federal funds for WT125, which would then permit \$2,100,000 in bond funding to be transferred to the KK HVAC system project, and \$3,441,211 to be transferred to the North-South Transit Enhancement Study/Project as shown on the following page.

	Adopted	Proposed	Change
2021 Budget for buses	\$ 6,965,000	\$ 7,118,944	\$ 153,944
2021 Budget for inspection	\$ 35,000	\$ 35,000	\$ -
Bonds (inspection)	\$ 35,000	\$ 35,000	\$ -
Bonds (bus local share)	\$ 6,965,000	\$ 1,423,789	\$ (5,541,211)
Federal bus share	\$ -	\$ 5,695,155	\$ 5,695,155
KK HVAC Upgrade	\$ -	\$ 2,100,000	\$ 2,100,000
Bonds	\$ -	\$ 2,100,000	\$ 2,100,000
N-S Transit Enhancement	\$ -	\$ 3,441,211	\$ 3,441,211
Bonds	\$ -	\$ 3,441,211	\$ 3,441,211

### RECOMMENDATION

The Director of the Milwaukee County Department of Transportation requests that the Department of Administrative Services and the Office of the Comptroller be authorized to process an administrative fund transfer to facilitate the following:

- Increase expenditure authority for project WT125 by \$153,944
- Recognize federal revenue in the amount of \$5,695,155 for project WT125
- Reallocate \$5,541,211 in bonds from WT125 as follows:
  - Expedite the construction phase of KK HVAC project WT108, funded with \$2,100,000 in bonds transferred from WT125
  - Create and authorize capital project WTXXX North-South Transit Enhancement Study/Project, funded with \$3,441,211 in bonds transferred from WT125

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Approved by:

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Donna Brown-Martin  
Director, Department of Transportation