

11-18-2015 FINANCE, PERSONNEL AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
 D CAPITAL - RECEIPT OF REVENUE

Action Required

Finance, Personnel and Audit Committee
 County Board (2/3 Vote)

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2015 appropriations of the respective listed departments:

1)

	<u>FROM</u>	<u>TO</u>
<u>1151 – Dept of Administrative Services</u>		
4905 Sale of Capital Assets	\$871,394	
 <u>0753 - Economic Development Reserve Fund</u>		
0753 Rsrv for Economic Development		\$400,000
 <u>WO230 – Fleet-Highway-Sheriff Building#</u>		
8509 Other Improvement (Cap)		\$265,596
 <u>WP275 – Menomonee River Parkway Wetlands#</u>		
8527 Land Improvements (Cap)		\$40,000
 <u>WM016 – MPM North Wall Structural Repair#</u>		
8509 Other Improvement (Cap)		\$165,798

Existing Project, + Included in 5-Year Plan, * New Project

The Director of the Department of Administrative Services (DAS) is requesting an appropriations transfer in the amount of \$871,394 to recognize land sales proceeds from the Milwaukee County Research Park Corporation (MCRPC) for the sale of land lots 8,9,12, and 22 (lots) on the County Grounds pursuant to the approved conveyance agreement (agreement) between Milwaukee County (County) and the MCRPC as referenced by adopted resolution(s) 96-134, 97-193, and 98-348 (resolutions).

In 1996, the County entered into agreements with the MCRPC to convey certain County-owned lots to MCRPC. The agreements included language that transferred title to the lots from the County to MCRPC and granted MCRPC the ability to sell the lots (at fair market value), with any net revenue to be paid to the County (in accordance with the resolutions). The MCRPC closed on the sale of the lots which resulted in net sale proceeds to the County in the amount of \$1,271,394.

DAS-Economic Development Division

Although \$1,271,394 was received by the County, this appropriation transfer only increases the revenue budgets by \$871,394 since \$400,000 is being allocated to the DAS-Economic Development division operating budget in accordance with the 2015 Adopted Budget.

Economic Development Reserve Fund

This appropriation transfer seeks to provide funding \$400,000 to effectuate previously approved County Board Resolution 15-669 (October 2015 County Board cycle). County Board resolution 15-669 provided authorization of \$400,000, from the Economic Development Reserve Fund, for an investment with the Milwaukee Area Workforce Investment Board for the UpLift MKE Program.²

WO230 – Fleet-Highway-Sheriff Building#

As part of the State of Wisconsin Department of Transportation's (WisDOT) implementation of the Zoo Interchange Reconstruction project, Milwaukee County (County) received cost to cure funding related to impacted County properties. In March 2013, the County Board approved resolution 13-279 authorizing the County to enter into an agreement with WisDOT for the acquisition of land and adaptation of facilities on the county-owned Fleet/Highway property on Watertown Plank Road as part of the Zoo Interchange Reconstruction project. A component of this agreement included WisDOT providing cost to cure funding of \$6.3 million for a new Fleet/Highways/Sheriff Building (Building).

Currently, the Department of Administrative Services-Architecture & Engineering staff has indicated a project deficit of just under \$266,000. This includes a current project deficit of approximately \$167,000 due to unforeseen conditions primarily related to sanitary sewer work and in-scope high priority projects (mainly a new Access Control Card Reader System and Lockers) of approximately \$98,000 that still need to be completed. The agreement does not provide WisDOT funding for expenditures on a reimbursement basis. As a result, the County must pay for these additional costs as the items exceed the original \$6.3 million project expenditure authorization.

WP275 – Menomonee River Parkway Wetlands#

In August 2012, the Department of Parks, Recreation, and Culture received an award letter from the trustees of the Fund for Lake Michigan that approved a \$220,000 grant to support the Menomonee River Parkway Wetlands Restoration Project. The Menomonee River Parkway Lagoon (MRPL) is a 2.5 acre man-made water feature constructed approximately 75 years ago in a low-lying wetland area. It was designed to provide benefits associated with water-based natural resources such as fishing and exploration and investigation by area youths in warm weather months, ice-skating or curling in winter, year-round appreciation of nature and aesthetics, and wildlife habitat. Over the years excessive amounts of sediment have accumulated in the lagoon reducing its depth, holding capacity and the flow of water through the system. The reduced flow and shallowness of the water makes the lagoon susceptible to overheating to the point where it is unable to support healthy aquatic plant and animal communities. The poor condition of the lagoon and its environs has eliminated certain original uses and significantly impaired others.

¹ Amendments to the original 1996 agreement were made in April and September of 1998.

² Resolution 15-699 authorizes DAS and the Comptroller Office to perform an administrative appropriation transfer to effectuate the intent of the resolution. If this receipt of revenue fund transfer is approved, DAS and the Comptroller Office will perform an administrative appropriation transfer of \$400,000 from the Economic Development Reserve Fund to the DAS-Economic Development division in order to fund the UpLift MKE program as directed by County Board resolution 15-669.

The September 2012 appropriation transfer of \$220,000 was designated for design and construction of the project. This will include replacement of the lagoon with a small forebay at the storm sewer discharge point at the north end, and a low flow pilot channel that would flow directly into the Menomonee River. The pilot channel would be bordered with wetland buffers and floodplain plateaus comprised of diverse wetland plant species. The existing outlet structure at the south end of the lagoon would be removed.

In December 2013, the City of Milwaukee (City) passed a resolution (File# 131124) that included a contribution amount that is not to exceed \$150,000 for the purpose of funding a portion of the Menomonee River Parkway Wetlands project. In May 2014, an appropriation transfer added \$150,000 to the project. Historically, land was subdivided and developed in the City, a storm sewer system needed to be constructed that crossed the parkway property north of Burleigh Street. In 1947, County and City executed an easement to develop a lagoon and outfall structure on the property. A condition of that easement was that the City agreed to bear the cost of removing any silt deposits caused by the storm sewer. However, since the City recently diverted $\frac{3}{4}$ of the drainage area watershed away from the MRPL, the County was able to create a stormwater wetland in the MRPL area.

This December 2015 appropriation transfer will provide an additional \$40,000 to the project. The additional expenditure authority is required primarily due to the reasons described below:

- The initial design of a stormwater inlet structure involved an assumption that part of an existing stormwater structure could be repurposed. The existing structure cannot be repurposed because it is damaged greater than assumed in the design. A new stormwater structure needs to be installed for water conveyance along Menomonee River Parkway to properly convey into the wetland.
- There were only two bids for the Menomonee River Parkway Lagoon to Wetland Construction project resulting in higher bids.

The scope of the landscape design had been reduced and will not meet the landscape design goals under current conditions due to the addition of a “look out” area, which was not included in the budget estimate.

WM016 – MPM North Wall Structural Repair#

In January 2015, the County’s Facilities Assessment Team discovered that an existing steel ledger angle used to support the concrete structural slab of the connecting link between the MPM and MacArthur Square Parking Garage (MacArthur Square) was deteriorating. Prolonged rain water and salt infiltration from the above sidewalk has damaged and deteriorated the steel ledger angle to questionable structural stability. Spalling of the concrete foundation wall and rusting of the foundation wall’s steel reinforcing bars have also raised concerns of needed repair.

In March 2015, repair of the ledge was deemed urgent by the County’s Facilities Assessment Team due to the condition of the support angle and the additional weight of temporary scaffolding being added above for the north façade restoration project (Project WM01601). An urgent investigation was initiated by the Facilities Assessment Team and a structural consultant was used to lead the investigation.

A June 2015 fund transfer was approved that financed the majority of Phase One and Phase 2 of the project. Phase One of the project was to investigate the cause and extent of deterioration to the steel ledger angle and foundation wall. Phase Two provided temporary shoring of the MacArthur Square structural slab to continue the north façade

restoration project uninterrupted and provided a permanent support to replace the deteriorated steel ledger angle and repaired the concrete spalling of the foundation wall. The transfer also provided \$15,000 to finance Phase 3 of the project based on a very preliminary estimate. It was understood based on the nature of the work that actual project costs could vary significantly and could require an additional appropriation transfer.

This December 2015 transfer of \$165,798 is being requested to the project's expenditure authority to finance additional work that was required for the 3rd phase of the project. Phase 3 involved the investigation of the same steel ledger angle supporting the MacArthur Square structural slab (structural slab) that is adjacent to the Phase 1 and Phase 2 areas. A structural consultant determined that the extent of the deteriorated conditions was greater than anticipated. The ground level structural slab ("ramp") had voids ("air pockets") in the compacted fill and had to be grouted in order to install temporary shoring. The temporary shoring was installed and the MacArthur Square support ledger angle was replaced. In addition, the condition of the underside of the existing structural slab included cracking, spalling, and the rebar within the slab was exposed and rusting as a result of salt intrusion. The poor condition of the structural slab appears to have been a result of rainwater infiltration into the building from above, which included sidewalk salt. This appropriation transfer also includes funding to restore the ground level finishes at MPM (i.e. carpet, ceiling, wall partitions, door and replacement of the coiling fire shutter.)

The project is substantially complete except for the restoration of the interior finishes to the ground level area within MPM.

This fund transfer has no tax levy impact.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE NOVEMBER 16, 2015.