

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 27, 2015

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request for Authorization to enter into a Third Amendment to a Lease Agreement with Bieck Management, Inc. ("Bieck" or "Licensor") for implementation of the OASIS 800 MHz Public Safety Radio System

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input checked="" type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$2,124	\$7,539
	Revenue	0	0
	Net Cost	\$2,124	\$7,539
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

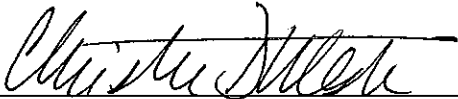
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- A. The approval of the requested action item will allow the Office of Emergency Management to amend its existing Lease Agreement for space on the 180-foot radio tower and premises at the Lakeshore Tower location in Cudahy, Wisconsin in order to occupy and install electronics, microwave, and digital radio equipment in the West Telecom Room which has certain electrical, structural, and HVAC improvements necessary to house sophisticated radio equipment. This work is required for implementation of Milwaukee County Resolution #13-886, authorizing the Contract for Service with Motorola Solutions for the capital project WO614, Build Out Ten Sites to Digital, aligning the OASIS 800 MHz Public Safety Radio System with federal guidelines.
 - B. The current annual rent is \$19,876; upon execution of the Third Amendment, the annual rent for 2015 will increase to \$22,010; in subsequent years the annual rent will increase to \$27,415 or a total annual increase of \$7,539. Subsequent annual rents will increase 3% each year thereafter including renewal years. The current annual utility cost is \$6,000. Under the terms of the Third Amendment direct payments to Licensor for use of shared utilities (electricity) will cease and Licensee will install their own meter and pay for utility costs directly to We Energies. The Licensor will provide up to \$1,000 in natural gas utility costs for Licensee's emergency generator. The rent is commensurate to the rents paid by Telecommunications Tenant that had previously occupied the West Telecom Room. The increase rent is due to the value of various improvements made to the West Telecom Room by the previous Telecommunication Tenant and the Licensor, in particular, the 200 amp dedicated connection with the main panel.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

C. There are sufficient funds allocated in the 2015 budget.

D. This Third Amendment to the Lease Agreement with Bieck Management, Inc. is part of the capital project WO614, Build Out Ten Sites to Digital.

Department/Prepared By Christine Westrich, Director, Office of Emergency Management

Authorized Signature 

Did Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

² Community Business Development Partners' review is required on all professional service and public work construction contracts.