

From the Director, Office of Performance, Strategy, and Budget, Department of Administrative Services, and the Director, Milwaukee County Zoo, requesting authorization to advance \$5,426,000 in planned appropriations from 2018 to 2017 in order to create budget authority for Capital Project WZ11901, by recommending adoption of the following:

### **A RESOLUTION**

WHEREAS, the Milwaukee County Board of Supervisors adopted File No. 16-463, which authorized the Director of the Milwaukee County Zoo to enter into an Elephant Exhibit Construction Project Agreement (Agreement) with the Zoological Society of Milwaukee (Zoological Society); and

WHEREAS, the Agreement included a 50/50 cost share between the Zoological Society and Milwaukee County (the County) in the amount of \$16,600,000; and

WHEREAS, the County created budget authority for Capital Project WZ11901-Africa Plains Exhibit (Elephant Exhibit) in the 2015 adopted capital budget in the amount of \$800,000 for planning and design, including a 50/50 cost share with the Zoological Society; and

WHEREAS, the County created budget authority for the Elephant Exhibit in the 2016 adopted capital budget in the amount of \$1,774,000 for initial site preparation and construction, including a 50/50 cost share with the Zoological Society; and

WHEREAS, the County created budget authority for the Elephant Exhibit in the 2017 adopted capital budget in the amount of \$8,600,000 for exhibit construction, including a 50/50 cost share with the Zoological Society; and

WHEREAS, the 2017-2022 Adopted Capital Improvement Plan includes a planned appropriation of \$5,426,000 for the final construction phase of the Elephant Exhibit; and

WHEREAS, the County cannot execute a commitment to a construction contract dollar amount without sufficient funds to cover that contract in the specified account; and

WHEREAS, when the project scope narrative for this project was revised in early 2016 for the 2017 capital budget process, it was anticipated that the project would be phased a certain way with portions of the work bid separately and at different times and the financial commitment required to award contracts in 2017 for this phased approach would have only required contract commitments for the original request of \$8,600,000 for construction; and

WHEREAS, since that time, the project team has changed the bidding approach based on the local economic conditions, the local contracting environment, and the construction management strategy, and in order to award and construct the work in the most cost effective manner, the entire budget for the remaining construction will be required in 2017 to award the contract; and

WHEREAS, the County maintains a self-imposed annual bond limit as defined by Adopted File No. 03-263, representing a 3 percent increase over the prior year's adopted bond base; and

WHEREAS, based on the 2017 adopted bonding amount of \$41,147,918, the estimated 3 percent bond increase results in a projected 2018 bonding limit of \$42,382,356; and

WHEREAS, the 2018 capital budget appropriation of \$5,426,000 is anticipated to be financed from general obligation bonds; and

WHEREAS, in light of the advancement of the \$5,426,000 appropriation from 2018 to 2017, the 2018 recommended capital improvement budget will reduce the bonding cap by \$5,426,000; and

WHEREAS, the adjustment to the 2018 bond cap maintains the 3 percent bonding cap over a two-year period (2017-2018):

**Table 1 (Adjusted 2018 Bonding Cap)**

	<b>2017</b>	<b>2018</b>
Adopted 2017 Bonding	\$ 41,147,918	\$42,382,356 (Estimated) 2018 Bond Cap
WZ11901 Advance from 2018	<u>\$ 5,426,000</u>	<u>\$ (5,426,000)</u> WZ11901 Advance to 2017
	\$ 46,573,918	<u>\$36,956,356</u> Adjusted (Estimated) 2018 Bond Cap

Total Bond Cap Over 2 Years: \$83,530,274

**Table 2 (Non-Adjusted 2018 Bonding Cap)**

	<b>2017</b>	<b>2018</b>
Adopted 2017 Bonding	\$ 41,147,918	\$42,382,356 (Estimated) 2018 Bond Cap
WZ11901 Advance from 2018	<u>\$ -</u>	WZ11901 Advance to 2017
	\$ 41,147,918	<u>\$42,382,356</u> (Estimated) 2018 Bond Cap

Total Bond Cap Over 2 Years: \$83,530,274

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81 WHEREAS, assuming approval of the advancement of the 2018 funding to 2017  
82 for the Elephant Exhibit, the 2019 bonding cap calculation is anticipated to include the  
83 \$5,426,000 as part of the 2018 base (\$42,382,356); and

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85 WHEREAS, the Capital Improvements Committee, at its meeting of July 13,  
86 2017, recommended adoption of File No. 17-496 (vote 6-0) to the Committee on  
87 Finance and Audit; and

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89 WHEREAS, the Committee on Finance and Audit, at its meeting of July 20, 2017,  
90 recommended adoption of File No. 17-496 (vote 7-0); now, therefore,

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92 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby  
93 authorizes the Department of Administrative Services and the Office of the Comptroller  
94 to process an administrative appropriation transfer to create budget authority in the  
95 amount of \$5,426,000 for 2015 Adopted Capital Project WZ11901-Africa Plains Exhibit.

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