

The Center for Forensic Science and Protective Medicine

Presentation to the Milwaukee County Board and Committees
September 13, 2019

Department of Administrative Services, in partnership with the
Office of Emergency Management, and
Milwaukee County Medical Examiner



Introduction

- Since 2016, the Department of Administrative Services, in conjunction with the Medical Examiner (ME) and the Office of Emergency Management (OEM) have been working to develop a plan to address the need for new facilities for the ME and OEM.
- Funds for the design of the new facility were requested in the 2019 Recommended Budget
- The 2019 Adopted Budget Amendment (1B0005) directed the Comptroller and DAS to perform a own vs lease analysis, and moved design funds to allocated contingency pending the report.
- July 2019 Comptroller and DAS report to Committee completed; File 19-625 laid over.
- This report describes the project details and recommends the reallocation of funds held in contingency back to capital project WC21401 so that design may proceed.



Why the Center for Forensic Science and Protective Medicine?

- The County Medical Examiner (ME) risks loss of accreditation without a plan to address long-recognized facility deficiencies.
- The Office of Emergency Management (OEM) needs to plan relocation, consolidate its facilities, and provide for future Public Service Access Point consolidation.
- The Medical College of Wisconsin ('MCW') has long-standing partnerships with both ME and OEM, and is seeking to enhance its forensic research capabilities and curriculum.
- The Center for Forensic Science and Protective Medicine (CFSPM) would build on these relationships to *jointly address these needs in a manner that may be more economically efficient and mindful of taxpayer dollars, while simultaneously launching the region to become a leader in forensic science and public protective services.*



Vision for the CFSPM

- Single building on the Milwaukee Regional Medical Center Campus
- Houses ME, OEM, MCW, and other potential partners.
 - Forensics
 - Educators
 - Emergency Management agencies
 - Adjunct service providers
 - And others
- Developed by MCW, purpose-built to house ME and OEM.
- The CFSPM would be at the forefront of technology, located on a renowned regional medical/trauma/emergency campus whose development was spurred by the County decades ago, with new connectivity planned via the BRT.



Why a shared facility?

- Relationship with MCW is long-standing.

A facility jointly developed and operated by MCW, ME and OEM could:

- Save money in site preparation, construction and operations
- Open up training opportunities and increase the pipeline of forensic specialists
- Facilitate collaboration to improve the quality of operations and advance criminal justice investigations and testimony
- Support the development and validation of new scientific technologies
- Spur significant research opportunities
- Facilitate excellent crisis response

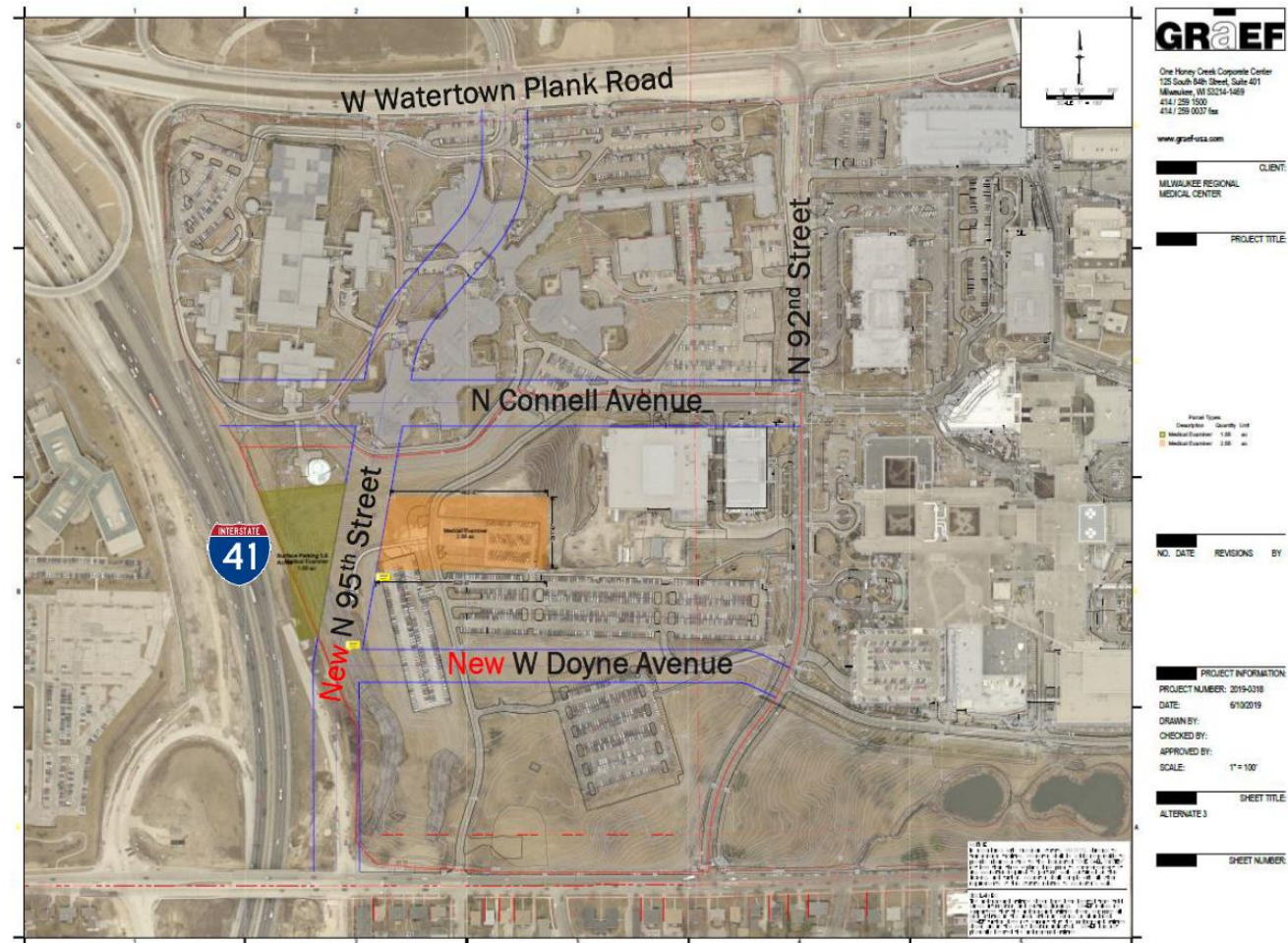


Site and building

- 6-story, 180,000 SF facility
- Milwaukee County occupies roughly 90,000 SF



SITE LOCATION
UNDER
DEVELOPMENT



OEM & ME space

Dedicated OEM space	911 center, radio services, EMS, offices	18,900 SF
Dedicated ME space	Autopsy, forensics, labs, offices	50,321 SF
Shared space	Training room, break room	2,128 SF
Garage space	Sallyport, radio services, EMS	5,915 SF
Total Useable SF		77,264 SF
Requirement		
<i>Gross-up factor</i>	<i>1.15</i>	
Total rentable SF		88,558 SF

OEM space includes allocation for future PSAP consolidation
ME space includes significant laboratory and autopsy space increase



Project Budget

- Site development and base building (MCW) \$41M
- Tenant Improvements (County) \$28M
- FF&E, relocation costs (County) \$2.7M
- Annual lease cost (County) \$1.3M
 - 30-year initial term with options to extend and/or purchase
 - Rent based on actual costs to construct base building, est. at \$16/SF
 - Plus capital reserve
 - Plus operational costs



Lease vs. Own



	Option 1 Lease Shell from MCW	Option 2 Lease All from MCW	Option 3 County Build/Own
Lease Expenses	\$ 37,086,594	\$ 78,345,430	\$ -
Debt Service Expenses	\$ 42,365,058	\$ -	\$ 79,769,757
Operating and Maintenance	\$ 36,758,544	\$ 36,758,544	\$ 42,131,837
Capital Reserve Expenses	\$ 2,884,241	\$ 6,006,068	\$ -
Furniture and Fixtures	\$ 2,425,869	\$ 2,425,869	\$ 2,425,869
Other Expenses	\$ 591,590	\$ 6,652,071	\$ 591,590
Total Expenses	\$ 122,111,896	\$ 130,187,982	\$ 124,919,053
Net Present Value of Total Expenses	\$ 78,421,230	\$ 80,231,714	\$ 83,973,627

Ref File 19-625 – Report from the Comptroller and DAS July 2019

Within the accuracy of current cost estimates, the 30-year net present value cost ('life cycle cost') for all options appear to be roughly similar. Recommended Option 1 has lowest life cycle cost.

Lease vs. Own



	Option 1 County/MCW Collaboration	Option 2 MCW build, County lease	Option 3 County build & own
Annual Tax levy	\$1,275,000	\$2,689,000	\$0
Bonded capital	\$28,116,754	\$0	\$52,285,000
Annual debt-service cost (yr 1-15)	\$2,355,244	\$0	\$4,379,714

‘Annual tax levy’ refers to the incremental cost of the lease (rent + capital reserve).

Option 1 is recommended as it provides a balance between tax levy and bonded capital.

Tax levy offsets

In Option 1, tax levy increase associated with annual rent = approx. \$1.3M

ME has reported that increasing contract autopsy fees could offset \$840,000 (66%) of Option 1 tax levy burden.

Cost of OEM current lease at 633 W Wisconsin = \$133,000/yr.

Total offset = approx. \$970,000/yr, or 75% of the annual rent.

There may be additional opportunities to reduce tax levy burden that will be pursued.



Lease vs. Own



	Option 1 County/MCW Collaboration	Option 2 MCW build, County lease	Option 3 County build & own
advantages	<p>Balance between bonded capital and tax levy impact.</p> <p>Some project risk shifted to developer while maintaining control of critical installations.</p> <p>Long-term lease includes a capital reserve to maintain the building, plus option to purchase at end of lease.</p>	<p>Long-term lease includes a capital reserve to maintain the building, plus option to purchase at end of lease.</p> <p>More risk shifted to developer.</p>	<p>No incremental tax levy impact.</p> <p>Not beholden to a 3rd party landlord.</p> <p>Residual value.</p>
disadvantages	<p>Significant impact on County's self-imposed bonding limit.</p> <p>Long-term lease may limit flexibility.</p>	<p>Highest tax levy impact.</p> <p>Lower control of critical installations.</p> <p>Long-term lease may limit flexibility.</p>	<p>Very significant impact on County's self-imposed bonding limit.</p> <p>Co-location benefits may be challenged.</p> <p>All project risk held by County.</p> <p>Funding for future maintenance requirements unknown.</p>

Proposed timeline



Preliminary design/programming	May 2019 (complete)
Funds released for design	September 2019
Board review & approval of 2020 capital budget	November 2019
Closing on land sale	December 2019
Sign lease agreement	January 2020
County design development	October 2019 – April 2020
Site and base bldg. Construction start	Mid-2020
Tenant improvements start	Mid-2021
OCCUPANCY	Mid-2022

Other options?

- Private development for ME & OEM
 - More expensive - \$500k/yr rent increase
 - Missed MCW partnership opportunity
- ME & MCW Center – OEM locates elsewhere
 - More expensive - \$6M NPV life cycle cost increase
 - Partially missed MCW partnership opportunity
- Leased facility for just ME & OEM
 - More expensive - \$20M NPV life cycle cost increase
 - Missed MCW partnership opportunity
- Rehab existing ME building
 - The renovations would be so extensive they would require relocation of the ME operation to a temporary site during construction - nearly as expensive as building a new site
 - Up-front cash costs associated with the relocations would exceed \$10M, and the NPV life cycle cost increases by \$15M.
 - The potential disruption to operations would be problematic.



What about the State Crime Lab?

- 2016 – County/MCW response to State RFP was not accepted; State postpones decision
 - July 2018 – State announces plan to evaluate two specific sites for new law enforcement center
 - October 2018 – State awards evaluation contract to local design firm
 - August 2019 – no reported activity to date
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- Incorporating State Crime Lab into the Forensic Science Center is not planned at this time.
 - Potential for the State Crime Lab to be located at an adjacent land parcel should the interest arise.
 - Department of Administrative Services will continue to engage with the State DOA, to leave the door open to future partnership.



Do nothing?

- Potential loss of ME accreditation, which could result in negative press and loss of revenue from other counties
- Large on-going repair/maintenance/replacement costs at existing facilities would be an investment in obsolete infrastructure which would better be spent on new.
- Eventual relocation of OEM required when Safety Building is demolished
- Loss of a 911 consolidation opportunity in advance of next generation emergency call center technology



Recommendation



- Initiate design work on the interior requirements, which would be beneficial regardless of which funding option is chosen
- Transfer \$660,000 from Allocated Contingency to Capital Improvement Project WC21401 – Forensic Science Center Phase 1