



THE DOMES PROJECT

UPDATE AND PROPOSED PATH FORWARD
SEPTEMBER 2021

PRESENTATION OVERVIEW

- Project Team
- Historical Timeline of the Domes Project
- Factors
- Proposed incremental decision-making process with the Board of Supervisors
- Project Planning Timeline
- Revenue and partnership analysis update
- Materials update
- Questions



Original Mitchell Park Horticultural Conservatory (1898-1955)

DOMES PROJECT TEAM



Parks Department



**Department of
Administrative
Services (DAS)**

Facilities Management
Division

Grants & Special Projects
(GSP) Division

Office of Performance,
Strategy, & Budget (PSB)

Procurement Division

Risk Management Division



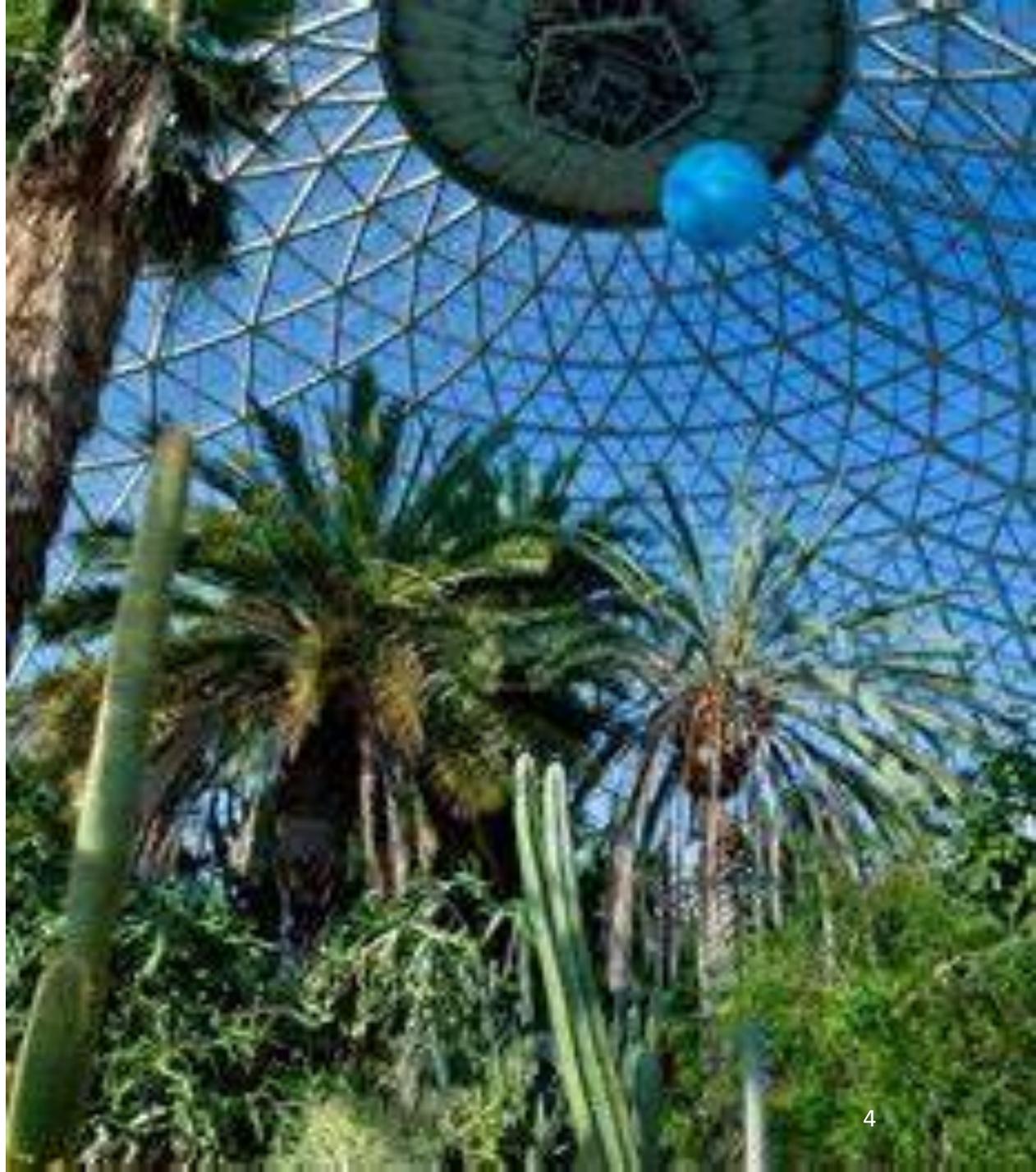
**Office of the
Corporation
Counsel**



**Office of the
Comptroller**

HISTORICAL TIMELINE

- **2013**
 - Quarter-sized, sharp-edged chips begin to fall from the Domes structure
- **2014**
 - Milwaukee County issues RFP for a vendor to assess costs and options related to the Domes structure
- **2016**
 - Domes Task Force is formed
 - Stainless steel mesh is installed in all three domes as a safety precaution
 - Original costs and options report (Graef)
- **2017**
 - Peer review of Graef report (Wiss, Janney, Elstner Associates)
- **2018**
 - “Phase I” report (ConsultEcon + HGA)
 - Comptroller issues audit report about the Domes
 - “Phase II” report- community engagement (Quorum Architects, Inc., HGA, + ConsultEcon)





HISTORICAL TIMELINE CON'T

- **2019**
 - “Phase III” report (Arts Market, Engberg Anderson Architects, Saikia Design, Preserve, LLC, + Durkin Associates)
 - Precast Concrete Frame Testing report (Pierce Engineers)
 - Task Force Business Plan & Conceptual Design is released (“Plan”)
 - Office of Corporation Counsel (OCC) issues a memo re: the Task Force Plan highlighting risks to the County and advising a feasibility analysis of the Plan
- **2020**
 - Milwaukee County urgently responds to the COVID-19 public health crisis; non-essential projects are placed on hold
- **2021**
 - Internal Domes Project Team is formed
 - Materials testing (glazing testing and mesh) are scheduled to be updated
 - Cost estimates from the 2016 Graef report are scheduled to be updated (Graef)
 - Securing independent analyses of the capital funding stack and possible partnership structures from experienced accounting and legal firms is in progress



FACTORS

REPAIR AND PRESERVATION COSTS



- ❑ The estimated costs for restoration, upgrades to be in compliance with various codes, and targeted investments in the Task Force Plan are not high enough.
- ❑ Cost estimates are outdated (expired in 2019*), which renders all reports relying on the outdated cost estimates to be invalid.

**The Facilities Management Division is working with Graef to update their original estimates through 2026.*

- ❑ Incorrect calculation of tax credits in the Task Force Plan as a percentage of the total qualified expenses (according to WHEDA).
- ❑ Lack of (non-debt cash) equity that is going into the project; **WHEDA advises that 50% of the total revenue should be non-debt cash** to meet underwriting criteria for investors and loan programs.
- ❑ Revenue projections based on attendance and sales are speculative, which places scheduled payments at risk and leaves only the tax levy to absorb operational revenue shortfalls under the private non-profit partnership that is proposed in the Task Force Plan.



REVENUE

FACTORS CON'T

PARTNERSHIP STRUCTURE



- Milwaukee County is not eligible to receive tax credits.
- The two proposed tax credit sources and investment-based revenue totaling \$29 million **require Milwaukee County to work with a private partner.**
- Unlike other public-private partnerships in the County's experience, the County must be the first to fund **and** the funder of last resort.
- Parties outside of the County's control will have a determinative impact on the ultimate success of the project.

- Plant conditions
 - Current conditions are "sub-optimal"
- Useful life of the original structure
- Functional space of current structure
- Energy inefficient design
- Activities that will take place in the current structure
- Financial stability/profitability
 - Currently losing money every year (see audit report)
- Five-year horizon for addressing deferred maintenance will end in 2024



OTHER CONSIDERATIONS

PROPOSED INCREMENTAL DECISION-MAKING PROCESS



PROJECT PLANNING TIMELINE

Task	Description	Completion Date	Timeframe	Responsible Person(s)
1	Agreement by all internal stakeholders to pursue discrete independent reviews based on Board's decisions	August 6	Two weeks after initial meeting on 7/23	Project Team
2	Project Team members present the proposed path forward using an incremental decision-making approach to the Parks and/or Finance Committees, depending on the Chairwoman's referrals (submit report in mid-August)	September 14 (Parks) September 17 (Finance)	Seven weeks	Project Team
3	Secure vendors to perform independent reviews for discrete components of the Domes project (under \$50,000)- contracts will include required meetings with project team and/or technical experts within Milwaukee County	October 22 (Departments can begin identifying potential vendors for work under \$100,000 as of Jul 30)	Seven weeks	Respective Department staff Procurement
4	Contracts completed for the vendors	December 3	Six weeks	Respective Department staff Procurement
5	Project Team members provide an update to the Parks and/or Finance Committees (submit report in early November)	December 7 (Parks) December 9 (Finance)	< One week	Project Team

PROJECT PLANNING TIMELINE CON'T

Task	Description	Completion Date	Timeframe	Responsible Person(s)
6	Vendors submit final reports to Milwaukee County (site visits with vendors and meetings with Milwaukee County staff to occur throughout the development of the reports)	December 31	Six weeks	Respective Department staff Project Team
7	Department staff and Project Team review final reports and make recommendations for the Domes project to Dept. Leaders and Administration	February 11	Six weeks	Respective Department staff Project Team
8	Project Team members provide an update to the Parks and/or Finance Committees (submit report in mid-January)	February (Parks) February (Finance) 2022 committee meeting dates not yet available	Concurrent to item 7	Project Team Project Team Vendors (as requested)
9	Dept. Leaders and Administration review and approve recommendations; meet with Project Team as needed	April 8	Seven weeks	Dept. Leaders Administration
10	Project Team members report final recommendations on the path forward for the Domes to the Parks and/or Finance Committees (submit report in mid-April)	May (Parks) May (Finance) 2022 committee meeting dates not yet available	Approx. Five weeks	Project Team Dept. Leaders/Administration (as requested)



PROJECT PLANNING TIMELINE CON'T

Task	Description	Completion Date	Timeframe	Responsible Person(s)
11	Board approval of path forward for the Domes	May 2022	Concurrent to item 9	Board of Supervisors
12	Issue RFPs for work (RFPs in development throughout project timeline)	June 17, 2022	Four weeks	Project Team Procurement
13	Engage with County residents to explain the path forward and process through a series of in-person and virtual meetings in conjunction with the Board of Supervisors	June-August 2022	Twelve weeks	Respective Department staff Project Team Dept. Leaders Administration Board of Supervisors
14	Timeline to be assessed and continued at a later date.			



REVENUE AND PARTNERSHIP ANALYSIS UPDATE

GRANTS & SPECIAL PROJECTS (GSP) DIVISION

- GSP Division, in conjunction with the Office of the Comptroller, is pursuing an independent feasibility **analysis of the proposed revenue sources** from an **experienced accounting firm** that will include a request for a new capital funding stack
- To be completed/received by no later than December 31, 2021.
- GSP Division, in conjunction with the Office of Corporation Counsel, is pursuing an independent **analysis of partnership structure options** from an **experienced legal firm**
- To be completed/received by no later than December 31, 2021.

MATERIALS UPDATE

FACILITIES MANAGEMENT DIVISION

- **Project A: The Glazing System Renovation Investigation**
 - Mock-up and testing of a six-panel piece of the glazing system.
 - Two-part proposal was awarded to ZS, LLC, a local engineering firm that has teamed up with Stutski Engineering and Supersky, Inc.
 - Part 1 study was completed early in 2020; preliminary estimates were developed at a cost of just under \$20 million to repair the glazing system.
 - Work will be completed in Fall of 2021 and will be followed by a written evaluation.



MATERIALS UPDATE CON'T

FACILITIES MANAGEMENT DIVISION

■ **Project B: The Safety Mesh Inspection and Repairs Project**

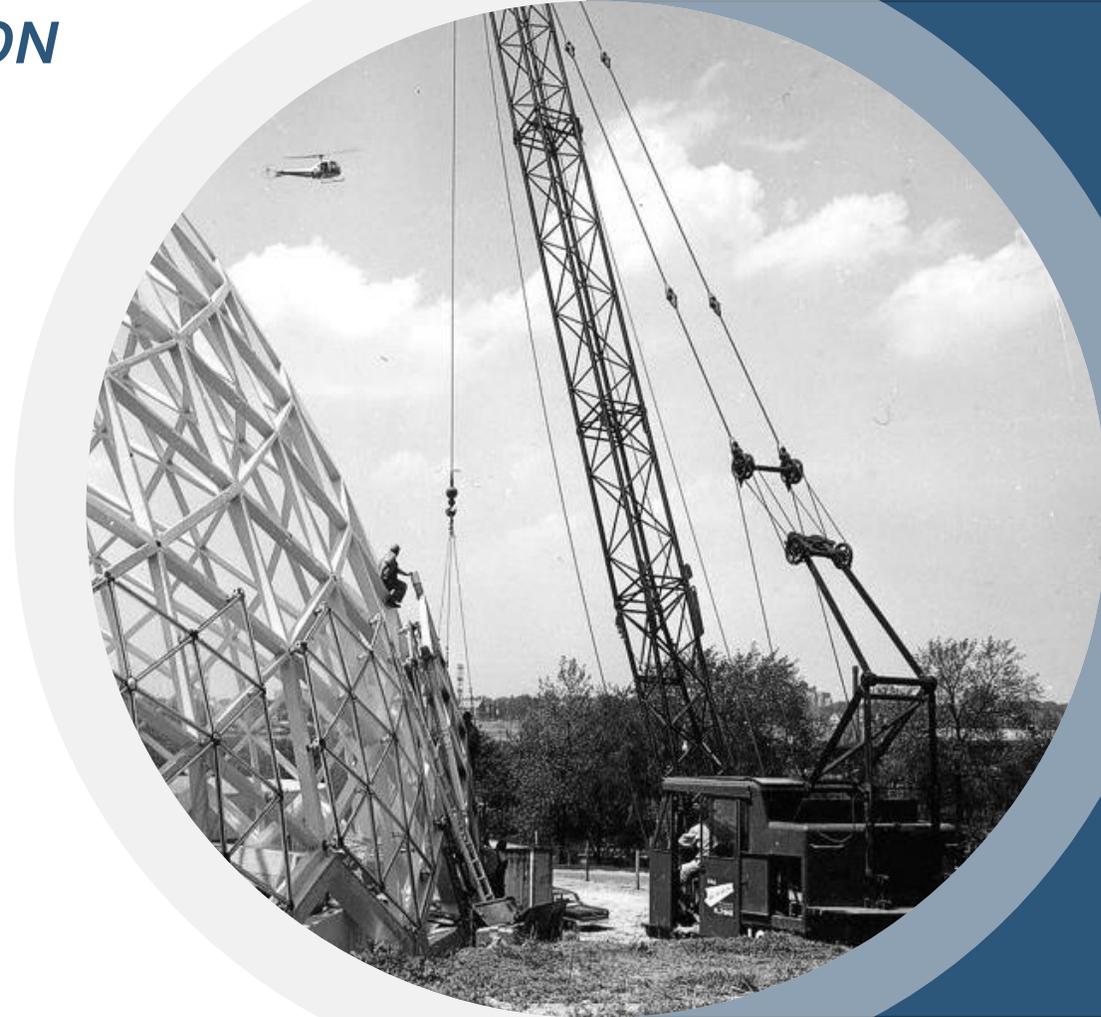
- Inspections and repairs to the stainless-steel mesh that was installed in all three domes in 2016 as a temporary safety measure; beyond the estimated life of 5 years.
- ZS proposal showed savings if the mesh replacement can be combined with the mock-up study (both projects require the use of specialty lifts, removals of the mesh system, a contractor, and closing a dome to complete).
- Work will be completed in Fall of 2021 and will be followed by a written evaluation.



MATERIALS UPDATE CON'T

FACILITIES MANAGEMENT DIVISION

- **Project C: The Concrete Material Testing and Study**
 - Completed late in 2019 by Pierce Engineering.
 - Concrete members are sound, it has good design strength, and is not showing signs of progressive deterioration from any of the common distress mechanisms.
 - The problems identified stem from initial design and construction.
 - Repair of the glazing system is key in determining the future life of the concrete.



QUESTIONS



THANK YOU