

EXECUTIVE SUMMARY
2008 PROPOSED BUDGET - DPW – OPERATIONS DIVISION

DPW-BUILDINGS & FLEET SERVICES:
Administration Section
Fleet Services Section
Fleet Operations & Dispatch Section
Facilities Development & Management Section

1. The 2008 Proposed Budget for DPW-Buildings and Fleet Services is \$34,263,805, a decrease of -0.45% from the 2007 Budget. (page 1)
2. Personnel costs for DPW-Buildings and Fleet Services in the 2008 Proposed Budget are \$21,063,805, a decrease of -2.79% from the 2007 Budget. (pages 2, 3, 5, 6, 7 and 8)
3. Operating expenditures for DPW-Buildings and Fleet Services in the 2008 Proposed Budget are \$12,583,000 an increase of 1.22% from the 2007 Budget. (pages 2, 3, 5, 6 and 8)
4. Equipment purchases for DPW-Buildings and Fleet Services in the 2008 Proposed Budget are \$605,000 an increase of 96.11% from the 2007 Budget. (pages 2, 4, 5 and 9)
5. Non-capital equipment purchases for the Fleet Services Section in the 2008 Proposed Budget total \$550,000, an increase of 116.97% from the 2007 Budget. (page 4 and 5)
6. The 2008 Proposed Budget includes the elimination of 10 positions within DPW-Buildings and Fleet Services: a proposed reduction of 3 positions in Fleet Services Section; one position in Fleet Operations/Dispatch Section; 6 positions in Facilities Development and Management Section. (pages 3, 5 and 6)
7. The 2008 Proposed Budget provides \$12,000 in Special Funds for the City Hall Renewable Energy Program. (page 9)
8. Capital Improvements are budgeted for \$17,834,800 in the 2008 Proposed Budget, including \$6 million for Major Capital Equipment. (pages 1 and 9 to 13)
9. The City Hall Restoration project is budgeted \$6,320,000 for 2008. (page 11)

SUMMARY
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DPW-BUILDINGS & FLEET SERVICES:

Administration Section
 Fleet Services Section
 Fleet Operations & Dispatch Section
 Facilities Development & Management Section

By the Legislative Reference Bureau – Research & Analysis Section

Section	2006 Actual	2007 Budget	% Change	2008 Proposed	% Change
Administration	\$632,313	\$680,028	+7.54%	\$670,553	-1.39%
Fleet Services	\$11,465,886	\$11,004,761	-4.02%	\$10,986,420	-0.16%
Operations/Dispatch	\$12,780,710	\$12,960,880	+1.40%	\$13,062,628	+0.78%
Facilities Dvlp. & Mgnt.	\$10,371,009	\$9,774,487	-5.75%	\$9,544,204	-2.35%
TOTAL	\$35,249,918	\$34,420,156	-2.35%	\$34,263,805	-0.45%
Capital*	\$51,733,692	\$23,589,200	-54.40%	\$17,834,800	-24.39%

*Reflects capital funding for projects appropriate to DPW-Operations, Fleet Services and Facilities Development and Management

Division Function

The creation of the DPW – Operations Division in 2002 was designed to promote flexibility in the assignment of human resources around sanitation, forestry, and driving related operations. The reorganization simplified operations by removing barriers that prohibited the interchange of personnel when short-term vacancies existed or seasonal-related duties came to a close. The following DPW-Operations Division sections are included in this review:

The **Administration Section** of the Operations Division provides administrative and financial service support to the various operations sections of the division: Sanitation, Forestry, Fleet Services, Operations/Dispatch and Facilities Development and Management.

The **Fleet Services Section** provides equipment to other DPW divisions and operates and maintains DPW’s centralized fleet of over 4,000 motor vehicles and related equipment. The Fleet Services section provides this equipment to other DPW divisions (excluding the Water Works, Sewer Maintenance Fund and Parking Fund) free of charge. It also rents vehicles and equipment on a permanent or temporary basis to other city departments. This section maintains vehicles owned by the Library, Health Department, Police and Water Works.

The **Fleet Operations/Dispatch Section** supervises and coordinates personnel for equipment operations.

The **Facilities Development and Management Section** provides building services, such as overseeing construction and maintenance at city facilities, excluding the Port of Milwaukee and the Milwaukee Public Library. This section oversees 160 of the city's 220 buildings. Facilities management responsibilities include operating the around the clock Information Center in City Hall, as well as providing physical security and access at the City Hall Complex and other key facilities.

Division Mission

The mission of the Department of Public Works Operations Division is to improve the safety, cleanliness, and attractiveness of Milwaukee neighborhoods.

2008 BUDGET HIGHLIGHTS AND ISSUES

DPW OPERATIONS DIVISION – ADMINISTRATION SECTION

Expense Category	2008 Proposed Budget
Personnel Costs	\$605,553
Operating Expend.	\$65,000
Equipment Purchases	\$0
Special Funds	\$0
TOTAL	\$670,553
Positions	7

Personnel

1. The 2008 Proposed Budget provides \$605,553 for personnel costs of the Administration Section, a decrease of \$9,475 or -1.54% from the 2007 Budget. This total includes \$10,000 for Overtime.
2. No personnel changes are included in the 2008 Proposed Budget.

Operating Budget

1. The 2008 Proposed Budget provides \$65,000 for Operating Expenditures, which is the same as in the 2007 Budget.
2. \$35,000 is budgeted for Professional Services to pay expenses for outside consulting services, which is the same as in the 2007 Budget.

Equipment Purchases

No equipment purchases are planned for DPW-Administration Section in the 2008 Proposed Budget.

DPW – FLEET SERVICES SECTION

Expense Category	2008 Proposed Budget
Personnel Costs	\$6,667,420
Operating Expend.	\$3,769,000
Equipment Purchases	\$550,000
Special Funds	\$0
TOTAL	\$10,986,420
Positions	138 (includes 24 auxiliary positions)

Personnel

1. The 2008 Proposed Budget provides \$6,667,420 for Personnel Costs of the Fleet Services Section, a decrease of \$192,841 (-2.81%) from the 2007 Budget. This total includes \$337,000 in Overtime.
2. The 2008 Proposed Budget eliminates 3 positions in Fleet Services. The positions proposed for elimination are one position each of Auto Maintenance Mechanic (SR 260), Vehicle Service Technician (SR 254) and Garage Attendant (SR 220). All positions are vacant. The Garage Attendant position is a long-term leave of absence employee that the department does not expect to return to work.

A shortage of qualified technicians will increase the amount of time any given vehicle is out of service, limiting the equipment's availability. It is expected that Fleet Services vehicle replacement purchases over the past 3 years will lower the demand for vehicle maintenance. Elimination of technician positions, though, defers the fleet preventative maintenance program and makes demands on emergency repairs the primary objective.

Operating Budget

1. The 2008 Proposed Budget provides \$3,769,000 for Operating Expenditures of the Fleet Services Section, a decrease of \$122,000 (-3.13%) from the 2007 Budget.
2. \$2,450,000 is proposed for Tools and Machinery Parts; this is a decrease of \$175,000 (-6.66%) over the amount allocated in the 2007 Budget. This funding allocation provides vehicle repair parts to maintain the fleet.
3. \$150,000 is proposed for Energy; this is an increase of \$50,000 (+50.0%) over the amount allocated in the 2007 Budget. The 50% increase more accurately reflects historical expenditures for oil and other lubricants. This line item also includes vehicle maintenance fluids such as engine, brake and hydraulic fluids.
4. \$20,000 is proposed for Professional Services; this is a 100% increase over the 2007 Budget. The 2008 proposed amount is based on 2006 budget experience. \$26,717 was expended on this line item in 2006.

5. \$45,000 is proposed for Information Technology Services; this is a decrease of 20,000 (-31.25%) over the 2007 Budget amount. This line item includes annual maintenance of the division's Fleet management database system.
6. \$775,000 is proposed for Vehicle Repair Services; this is a \$25,000 (+3.33%) increase over the 2007 Budget amount. These services include spring repair, glass repair, and major aerial lift overhaul. This increase reflects prior year experience and the cost of repairs completed by private vendors. Fleet Services Section will continue to utilize repair staff as much as possible and will utilize specialty repair shops for peak workload periods, or in circumstances where particular repairs are more cost effective when handled by specialty shops.
7. \$14,000 is proposed for Reimburse Other Departments; this is a \$26,000 (-65%) decrease from the 2007 Budget amount. Historical expenditures for this line item were significantly lower than budgeted.

Equipment Purchases

1. The 2008 Proposed Budget provides \$550,000 for Equipment Purchases of the Fleet Services Section, an increase of \$296,500 (+116.96%) from the 2007 Budget.
2. If a piece of replacement equipment is less than \$50,000, it is budgeted in the operating expenses for the Fleet Service Section. Equipment purchases over \$50,000, with a life expectancy of at least 10 years, are budgeted under capital expenditures.
3. 2008 Proposed Replacement Equipment purchases include:
 - 1 - Chipper, Brush - \$40,000
 - 1 - Compactor, Vibratory - \$2,000
 - 2 - Compressor, Trailer Mounted - \$28,000
 - 1 - Concrete Saw - \$14,000
 - 1 - Roller, Vibratory - \$15,000
 - 1 - Sealant Melter - \$29,000
 - 1 - Tar Kettle - \$16,000
 - 3 - Truck, Dump, 2 yd - \$117,000
 - 3 - Endloader, skid steer w/trailer - \$93,000
 - 1 - Truck, Platform, 11,000 lb w/welder - \$42,000
 - 2 - Truck, Van, Cargo 5600 lb - \$48,000
 - 2 - Truck, Van, Cargo 9500 lb - \$50,000
 - 30 - Computer Hardware - \$45,000
 - 1 - Engine Diagnostic Analyzer - \$6,000
 - 1 - Scanner - \$5,000

The 2008 Proposed budget equipment request is not based upon the replacement schedule in effect. The amount is what is deemed affordable in the budget; additional funds may be needed in future years to meet anticipated needs for the division relative to the aging of the present equipment.

4. The Fleet Services Section has reduced the number of Street Sweepers from 27 to 21, Endloaders from 21 to 12, Small Tractors from 53 to 42, Refuse Packers from 139 to 121, Backhoes from 16 to 14 (in the Water Department) and Parking Checker Jeeps from 53 to 51. In the 1st Quarter of 2006 there were 372 vehicles on the passenger vehicle report; by the end of the 2nd Quarter of 2007 there were 385 vehicles on the passenger vehicle report.

DPW – FLEET OPERATIONS/DISPATCH SECTION

Expense Category	2008 Proposed Budget
Personnel Costs	\$8,762,628
Operating Expend.	\$4,300,000
Equipment Purchases	\$0
Special Funds	\$0
TOTAL	\$13,062,628
Positions	556 (includes 441 auxiliary positions)

Personnel

1. The 2008 Proposed Budget provides \$8,762,628 for Personnel Costs of the Fleet Operations/Dispatch Section, a decrease of \$33,792 (-0.38%) from the 2007 Budget. This total includes \$986,285 in Overtime.
2. The 2008 Proposed Budget includes the elimination of one position of Garage Custodian (SR 240) within the Fleet Operations/Dispatch Section. This position is vacant.

Operating Budget

1. The 2008 Proposed Budget provides \$4,300,000 for Operating Expenditures of the Operations/Dispatch Section, an increase of \$135,540 (+3.25%) from the 2007 Budget.
2. The 2008 Proposed Budget includes \$3,720,000 for Energy; this is an increase of \$100,540 (+2.77%) from the 2007 Budget, and is for vehicle fuel. The proposed expenditure reflects the same rate per gallon for unleaded gasoline as the 2007 Budget and a slight increase, approximately 2.6%, for diesel. The Fleet Operations/Dispatch Section’s 2007 Energy allocation was \$3,619,460. The section’s estimate for 2007 expenditure is \$4,211,861.

3. The 2008 Proposed Budget includes \$420,000 for Vehicle Rental; this is an increase of \$20,000 (+5%) from the 2007 Budget. This allocation will be used to rent equipment for snow and ice operations, and for rental equipment when city equipment is out of service.
4. The 2008 Proposed Budget includes \$10,000 for Professional Services; This is an increase of 100% from the 2007 Budget. The 2008 proposed amount is based on 2006 budget experience. \$13,039 was expended on this line item in 2006.
5. \$10,000 is proposed for Information Technology Services; This is a decrease of \$10,000 (-50%) over the 2007 Budget amount. This line item includes lease payments for Dictaphones in the Fleet Operations/Dispatch Section.
6. The 2008 Proposed Budget includes \$35,000 for Property Services; This is an increase of \$15,000 (+75%) from the 2007 Budget.

DPW – FACILITIES DEVELOPMENT AND MANAGEMENT SECTION

Expense Category	2008 Proposed Budget
Personnel Costs	\$5,028,204
Operating Expend.	\$4,449,000
Equipment Purchases	\$55,000
Special Funds	\$12,000
TOTAL	\$9,544,204
Positions	124 (includes 11 auxiliary positions)

Personnel

1. The 2008 Proposed Budget provides \$5,028,204 for Personnel Costs of the Facilities and Management Section, a decrease of \$368,982 (-6.83%) from the 2007 Budget. This total includes \$285,000 in Overtime.
2. The 2008 Proposed Budget eliminates 6 positions within the Facilities Development and Management Section. Included are the following positions:
 - One position of Building Services Manager (SG 6), anticipated vacant. Elimination of the Building Services Manager position is in line with anticipated staff reductions. The management workload will be shared by the Operations and Maintenance Manager and the Building Service Supervisor II. In addition, more responsibility will be assigned to lead workers and staff.
 - 2 positions of Custodial Work II/City Laborer (SR 215); these positions are vacant.

- 2 positions of Electrical Mechanic (SR 978); these positions currently vacant.
- One position of Carpenter (SR 986); this position is vacant.

Eliminating these positions will have an impact on service to city departments. Some preventative maintenance will be delayed or eliminated.

3. The 2008 Proposed Budget eliminates 45 auxiliary positions within the Facilities Development and Management Section:

- 3 positions of Communication Assistant IV (SR 455)
- One position of Program Assistant I (SR 460)
- One position of Program Assistant II (SR 530)
- One position of Security Guard (SR 325)
- One position of Network Analyst Associate (SR 598)
- One position of Building Services Supervisor II (SG 4)
- 2 positions of Custodial Worker III (SR 230)
- One Position of Custodial Worker II/City Laborer (SR 215)
- 2 positions of Custodial Worker I (SR 200)
- 2 positions of Electrical Services Supervisor II (SG 10)
- 5 positions of Electrical Mechanic (SR 978)
- 2 positions of Electrical Worker (SR 974)
- One position of Carpenter Supervisor (SR 991)
- 4 positions of Carpenter (SR 986)
- One position of Painter, Leadworker, House (SR 983)
- 2 positions of Painter (SR 981)
- One position of Cement Finisher (SR 982)
- One position of Bricklayer, Buildings (SR 989)
- One position of Bridge Laborer Crew Leader II (SR 245)
- 2 positions of Bridge Laborer II (SR 238)
- 2 positions of Laborer/Electrical Services (SR 230)
- One position of Architectural Designer II (SR 626)
- One position of Architect III (SR 628)
- One position of Construction Coordinator (SR 545)
- 2 positions of Bridges & Public Buildings Coordinator (SR 620)
- One position of Engineering Drafting Tech II (SR 602)
- One position of Engineering Drafting Tech IV (SR 604)
- One position of Mechanical Eng II (SR 626)

Auxiliary positions allow departments the flexibility to fill a position in advance of an actual vacancy. For example, auxiliary positions can provide an overlap period for training the replacement of an employee who will soon retire, completing a special project of limited duration, or coverage during the extended leave on an employee from a critical position.

4. The 2008 Proposed budget includes the creation of 10 General Auxiliary Positions (salary range is not specified) within the Facilities Development and Management Section. These General Auxiliary positions are created on a trial basis as a replacement for the 45 eliminated auxiliary titles.

Operating Budget

1. The 2008 Proposed Budget provides \$4,449,000 for Operating Expenditures of the Facilities and Management Section, an increase of \$138,700 (+3.21%) from the 2007 Budget.
2. \$30,000 is budgeted for Tools & Machinery Parts; this is an increase of \$10,000 (+50%) from the 2007 Budget. These funds are used for routine tools, meters, diagnostic testers, parts and machinery associated with daily maintenance and repairs of HVAC, electrical, communication equipment, and carpentry work. The funds equate to \$150/day for belts, filters, sheaves, motors, bearings, fans, brackets and shrouds etc.
3. \$320,000 is budgeted for Construction Supplies; This is an increase of \$20,000 (+6.66%) from the 2007 Budget and reflects an increased cost of supplies such as plywood and drywall.
4. The 2008 Proposed Budget provides \$2,250,000 for Energy, an increase of \$125,000 (+5.88%) from the 2007 Budget. This cost is based upon historical data relative to utility expenses including natural gas, electricity and steam. This amount could vary depending upon the market rate for natural gas and the severity of the winter season.
5. \$159,000 is budgeted for Other Operating Supplies; This is a decrease of \$13,000 (-7.55%) from the 2007 Budget and reflects an effort by the section to conserve supplies such as paper products and cleaning supplies.
6. The 2008 Proposed Budget includes \$45,000 for Professional Services; This is an increase of \$20,000 (+80%) from the 2007 Budget. The 2008 proposed amount is based on 2006 budget experience. \$42,841 was expended on this line item in 2006.
7. \$30,000 is proposed for Information Technology Services; This is a decrease of \$20,000 (-40%) over the 2007 Budget amount. This line item includes annual maintenance for the division's Facility condition system.
8. The 2008 Proposed Budget provides \$1,320,000 for Property Services, an increase of \$39,700 (+3.10%) from the 2007 Budget. These services include contracts for outside vendors, building management contracts, contracted security services and other services and building support.

Equipment Purchases

The 2008 Proposed Budget provides \$55,000 for Equipment Purchases of the Facilities and Management Section, which is the same as the 2007 Budget. Equipment purchases proposed in 2008 include computer equipment and various hand tools and custodial equipment.

Special Funds

The 2008 Proposed Budget provides \$12,000 in Special Funds for the City Hall Renewable Energy Program, which is the same as the 2007 Budget. In March 2006, the City became one of the largest participants in the WE Energies Energy For Tomorrow renewable energy purchase program. The City Hall Complex is enrolled in the program at a 10% participation level. This means that the City has committed to purchasing 10% of the electricity used at the City Hall Complex from renewable energy sources. The City anticipates purchasing 100,000 kilowatt-hours per month of renewable energy through the program. The estimated cost to the City for 2006 is \$9,000. The “Energy For Tomorrow” rate premium is expected to be offset with various energy efficiencies achieved in City electricity consumption. 10% participation in this program qualifies the City Hall Complex as an EPA Clean Power Partner.

CAPITAL IMPROVEMENT PROJECTS

The 2008 Proposed Budget contains 11 capital projects totaling \$17,834,800 for DPW-Buildings and Fleet Services.

1. Space Planning-Facilities – The 2008 Proposed Budget includes \$110,000 in capital funding to the Space Planning-Facilities program; \$150,000 was appropriated in the 2007 Budget. This program provides funds for architectural and engineering services related to office studies, including preparation of preliminary plans and cost estimates for proposed projects, as well as unscheduled interior office alterations for City Departments, and facility inspections. In 2008, \$9,200 will be designated for un-programmed planning activities to study general office space needs and proposed alterations in various City facilities. \$50,000 will be designated for un-programmed office alterations generated by adjustments to agencies needs due to personnel or equipment changes in their annual budgets. \$50,800 will be designated for un-programmed engineering services to various city departments and facilities condition reporting inspections.
2. Recreation Facilities Program – This program will be funded by the tax levy rather than borrowing. The 2008 Proposed Budget includes an allocation of \$300,000 to the Recreation Facilities Program; \$292,000 was allocated in the 2007 Budget. Improvements in this program include maintenance and renovations in neighborhood recreation facilities, children’s play areas and stand alone recreation sites. Funds will be released for projects with prior review and approval of the Common Council. 2008 projects include:

- Reiske Park - Reconstruction (ADA) (Design Only) - \$8,500
 - 29th & Melvina - Reconstruction (ADA) - \$46,000
 - 29th & Meinecke - Reconstruction (ADA) (Design Only) - \$8,500
 - Merrill Park - Playground Reconstruction - \$150,000
 - 40th & Douglas (II) - Play Area Reconstruction (Design Only) - \$8,500
 - Cooper – Tennis Court Reconstruction (Design Only) - \$12,700
 - Various Sites – Non-Programmed improvements and engineering (usually based on emergency repairs or aldermanic requests) - \$25,000
 - Engineering – \$40,800
3. Facility Systems Program – The 2008 Proposed Budget includes \$2,400,000 in capital funding to the Facility Systems Program; \$1,099,500 was allocated in the 2007 Budget. The Facility Systems Program is an ongoing program to keep the City’s buildings in good operating condition. Facility systems include heating, ventilating, air conditioning (HVAC), plumbing, fire protection, electrical distribution, lighting, boilers, and computerized facility management. 2008 funding will address:
- City Hall-Atrium Draft Curtains - \$250,000
 - City Hall-3rd Floor Fan Coil Replace - \$250,000
 - City Hall-7th Floor –Electrical Chase - \$250,000
 - Zeidler Municipal Bldg – Modernize Elevators – Design - \$75,000
 - Zeidler Municipal Bldg – 2nd & 3rd Floors Electrical Code - \$75,000
 - Zeidler Municipal Bldg – LP-Sprinkler and Life/Safety – \$100,000
 - 809 Building – West Elevator Modernization - \$225,000
 - Safety Academy – 4 Pipe System - \$400,000
 - Safety Academy - Life/Safety Bldg - \$275,000
 - Various Sites – Emergency Mechanical Repairs - \$100,000
 - Various Sites – Security Projects - \$150,000
 - Various Sites – Emergency Electrical Repairs - \$50,000
 - Various Sites – Energy Savings Projects - \$200,000
4. Environmental Remediation Program - The 2008 Proposed Budget includes \$200,000 in capital funding to the Environmental Remediation Program; \$469,000 was allocated in the 2007 Budget. This program seeks to provide a safe environment in city-owned buildings through removal of hazardous building materials including asbestos and lead abatement as well as soil and groundwater remediation at 17 sites. Proposed projects for 2008 include asbestos and lead paint abatement (\$20,000), and soil and groundwater remediation (\$180,000).
5. ADA Compliance Program - The 2008 Proposed Budget includes \$160,800 in capital funding to the ADA Compliance Program; no capital funds were allocated in the 2007 Budget. This program seeks to assure compliance with the federal Americans with Disabilities Act. Improvements include increased access to

restrooms, offices, telephone and drinking fountains in city-owned buildings. The following projects are planned for 2008:

- 809 Building/4th Floor Restrooms - \$79,600
 - 809 Building/3rd Floor Restrooms - \$81,200
6. **Facilities Exterior Upgrades Program** – The 2008 Proposed Budget includes \$469,000 in capital funding to the Facilities Exterior Upgrades Program; \$178,700 was allocated in the 2007 Budget. This program helps to maintain the exterior for city facilities in a watertight and energy efficient condition. Roofing, yard and parking lot improvements are also included. Projects planned for 2008 include:
- Zeidler Municipal Bldg. Re-roof (South Bay) - \$269,000
 - Municipal Services Bldg. (15th & Canal St.) Masonry Repairs - \$189,300
 - Engine House #9 Re-roof (Design Only) - \$10,700
7. **City Hall Restoration Program** – The 2008 Proposed Budget includes \$6,320,000 in capital funding to the City Hall Restoration Program; \$15,000,000 was allocated in the 2007 Budget. This program was introduced in the 2003 budget in order to address the structural needs and historical integrity of City Hall. The project scope was identified by an architectural engineering firm specializing in the evaluation of historic structures. The total project cost is estimated at \$76.5 million. This funding will be used to continue the work authorized with the focus upon exterior repairs. The City Hall Exterior Restoration Project is scheduled for completion by the end of 2008.
8. **City Hall Foundation and Hollow Walk** – The 2008 Proposed Budget includes \$1,200,000 in capital funding for a new program, City Hall Foundation and Hollow Walk program. The program will address the deteriorated condition of City Hall's foundation on the north side and the hollow sidewalks on the east and west sides of the building. The program restores the wood foundation piles, pile caps, below grade hollow sidewalk walls and structural concrete beams and sidewalk to ensure the building is structurally sound. Funding in 2008 provides for the project's professional design services. Funding for construction would be requested for 2009-2011.
9. **Municipal Garages and Outlying Facilities Remodeling** – The 2008 Proposed Budget includes \$175,000 in capital funding to the Municipal Garages and Outlying Facilities Remodeling program; \$50,000 was allocated in the 2007 Budget. This program addresses the replacement of major operational systems including hydraulic lifts, material handling equipment and pneumatic systems that do not comply with current safety codes. The project planned for 2008 is Lincoln Ave. HVAC Modifications, \$175,000.

10. Major Capital Equipment – The 2008 Proposed Budget includes \$6,000,000 in capital funding for the Major Capital Equipment program; \$6,100,000 was allocated in the 2007 Budget. This program is specified for equipment that exceeds \$50,000 and has a life expectancy of at least 10 years. The program focuses on equipment replacement funding including garbage and recycling collection, snow and ice control and pick-up and dump trucks for use as pool equipment. Major capital equipment planned for purchase in 2008 includes:

- 1 - Sweeper - \$145,000
- 1 - Tractor, Front-End Wheel Loader - \$120,000
- 1 - Truck, Aerial, 36 Ft. Step Van Body - \$145,000
- 1 - Truck, Derrick-Digger - \$166,000
- 1 - Truck, Dump 16 Yard Tri-Axle - \$120,000
- 8 - Truck, Dump, 5 Yard w/ Underbelly Plow - \$1,120,000
- 2 - Truck, Dump, 5 Yard, Crew Cab - \$170,000
- 10 - Truck, Packer, 25 Yard Rearload - \$2,210,000
- 1 - Truck, Packer, 25 Yard w/Ramp Lift Arm - \$225,000
- 4 - Truck, Packer, 25 Yard Recycle - \$1,040,000
- 3 - Truck, Platform/Compressor/Salter/Plow - \$234,000
- 3 - Truck, Step Van – \$225,000
- 1 File Server - \$80,000

It should be noted that the average age of equipment comprising the city fleet is 10.9 years. The optimal maximum average age of municipal fleet equipment is 6 years. Estimated average age of capital equipment based on the above funding level is 11.2 years.

In light of budget considerations and adjustments over the past 4-years, which, in some cases have extended the replacement cycle of some city equipment, the average age of some particular fleet pieces has increased slightly.

11. MacArthur Square Plaza Restoration - The 2008 Proposed Budget includes \$500,000 in capital funding to the MacArthur Square Plaza Restoration program; no capital funds were allocated to this program in the 2007 Budget. The MacArthur Square Plaza was constructed in 1966-1968. Since that time no significant changes were made, except for sidewalk replacement in the early 1980's. A 2005 engineering condition report outlined major deficiencies to all elements of the Plaza, including landscaping, irrigation, pool and foundation, architectural and structural elements, plumbing and electrical lighting. The financial needs of the work range between \$16 million to \$19.2 million. The waterproofing beneath the soil overburden has failed and leaking is causing operational problems for the parking garage section and needs to be replaced. The \$500,000 would address interim repair needs to mitigate leaking waterproofing problems on the median plaza deck and remedial repairs.

ONGOING CAPITAL IMPROVEMENT PROJECTS

The 2008 Proposed Budget contains 3 ongoing capital improvement projects totaling for DPW-Buildings and Fleet Services. Although no capital funds were appropriated for these projects in the 2008 Proposed Budget, carryover funds will be utilized for these projects in 2008.

1. City Hall Complex Remodeling – The 2008 Proposed Budget includes no capital funding to the City Hall Complex remodeling program; The program may utilize \$929,900 of carryover borrowing. This program funds interior remodeling and upgrades for various city agencies. This includes lighting upgrades and HVAC improvements to meet state energy code requirements. Planning and development for office space are also included in this program. The 2008 funds will finance the following projects in the Zeidler Municipal Building:

- Lower Parking – Repair Complete Floor Area.
- Refinish 10th Floor lobby area to current building standards.
- Refinish Basement Corridor

2. 2-Way Radio Replacement – The 2008 Proposed Budget includes no capital funding for the 2-Way Radio Replacement program; \$150,000 was allocated in the 2007 Budget, and \$568,000 of carryover borrowing may be utilized in 2008. This program provides funding to design a 2-way radio communication system to utilize the Milwaukee Police Department’s new digital radio infrastructure and to systematically replace obsolete radio equipment. The system, when fully implemented, will improve dispatch of all vehicles, help optimize ice and snow operations while providing the capability to connect city and surrounding agencies to respond to major emergencies.

The Buildings and Fleet section is working with the Police Department’s Communication Section to replace all existing 2-way radios. The existing radio technology has become obsolete and many radios have a very short useful life remaining. Along with the radio replacement, the department remains interested in utilizing GPS capabilities of the new radios to install an Automatic Vehicle Location (AVL) system. The 2-way radios with the appropriate AVL system will assist the department in optimizing operations and in managing field operations.

3. Menomonee Valley Facilities Relocation – The 2008 Proposed Budget includes no capital funding for the Menomonee Valley Relocation project, but will utilize approximately \$2,000,00 in carryover borrowing. The program utilized \$1,000,000 in carryover borrowing in the 2007 Budget and was appropriated \$23,495,764 in capital funds in the 2006 Budget.

DIVISION REVENUES

	2006 Actual	2007 Budget	Change	2008 Proposed	Change
Charges for Services	\$4,347,261	\$3,470,000	-20.17%	\$3,909,000	+12.65%

Revenue is generated from Buildings and Fleet Services and billing reimbursable services. The revenue projections for 2008 are based upon historical experience and include reimbursements from other departments for various repairs, fuel, equipment utilization, rental space and services to the Water Department.

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