



Department of Administration  
Budget and Policy Division

Tom Barrett  
Mayor  
Sharon Robinson  
Administration Director  
Mark Nicolini  
Budget and Management Director

June 29, 2007

Ref: SF Police

Ald. Hines  
Ald. Murphy  
Ald. Donovan  
Common Council-City Clerk  
City Hall, Room 205

Subject: Video Surveillance Project

Dear Common Council members:

I have received various inquiries regarding the Video Surveillance Project initiative. This letter addresses those inquiries.

The enclosed attachment (1) details the costs and funding sources for the project. The estimated capital contribution from City funds is \$600,000. The estimated contribution from grant funds is \$404,000. DPW costs related to camera installation and cabling are also included on Attachment 1.

In late March we briefed you on the status of the project. We distributed a presentation at those meetings outlining an estimated \$200,000 to \$400,000 of 2007 Department funding for the project, in addition to the \$404,000 in grant funding.

The City received bids for the equipment portion of this project in late April. The bids had a range of \$311,247 to \$654,162, with the lowest complying bid coming in at \$567,000 for the 15 first phase cameras, or \$255,753 over the lowest price bid. Some of the lower bids were rejected for not complying with bid requirements, such as living wage, and others were rejected for technical reasons (see Attachment 2). As outlined in the budget attachment (1), this meant total Department costs increased for the project to \$600,000, an increase of \$200,000 over the March 28th estimate. The lowest complying vendor was awarded the contract on May 15th, after an appeals hearing.

We considered several financing options for the project. After it became clear the winning bid was higher than projected, we proposed the Contingent Fund approach. Had we wanted to obscure the cost impacts of the project, we would not have brought forward the proposed resolution on May 30.

After the Council rejected the use of the Contingent Fund for this purpose, we developed a funding approach that included the sources detailed in the attachment. The Comptroller's Office, Common Council President, and appropriate Committee Chairpersons had no objections

to this alternate approach. The City Attorney has reviewed the contract and has assured the administration the contract is legal and may be executed.

At both the Public Safety Committee Hearing on June 7, 2007 and the Finance and Personnel Committee hearing on June 13, 2007, the need for City funds for this project was communicated on the record. The Public Safety Committee did not request testimony from the Budget Office, although Mr. Alexander indicated our availability. In briefings to Finance members on June 12th, the total project cost of one million dollars was explained, including a grant portion of \$404,000.

We do not expect any project to be delayed as a result of the funding that Attachment 1 describes. The primary source of City funds, the Facilities System Program, had an available, uncommitted budget of \$3.2 million as of June 14, 2007. This funding availability resulted from a buildup of carryover expenditure/borrowing authority. The 2008 Proposed Budget will develop a funding plan that will put remaining available funding as well as proposed new 2008 funding "to work" on important projects with defined scopes and estimated costs.

Police Department funding of \$86,000 is expected from the capital account Video Capture System project. The project will not be delayed as a result of using this funding source. As indicated in the 2007 Budget process, there is a need for funding in 2008 to complete this mandated project.

We envision no Contingent Fund appropriations for either of these departments for the Surveillance Camera project. The Common Council has approved the reservation of 2007 Contingent Funds for the Milwaukee Police Department's Neighborhood Safety Initiative and for Department of Public Works snow and ice control activities. These funds have been reserved for these specific purposes, and cannot be allocated to the Surveillance Camera project. The Police Department has indicated that it plans to assign six (6) personnel that are currently on light duty to this project in 2007. The Mayor's 2008 Proposed Executive Budget will include a personnel strategy to ensure that the Surveillance Cameras are used productively.

Since my appointment as Director, the Budget Office has given the Finance and Personnel Committee and its staff extensive access to our internal working documents and information relating to budget development and budget projects. We will continue to offer this access and availability for the 2008 Budget process.

Sincerely,



Mark Nicolini  
Budget & Management Director

Attachments

c: Mayor Tom Barrett  
Patrick Curley  
Common Council Members

MN:cei

Common/Police/l-polecams-cc.doc

DATE: 4/18/2007  
 BID 1948 (OPENED 4/13/2007)  
 VC FOR DIGITAL SURVEILLANCE SYSTEMS  
 PURCHASING AGENT: DIANE MEREDITH-BERNDT  
 TELEPHONE (414) 286-2395  
 E-MAIL: dbermd@milwaukee.gov

VENDOR NAME	A. CAMERA, EQUIPMENT & INSTALLATION			B. FIXED MONITORING STATION PRICE	GRAND TOTAL	DELIVERY COMPLIANCE	LIVING WAGE COMPLIANCE	COMMENTS
	PRICE EACH	QUANTITY	TOTAL					
CELPLAN TECHNOLOGIES, INC.	\$32,500.00	15	\$487,500.00	\$79,500.00	\$567,000.00	YES	YES	
FEDERAL SIGNAL CORPORATION	\$24,000.00	15	\$360,000.00	\$22,500.00	\$382,500.00	YES	NO	NON-COMPLYING
IBM	\$23,836.00	15	\$357,540.00	\$57,337.00	\$414,877.00	YES	YES	EXCEPTIONS TO CONTRACT LANGUAGE - MAY BE NON-COMPLYING
INTEGRATED TECHNOLOGIES	\$42,727.50	15	\$640,912.50	\$13,250.00	\$654,162.50	YES	NO	NON-COMPLYING
INTER-PACIFIC, INC.	\$19,421.00	15	\$291,315.00	\$19,932.25	\$311,247.25	YES	NO	NON-COMPLYING
JOHNSON CONTROLS	\$36,310.00	15	\$544,650.00	\$19,136.00	\$563,786.00	YES	YES, BUT FORM NEEDS "X"	
MERIDIAN IT	\$27,369.65	15	\$410,544.75	\$750.00	\$411,294.75	YES	YES, BUT FORM NEEDS "X"	2 PRICING STRUCTURES FEATURED; ESTIMATE BASED ON HIGHER ONE
MOTOROLA		15	\$0.00		\$499,100.00	YES	NO	DID NOT SUBMIT PRICING ON INVITATION TO BID FORM - NON-COMPLYING
EPSILON SYSTEMS SOLUTIONS, INC.	NO BID							

AWARD WILL BE MADE IN TOTAL TO THE LOWEST RESPONSIBLE AND RESPONSIVE BIDDER COMPLYING WITH THE SPECIFICATIONS AND THE SPECIFIED DELIVERY REQUIREMENTS. LOW TOTAL WILL BE DETERMINED FROM GRAND TOTAL OF ITEM A (CAMERA, EQUIPMENT & INSTALLATION) TIMES THE QUANTITY OF 15 AND ITEM B (FIXED MONITORING STATION) TIMES THE QUANTITY OF 1. BIDDERS MUST QUOTE BOTH ITEMS A AND B TO BE ELIGIBLE FOR AN AWARD.