

Dept. of Administration - ITMD

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | Change |
|-----------------------|-----------|----------|------------|-----------|------------------|--------|
| 2013 – Request | | | | | 3,501,700 | |
| 2012 – Budget | 2,018,801 | 450,000 | 150,000 | | 600,000 | (71%) |
| 2011 – Budget | 532,000 | 280,000 | 1,755,000 | | 2,035,000 | 114% |
| 2010 – Budget | 1,609,291 | 190,000 | 759,400 | | 949,400 | (42%) |
| 2009 – Budget | 972,359 | 439,320 | 1,217,600 | | 1,656,920 | 263% |
| 2008 – Budget | 1,130,064 | 0 | 455,720 | | 455,720 | |

The Dept of Administration – ITMD has submitted twelve capital requests. Only four of the requests are for 2013 funding. The remaining eight requests are out-year requests.

The total six year request is \$7,586,700 and represents an decrease of \$2.9 million (28%) from last year’s request. Most of the decrease is attributable to a decrease in the six year request for the IT Upgrades & Replacement Program.

2013 Capital Request Summary - ITMD

| Project/Program | 2012 Budget | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 6 Yr Total |
|----------------------------------|------------------|--------------------|--------------------|--------------------|--------------------|------|------|--------------------|
| IT Upgrades & Replacement | 325,000 | 300,000 | 300,000 | | | | | \$600,000 |
| Storage Area Network | | 325,000 | | | | | | \$325,000 |
| eAps for Procurement Life Cycles | | 500,000 | | | | | | \$500,000 |
| Workplace Safety & Efficiency) | | 2,376,700 | | | | | | \$2,376,700 |
| Web Application Server Equip. | | | 125,000 | | | | | \$125,000 |
| Fusion Upgrade Study | | | 300,000 | | | | | \$300,000 |
| Mobile Device Security & Mgmt | | | 160,000 | | | | | \$160,000 |
| Webcasting | | | 150,000 | | | | | \$150,000 |
| Oracle/PeopleSoft HRMS Upgrade | | | | 1,100,000 | | | | \$1,100,000 |
| GIS Infrastructure Improvements | | | | 300,000 | | | | \$300,000 |
| Oracle/PeopleSoft FMIS Upgrade | | | | | 1,100,000 | | | \$1,300,000 |
| Web Security Appliance | | | | | 350,000 | | | \$350,000 |
| Total | \$325,000 | \$3,501,700 | \$1,035,000 | \$1,400,000 | \$1,650,000 | | | \$7,586,700 |

IT Upgrades/Replacement (1 of 12)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$100,000 |
| \$600,000 | Varies | Varies | |

This capital account was first requested for inclusion in the 2012 Budget. Its purpose is to facilitate small to mid sized IT projects. It supersedes several projects that were requested in prior years.

\$325,000 in cash levy funding was budgeted in 2012 for the Active Directory Consolidation Project and the E-mail Archive Server Replacement Project.

Projects planned for 2013 include

- Disaster Recovery Site Project
 - Creates a backup site for Milwaukee.gov with data replicated in near real time
 - Provide backup for e-mail, Oracle, City Clerk and Treasurer applications
- Mobile access to Lagan System

No funding is requested for this program after 2014.

Storage Area Network (SAN) Expansion (2 of 12)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$325,000 |
| \$325,000 | 5 Years | 5 Years | |

This one year project supersedes the SAN Replacement request from 2012. The SAN installed in 2008 will reach its capacity in 2012. Funding of \$75,000 was requested for 2011 to replace the SAN. The currently proposed expansion project will provide increased capacity, increased redundancy and better recovery options. The expansion will allow City departments to utilize this centralized City SAN. Advances in technology will reduce the energy consumption of the network.

eAps for Procurement Life Cycle (3 of 12)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$500,000 |
| \$500,000 | 4 Years | 5 Years | |

Funding for this one year project was originally requested for 2012 (\$450,000). The project moved to 2014 and then back to 2013. The request is for the purchase of two FMIS modules which will help automate and integrate procurement activities.

Work Place Safety and Efficiency (4 of 12)

| | | | |
|----------------|-------------|---------------|--------------------|
| 6 year Request | Useful Life | Estim Payback | \$2,376,700 |
| \$2,376,700 | 4 Years | 5 Years | |

This one year project was formerly called "Remodeling 809 Building". The current workspace does not meet building codes for fire suppression. The space is inefficient and impedes collaborative efforts. This project will reduce operating costs and energy consumption and increase productivity.

A space study was done in 2004 to support the request. The request has been submitted each year since 2006 with a 3% escalator.

Recent request history

2010 Request - \$2,112,000

2011 Request - \$2,240,000

2012 Request - \$2,307,460

Out Year Requests

These requests were included in the 6 year capital request. **They do not require 2013 funding.**

Web Application Server Replacement (5 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$125,000 | 6 Years | 5 Years |

This one year project is scheduled for **2014**. The original request was for \$75,000. Funding will provide for the scheduled replacement of servers. Replacement of the servers in a timely manner will ensure warranty coverage.

Fusion Upgrade Study (6 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$300,000 | 2 Years | 5 Years |

This one year project was originally scheduled for 2012. It is currently scheduled for **2014**. This project will evaluate the functionality and suitability of the HRMS software upgrade. The study will aid the development of implementation and transition plans and provide more accurate estimates of total migration costs.

Mobile Device Security & Management (7 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$160,000 | 5 Years | 3 Years |

This is a new request for a one year project scheduled for **2014**. The project will provide security and management software for employees who use personal mobile devices to access City systems. Once the software has been installed on a mobile device, it will allow the device to be secured remotely, wiped in case of loss or theft, and managed from a central location.

Webcasting (8 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$150,000 | 5 Years | 3 Years |

This one year project is scheduled for **2014**. This project will add streaming ability to the City's website. On-going annual cost estimated to be \$15,000. The project is expected to reduce operating costs, increase productivity and ensure inter-departmental compatibility and consistency.

Oracle/PeopleSoft HRMS Upgrade (9 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$1,100,000 | 4 Years | 5 Years |

This one year project is scheduled for **2015**. Annual maintenance payments for this project are included in ITMD's operational budget. This upgrade will allow for the "Fusion" upgrade when it becomes available.

GIS Infrastructure Improvements (10 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$300,000 | 5 Years | 3 Years |

This new request supersedes the MapMilwaukee Mobile Expansion request. It is a one year project scheduled for **2015** which will allow employees to access and update MapMilwaukee information while in the field. This project will increase capacity, increase reliability, facilitate the use of new development tools, and support new multi-platform GIS applications.

Oracle/PeopleSoft Financial Upgrade (11 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$1,300,000 | 4 Years | 5 Years |

This multi-year project will guarantee continued support for the City's FMIS system and increase productivity.

Web Security Appliance (12 of 12)

| | | |
|----------------|-------------|---------------|
| 6 year Request | Useful Life | Estim Payback |
| \$350,000 | 3 Years | 5 Years |

This one year project was originally requested in 2011 for 2016 – the 2013 request is unchanged. This project will enhance internet security and safeguard against spyware, adware and malware. Operational savings will be realized in the reduction of time spent trouble shooting and fixing infected computers. The project will also limit the City's exposure to liability.

Omitted Requests

PC Replacement Project (2015)

This project was a new one year request in 2011 for 2015 (\$115,000). It did not receive funding. The project would have replaced old computers with energy efficient models and reduced the number of Microsoft licenses. The department has decided not to move forward with this project at this time.

| Past Projects | | | | | |
|---------------------------------|---------------------|--------------------|---------------------|-------------------------------|----------------|
| Project | Funding Year | | 2013 Request | Total Budgeted Funding | Status |
| | Initial | Most Recent | | | |
| Records Center Work Environment | 2011 | 2011 | No | \$198,000 | Complete |
| Improve/Update City Web Site | 2011 | 2011 | No | \$140,000 | |
| Exchange Server Replacement | 2012 | 2012 | No | \$275,000 | In development |
| | | | | | |

TOTAL Dept. of ADMINISTRATION - ITMD

\$3,501,700

CITY ATTORNEY

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | % Change |
|-----------------------|-----------|----------|------------|-----------|------------------|----------|
| 2013 – Request | | | | | 2,269,995 | |
| 2012 – Budget | | | | | | |
| 2011 – Budget | | | | | | |
| 2010 – Budget | | | | | | |
| 2009 – Budget | | | | | | |
| 2008 – Budget | | | | | | |

City Hall 8th Floor Remodel

| | | | |
|----------------|-------------|---------------|--------------------|
| 6 year Request | Useful Life | Estim Payback | \$2,269,995 |
| \$5,820,000 | 25 Years | | |

In 2006, the City Attorney’s Office was moved from the 8th floor of City Hall to accommodate the City Hall Restoration project. It was anticipated that the City Attorney would need to vacate the 8th floor for 2-3 years. The City Attorney currently occupies space on the 7th and 10th floors of the ZMB.

The City Attorney asserts that its current location is insufficient in terms of size and design. There are no office accommodations for two attorneys to perform their functions. The space lacks adequate storage and preparation areas for on-going projects and litigation. As a result, the Office of the City Attorney lacks the space, privacy and security recommended for the sensitive and confidential nature of its work.

The City Attorney submitted a capital request for inclusion in the 2011 Budget to make the improvements necessary to allow the office to return to the 8th floor. The submittal included detailed cost estimates and a proposed floor plan. The total six-year cost was estimated to be \$4.8 million (\$282.40/SF). The request was not funded.

A revised request was submitted for the 2012 Budget which proposed implementing the project over three years with additional funding required in 2013 and 2014. Although the estimated cost of the project remained at \$4.8 million, the Capital Improvements Committee expressed concern that phasing the project over three years may cause unnecessary increases in the overall cost. The Committee recommended implementing the project over no more than two years.

The 2012 Proposed Budget provided authority to borrow \$1.6 million in 2012 to begin the renovation. The funding was removed from the 2012 Budget by amendment.

The 2013 request again phases the project over three years. The total six-year request is \$5.8 million, an increase of 24%. Of the estimated project cost, approximately \$1.5 million will be used to fund the upgrade of the electrical, mechanical and fire suppression systems. These systems will need to be upgraded regardless of which department occupies the 8th floor. The project will result in a reduction in energy usage.

The increased in the project cost is primarily due to increased borrowing costs related to phasing the project over three years.

| Request Summary | | | | | |
|------------------------|--------------------|--------------|--------------------|--------------|--------------------|
| 2013 | | 2012 | | 2011 | |
| 2013 | \$2,269,995 | 2012 | \$1,600,000 | 2011 | \$4,804,000 |
| 2014 | \$2,328,200 | 2013 | \$1,980,000 | | |
| 2015 | \$1,222,305 | 2014 | \$1,100,000 | | |
| Total | \$5,820,500 | Total | \$4,680,000 | Total | \$4,804,000 |
| | \$342/SF | | \$282/SF | | |

TOTAL CITY ATTORNEY

\$2,269,995

CITY CLERK

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | % Change |
|-----------------------|-----------|----------|------------|-----------|------------------|----------|
| 2013 – Request | | | | | \$663,500 | |
| 2012 – Budget | 6,021 | 40,000 | | | 40,000 | |
| 2011 – Budget | 67,540 | | | | | |
| 2010 – Budget | 1,007,924 | | | | | |
| 2009 – Budget | 671,900 | | 350,000 | | 350,000 | |
| 2008 – Budget | 681,900 | | | | | |

The City Clerk’s Office has submitted four capital requests for consideration for the 2013 Budget. Three are short term projects. One is an on-going program.

The total six year request is \$1,358,500 and represents an increase of \$94,500 (7.5%) from last year’s request. Most of the increase is related to the new LIRA project.

The 2009 Capital Funding was for the License Management System Requirements Study and License Division Remodeling

Capital Improvements Committee*

| | | | |
|----------------|-------------|---------------|-----------------|
| 6 year Request | Useful Life | Estim Payback | \$85,000 |
| \$540,000 | | | |

This program provides for the salary and fringe benefits for a Fiscal Planning Specialist position. This position is in the City Clerk’s Office and serves as staff to the Capital Improvements Committee and provides budget analysis for the Finance and Personnel Committee. The requirements of this program are contained in Common Council file 081215 as amended by file 090090. This program is funded with cash, not borrowing.

*The capital request for this program is submitted by the City Clerk but the funding appears in the Budget as a “Special Capital Project”

Channel 25 - HD Conversion

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$135,000 |
| \$290,000 | 10+ Years | | |

The City Clerk’s Office submitted a new request in 2011 for \$135,000 for a 3 year project to convert the Channel 25 signal from analog to digital (not high definition). The broadcasting and cable industry’s conversion to digital format is making analog equipment more difficult to acquire and maintain. If critical components cannot be replaced or repaired, the City may be unable to televise its meetings. The conversion will ensure continued service and result in better video image quality for the City Channel. Because of the technologies involved it is not practical or cost effective to transition to the new format over a long period of time.

The project has been designed in two phases. Phase I will convert the Master Control area in the 809 Building. Phase II would include the conversion of Room 301 in City Hall. An additional \$155,000 would be required to complete the project.

The Capital Improvements Committee recommended that this request be studied by the City Information Management Committee to ensure that the new equipment supports the City's long term video strategy. Channel 25 staff is currently working with the CIMC subcommittee on the matter.

The 2012 Budget did not include funding for this project. The request was resubmitted with funding requested in 2013 & 2015.

Public Face of LIRA

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$117,500 |
| \$117,500 | 10+ Years | | |

The City has provided \$700,000 in funding for the development and implementation of the License Information Reporting and Administration (LIRA) system. The project has provided automation of certain labor intensive process such as payment of license files and submission of police reports. LIRA also provides electronic communication and information access to city departments which were never possible in the past.

The LIRA system went on-line in October of 2010 and operated parallel to the legacy system until December 13, 2010. It now operates independently to process licensing information.

The project has remained within the budget.

Work continues on the system as the Licensing Division implements further improvements. The next phase of the project is the development of an external face for the LIRA. The project will allow public access to licensing information, on-line application and tracking and other functionalities. It is expected to be a one year project.

LRB Research Office Upgrade

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$411,000 |
| \$411,000 | 20 Years | | |

This request replaces the prior request titled "Room 307 CH Remodeling. This is a one year project first requested for inclusion in the 2011 Budget. (\$435,239) The 2,650 SF space was formerly used by the Division of Budget and Management Analysis. The timing of a personnel shift in 2010 did not allow for the renovation of Room 307 prior to LRB staff being assigned there. The room is in need of substantial renovation as well as an HVAC upgrade. Carpeting, ceiling tiles and workstations are in extremely poor condition. The lighting is substandard.

The request was revised for 2012, removing several items (walls, cabinets, painting, plumbing, separate furnishings and security) resulting in over \$42,000 in cost savings. The updated cost estimate from DPW Facilities for 2013 is \$411,000 (scope has not changed). The cost estimate includes the HVAC & electrical system.

Because the space is already occupied, there are no efficiencies to be gained by phasing the project over multiple years. The City will realize some decrease in operating costs primarily through the reduction in energy use. These effects, however, have not been quantified.

The Capital Improvements Committee did not recommend funding for this project in 2012.

Project Updates

SAN Storage

This one year project was included in the 2012 Budget (\$40,000). No additional funding was requested for 2013.

This project represents the most cost effective means of meeting the City's obligation under state statute and municipal code to issue licenses and provide notice of licensing hearings in a timely manner. Five terabytes of storage space to be used for the LIRA licensing system and the MediaMatch video integration software are currently being installed. ITMD had requested that the City Clerk's office purchase its own storage. It is expected that this project will provide adequate storage space for 10 years.

TOTAL CITY CLERK

\$1,098,799

NEIGHBORHOOD SERVICES

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | % Change |
|-----------------------|-----------|----------|------------|-----------|----------------|----------|
| 2013 – Request | | | | | 695,000 | |
| 2012 – Budget | 58,416 | | | | 0 | |
| 2011 – Budget | 76,141 | | 0 | | 0 | |
| 2010 – Budget | | | 76,141 | | 76,141 | |
| 2009 – Budget | | | 0 | | 0 | |
| 2008 – Budget | | | 0 | | 0 | |

The Department of Neighborhood Services (DNS) has submitted one capital request for the 2013 Budget.

The total six year request is \$695,000 and represents a decrease of \$1.9 million (73%) from last year's (2012) request.

The decrease is attributable to the unusual nature of the 2012 request. The DNS requested \$2,512,000 to replace the existing legacy code enforcement Neighborhood Services System (NSS) and the DCD permit and plan tracking system with an enterprise solution that will manage multi-agency processes. The new system, which will be administered by ITMD, proposes to support land management, plan review and permitting, construction and trades inspections, and code enforcement across departmental lines. A summary of the project can be found in the "Special Capital Projects" section of this report.

Capital funding in 2010 was for security upgrades at the Anderson Municipal Building/Water Tower.

The carryover amount is related to the Security Upgrade project at the Anderson Municipal Building budgeted in 2010.

Conversion of Anderson Water Tower Garage

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$695,000 |
| \$695,000 | 20 Years | | |

This is a new one year request to modify space at the Anderson Municipal Building to accommodate additional staff. Over the last 3 budget years, DNS has added 11 additional staff, moved 4 existing staff from the ZMB to the Anderson Building and expects to fill a number of vacant positions during 2012. Approximately 70 employees will have offices in the Anderson building.

The project will renovate space on the first and second floors.

The more extensive renovation will be on the 1st floor. 2,300 SF of garage space will be converted to offices to accommodate 26 inspectors at an estimated cost of \$465,000 (\$201.8 / SF)

Work on the second floor will primarily consist of the reconfiguration of cubicles and the addition of two walled offices. The second floor will have room for 20 inspectors and 5 clerical staff. The estimated cost is \$225,500.

Cost estimates from DPW Facilities do not include furnishings. The cost of the furnishings is not known at this time. Some furnishings could be repurposed from their existing use.

Omitted Requests

Anderson Tower Conference Room

This project was first requested for 2012 (\$70,000). No funding provided in the 2012 Budget. No request was submitted for 2013.

The project would have upgraded electronic equipment, installed sound and telecommunications systems, and purchased new furniture for the 3rd floor conference room at the Anderson Municipal Building. The room has a capacity of approximately 50 people. The room is frequently used for DNS meetings and training events like the Landlord Training Program. It is also used by other City agencies (Health Dept, Common Council, DER, Election Commission etc) and community groups. If properly equipped it could also function as an emergency operations center.

| | |
|--|------------------|
| TOTAL DEPARTMENT OF NEIBORHOOD SERVICES | \$695,000 |
|--|------------------|

DCD

| | Carryover | Tax Levy | Gen Oblig. | TID | Revenue | Total | Change |
|-----------------------|-------------|----------|------------|------------|-----------|-------------------|--------|
| 2013 – Request | | | | | | 45,460,000 | |
| 2012 – Budget | 149,059,553 | 75,000 | 2,650,000 | 22,000,000 | 4,251,000 | 29,176,000 | (5%) |
| 2011 – Budget | 174,997,539 | 450,000 | 3,960,257 | 22,000,000 | 4,251,000 | 30,661,257 | (22%) |
| 2010 – Budget | 178,478,575 | 175,000 | 11,754,220 | 23,222,323 | 4,251,000 | 39,402,543 | (10%) |
| 2009 – Budget | 154,903,586 | 500,000 | 2,686,000 | 36,268,614 | 4,390,000 | 43,844,614 | (39%) |
| 2008 – Budget | 119,329,944 | 200,000 | 6,878,500 | 60,451,000 | 4,200,000 | 71,729,500 | |

The Department of City Development (DCD) has submitted nine capital requests for the 2013 Budget. All requests are for on-going programs.

The total six year request is \$270,360,000 and represents an increase of \$99,334,000 (55.45%) from last year's (2012) request. The majority of the increase is related to the Tax Incremental District Program (TID). Annual projections in the TID Program rose from \$22 million in 2012 to \$35 million this year.

The most significant change to the department's 2013 capital request is the omission of a request for the Development Fund.

| Program | 2010 Budget | 2011 Budget | 2012 Budget | 2013 Request | 6 year Request |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|
| Neighborhood Commercial District Street Improvement Fund | \$500,000 | \$250,000 | \$500,000 | \$800,000 | \$3,800,000 |
| Business Improvement Districts | \$1,236,250 | \$250,000 | \$250,000 | \$250,000 | \$1,500,000 |
| Tax Incremental Districts | \$27,473,323 | \$26,251,000 | \$26,251,000 | \$38,500,000 | \$231,000,000 |
| Development Fund | \$1,050,000 | \$1,500,000 | | | \$0 |
| Advance Planning Fund | \$175,000 | \$150,000 | \$175,000 | \$175,000 | \$1,050,000 |
| Healthy Neighborhoods Initiative | \$200,000 | \$200,000 | \$200,000 | \$200,000 | \$1,200,000 |
| ADA Riverwalk Construction | \$1,167,970 | \$1,560,257 | \$0 | | \$0 |
| Housing Infrastructure Preservation Fund | \$600,000 | \$300,000 | \$800,000 | \$800,000 | \$2,800,000 |
| In Rem Property Program | \$0 | \$200,000 | | \$150,000 | \$900,000 |
| Façade Program | \$0 | \$0 | \$500,000 | \$500,000 | \$3,000,000 |
| Brownfield Program | \$0 | \$0 | \$500,000 | \$500,000 | \$3,000,000 |
| 809 Building Remodeling | \$0 | \$0 | | | \$976,000 |
| Total | \$39,402,543 | \$30,661,257 | \$29,176,000 | \$45,560,000 | \$270,360,000 |

Business Improvement Districts (1 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$250,000 |
| \$1,500,000 | 75 Years | | |

From 2000 through 2008, this program received \$500,000 of funding annually. No funding was budgeted in 2009 because the department anticipated that there was enough carryover authority to meet the needs of the program. Funding in 2010 was \$1.2 million. Budgeted funding for 2011 and 2012 was \$250,000.

The capital request is for \$250,000 each year through 2018.

This program has \$2.5 million in carryover borrowing authority

2011 Plan

| | |
|----------------------------------|-----------|
| Riverworks | \$140,000 |
| North Ave. Marketplace (BID #32) | \$150,000 |

2012 Plan

| | |
|------------------------------|-----------|
| Historic King Drive (BID #8) | \$500,000 |
| Lincoln Avenue/Becher | \$200,000 |

2013 Plan

| | |
|-----------------|-----------|
| KK Streetscape | \$250,000 |
| Center Street | \$250,000 |
| Prospect Avenue | \$TBD |

| | |
|--|---------------|
| Current BID Fund Balance (as of the request date) | \$1.5 million |
|--|---------------|

Neighborhood Commercial District Street Improve Fund (2 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$800,000 |
| \$3,800,000 | | | |

Funding for this program from 2000 through 2012 has been \$500,000 per year with the exception of 2008, 2009 and 2011 when the funding was \$1,000,000, \$337,000, and \$250,000 respectively.

The capital request is for \$600,000 per year after 2013.

This program has \$1.1 million in carryover borrowing authority.

2011 Plan

| | |
|----------------------------------|-----------|
| Center St. Marketplace (BID #39) | \$130,000 |
| Bronzeville Phase I & II | \$210,000 |
| North Ave. Marketplace (BID #32) | \$150,000 |

2012 Plan

| | |
|---------------------------|-----------|
| Historic King Dr (BID #8) | \$500,000 |
| Lincoln Avenue/Becher | \$200,000 |

2013 Plan

| | |
|-----------------|-----------|
| KK Streetscape | \$250,000 |
| Center Street | \$250,000 |
| Prospect Avenue | \$TBD |

Current NCDSIF Fund Balance \$1,415,543
(as of request date)

Advance Planning Fund (3 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$175,000 |
| \$1,050,000 | | | |

Funding for this program from 2000 through 2006 was \$150,000. From 2007 through 2012 funding has fluctuated between \$125,000 and \$175,000.

In 2012, \$175,000 in cash levy financing was provided for this program.

The capital request is for \$175,000 per year through 2018. The six year request is unchanged from 2011 and 2012.

Proposed Activities

| | 2013 | 2012 |
|---|-----------------------|-----------------------|
| Comprehensive Area Plan Implementation | \$50,000 ¹ | \$50,000 ² |
| Professional Development (conferences etc.) | \$12,000 | \$12,000 |
| Software & GIS licensing | \$8,000 ³ | \$7,500 ³ |
| Graduate Students and Scholar | \$50,000 | \$38,000 |
| Market/Data Analysis | \$43,000 ⁴ | \$25,000 ⁵ |
| GIS consultant for 2010 census data | | \$30,000 |
| Other | \$12,000 | \$12,500 |

¹ Update Fond Du Lac Avenue & North Avenue Plan

² Downtown Catalytic Projects and strategic land use plans

³ ArcView software and licenses

⁴ Northwest side Industrial land use analysis

⁵ Citywide Industrial

Healthy Neighborhoods Initiative (4 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$200,000 |
| \$1,200,000 | | | |

This program was first funded in 2008. It has received \$200,000 in funding each year through 2012.

\$200,000 was provided in 2012 for this program; \$100,000 of cash levy funding and \$100,000 of general obligation borrowing.

The capital request is for \$200,000 each year through 2018. The six year request is unchanged from 2011 and 2012.

There are nine identified Healthy Neighborhoods: Capitol Heights, Enderis Park, Havenwoods, Johnson's Park, Lincoln Village, Martin Drive, Sherman Park, Silver City, and Thurston Woods.

| Proposed Activities | 2013 | 2012 |
|-----------------------------------|-------------|-------------|
| Projects within the neighborhoods | \$100,000 | \$90,000 |
| Community improvement projects | \$70,000 | \$50,000 |
| Administration | \$30,000 | \$10,000 |
| Foreclosure activities | | \$50,000 |

Façade Program (5 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$500,000 |
| \$3,000,000 | | | |

This is a new, on-going program that was created by the 2012 Budget. Prior to 2012 façade project funding came from the Development Fund capital account.

\$500,000 was budgeted for this program in 2012.

The capital request is for \$500,000 each year through 2018.

Brownfield Program (6 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$500,000 |
| \$3,000,000 | | | |

This is a new, on-going program that was created by the 2012 Budget. The program provides matching funds for grants. Prior to 2012 funding for brownfield projects came from the Development Fund capital account.

\$500,000 was budgeted for this program in 2012.

The capital request is for \$500,000 each year through 2018.

Milwaukee is an EPA Brownfields Showcase Community.

Housing Infrastructure Preservation Fund (7 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$800,000 |
| \$2,800,000 | | | |

This program was first funded in 2010. It has received \$600,000, \$300,000 and \$800,000 in funding in 2010, 2011, and 2012 respectively.

The capital request is for \$400,000 each year after 2013. The 2012 six year request was for \$300,000 per year. The request in 2011 was for \$600,000 per year.

The purpose of this program is to provide funding for **major** repairs on historic/valuable city owned houses and prepare them for eventual sale. The return of properties to private ownership will have a positive impact on the tax base.

In Rem Property (8 of 9)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$150,000 |
| \$900,000 | | | |

This program first received funding in 2011 (\$200,000). It was not funded in the 2012 Budget.

The capital request for this program is \$150,000 per year through 2018.

This program was created to fund **minor** capital repairs (e.g., new roofs, water heaters, etc.) to properties obtained by the City through foreclosure, with the goal of making these properties more marketable for prompt sales. The department has found that most of the costs associated with maintaining and marketing in rem properties do not fall under capital expenditure guidelines and, therefore, cannot be funded with this account. The level of expenditure in 2011 was relatively low, allowing work to be done in 2012 using carryover authority.

Common Council File 111511 directed DCD to create a plan for the conveyance of City-owned housing units to qualified existing tenants. The plan is to be presented to the Council no later than May 1, 2012. DCD has identified this program as a potential funding source for the activities of the plan.

2013 request

700 houses in City's inventory (as of request date)
600-800 additional properties anticipated in 2012

2012 request

558 houses in City's inventory (as of request date)
700+/- additional properties anticipated in 2011

Tax Incremental Districts (9 of 9)

| | | | |
|---------------------|-------------|---------------|---------------------|
| 6 year Request | Useful Life | Estim Payback | \$38,500,000 |
| \$231,000,000 | | | |
| (excluding revenue) | | | |

Since 2000, \$423 million has been budgeted for tax incremental districts. Funding has been highly variable ranging from a low of \$8 million to a high of \$74.5 million. Actual expenditures through the end of 2010 have totaled \$212 million.

The capital request is for \$38.5 million in borrowing with an additional \$3,685,000 in revenue for a total of \$42,185,000 each year through 2018. The total six year request has increased by \$98.5 million compared to last year's (2012) request

In 2011 the Common Council approved an amendment to TID #49 (Cathedral Place) which will provide \$9.7 million for the local share of the capital costs of the Milwaukee Streetcar Project.

No potential TIDs for 2013 were identified in the request.

2012 TIDs (proposed)

| | |
|-----------------------------|--------------|
| The Brewery | \$5,500,000 |
| Bronzeville Amendment | \$10,000,000 |
| Reed Street Yards | \$6,400,000 |
| Downtown Catalytic Projects | \$10,000,000 |

Project Updates

ADA Riverwalk Construction

The last anticipated budget year for this project was 2011. No request was received for 2012 or 2013.

This program provided funding to construct the ramps and lifts necessary to bring the Riverwalk into ADA compliance as directed by the terms of the 2006 settlement with the Department of Justice. The total cost for the project is expected to be approximately \$4.9 million. As of September 2011, five of the nine Riverwalk segments involved in the project had been improved. Work was scheduled to begin on additional segments before the end of the year. The anticipated completion date for the project is near the end of 2012.

| Projected Construction Costs <i>(as of March 2010)</i> | | | | | | |
|---|------------------------|------------------|--------------------|--------------------|--------------------|--------------------|
| Segment # | Segment Name | 2008 | 2009 | 2010 | 2011 | Total |
| Section 6 | Iroquois | \$224,345 | | | | \$224,345 |
| Section 9B | Mason Street | \$657,866 | | | | \$657,866 |
| Section 2-3aa | Usinger's/State Street | | \$258,449 | | | \$258,449 |
| Section 5 | Rock Bottom | | \$473,977 | | | \$473,977 |
| Section 2-3aa | Steinmeyer Building | | \$608,847 | | | \$608,847 |
| Section 4 | Multi-Owner Building | | | \$608,847 | | \$608,847 |
| Section 10 | Taxman Property | | | \$482,255 | | \$482,255 |
| Section 9A | 100 East Wisconsin | | | | \$514,990 | \$514,990 |
| Section 4 | Cawker Building | | | | \$687,819 | \$687,819 |
| | 5 Yr Duration Increase | | | | \$280,078 | \$280,078 |
| Total | | \$882,211 | \$1,341,273 | \$1,091,102 | \$1,482,887 | \$4,797,473 |

Omitted Requests

Development Fund

From 2000 through 2011, the Development Fund has received an average of \$1.9 million in funding each year. No funds were budgeted in 2012. The department did not submit a capital request for 2013. This program had just over \$4 million in carryover authority at the beginning of 2012.

2012 Planned Activity

| | |
|----------------------|-----------|
| Downtown development | \$500,000 |
| Loan activity | \$300,000 |

| | |
|----------------------------------|-----------|
| Menomonee Valley Spec Assessment | \$250,000 |
| Brownfields | \$250,000 |
| Façade / RIF | \$200,000 |

809 Bldg Remodeling

This one year project to remodel the 2nd floor of the 809 Building was originally requested for 2012 (\$976,000). No funding was provided. The request was not resubmitted for 2013. The estimated cost for the project was \$66.39 / SF. Floor plans and detailed cost estimates were submitted. This space has been identified by DPW Facilities as an area of the City Hall Complex whose renovation has been delayed because of funding constraints.

Technology Initiative

Funding was requested and denied in 2011 for this one year project to add fire protection and occupancy certificates to the e-permit system. The project would also have updated and documented the database architecture. The request was not resubmitted in 2012 or 2013. This project may be incorporated into the Land Management System that was funded in 2012. If it is not, the department may resubmit the request in the future.

| | |
|---|---------------------|
| TOTAL DEPARTMENT OF CITY DEVELOPMENT | \$45,460,000 |
|---|---------------------|

MUNICIPAL COURT

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | Change |
|-----------------------|-----------|----------|------------|-----------|----------|--------|
| 2013 – Request | | | | | 0 | |
| 2012 – Budget | | | | | | |
| 2011 – Budget | 235,115 | | | | | |
| 2010 – Budget | 1,062,163 | | 334,000 | | 334,000 | (51%) |
| 2009 – Budget | 429,620 | | 683,645 | | 683,645 | 59% |
| 2008 – Budget | 159,332 | | 429,620 | | 429,620 | |

The Municipal Court has submitted two capital requests for short term projects that are scheduled for future years. The Court relies heavily on technology for its operations and to provide services to the public. The Court's capital request supports the development of new technologies to provide enhanced services and the maintenance of their critical electronic infrastructure.

The total six year request is \$1,080,000 and represents an increase of \$1 million from last year's (2012) request. The increase is related to two new projects.

Capital funding in 2008, 2009 and 2010 was primarily for the Court Case Management System.

Virtual Server & SAN Replacement

| | | | |
|----------------|-------------|---------------|------------|
| 6 year Request | Useful Life | Estim Payback | \$0 |
| \$144,000 | 5 Years | | |

This is a new, one year project for **2014**. The Municipal Court uses servers and a storage area network (SAN) to host its case management system (CATS). Based on industry standards, the equipment will have reached the end of its useful life in 2014. Extending their use beyond this time may make the Court's operations vulnerable to outages or loss of performance. There may be possibilities for repurposing the equipment to less critical applications.

CATS & Website Upgrade

| | | | |
|----------------|-------------|---------------|------------|
| 6 year Request | Useful Life | Estim Payback | \$0 |
| \$936,000 | 10 Years | | |

This is a new, two year project scheduled for **2015** and **2016**. The focus of the upgrade will be the transition from a client-server based architecture to a browser-based platform, similar to FMIS, HRMS and other City systems. This project would eliminate the need to install and maintain workstation software. It would also facilitate remote court operations such as community court sessions.

Project Updates

Data Center AC

The Municipal Court requested \$54,000 for 2012 to replace the air conditioning unit that services the Court's datacenter. The existing unit had exceeded its useful life and required frequent and expensive repairs. With the implementation of the Electronic Case Jacket Project, the operations of the Court are reliant on its computer network. Failure of the AC systems could disrupt court operations. This project was funded through the Court's O&M Budget.

Panic Alarm System

The Municipal Court requested \$23,000 for 2012 to install a warning system that will alert court staff to dangerous situations. The existing system is not functional and cannot be repaired because of its age. A functioning alarm system will help to ensure the safety of employees and City residents who use court services. This project was funded through the Court's O&M Budget.

Electronic Case Jacket Project

The Electronic Case Jacket project was a multi-phase project designed to eliminate physical case jackets and paper files and to promote efficiencies in Municipal Court operation. The Municipal Court now operates its sessions electronically. This allows greater efficiencies in the processing of court cases, greater access to case related documents and information and flexibility in where the Court can hold sessions.

Since 2007, the Electronic Case Jacket project has received just over \$1.3 million in funding and is nearing completion. The project is currently within its budget.

Phase 1, which eliminated paper rosters for calling court cases, went live in April 2009. Phases 2, 3 and 4 involved the electronic capture of documents, the conversion of notices, and the integration of on-line templates for outgoing correspondence. Much of 2010 was spent designing the environment to integrate the activities of judges, clerks and bailiffs and allow immediate access to all relevant case information on a single screen. Electronic processing of incoming correspondence began in September 2010.

A key component of the system is the electronic receipt of citations. At this time nearly all traffic citations and approximately 80% of municipal citations are received electronically. The remaining citations must be scanned by Municipal Court staff. The Municipal Court anticipates the electronic receipt of cases from the Department of Neighborhood Services. Parking citations will be received electronically shortly thereafter.

In conjunction with this project, the Municipal Court has updated its website. The website has been optimized for mobile device use. It is not unusual for users of court services to have their primary internet access provided via a Smartphone. Those users now have the ability to make payments and find case information using their phone. Search capabilities have also been expanded. Upcoming improvements include the ability to conduct more court business on-line including entering not-guilty pleas, selecting a preferred court date, and requesting extensions.

IT Disaster Recovery Project

In conjunction with the electronic case jacket project, the Municipal Court began planning to implement a disaster recovery project to protect the integrity of Court data. The Court created a virtualized environment in their own data center which will allow them to easily restore systems to new hardware in the event of an emergency. This project has been completed on time and within its budget.

TOTAL MUNICIPAL COURT

\$0

PORT OF MILWAUKEE

| | Carryover | Tax Levy | Gen Oblig. | Grant/Aid | Total | Change |
|-----------------------|-----------|----------|------------|-----------|------------------|--------|
| 2013 – Request | | | | | 3,075,000 | |
| 2012 – Budget | | | 225,000 | | 225,000 | |
| 2011 – Budget | 1,804,300 | | 0 | | 0 | |
| 2010 – Budget | 3,584,238 | | 0 | 400,000 | 400,000 | (86%) |
| 2009 – Budget | 2,477,146 | | 1,500,000 | 1,450,000 | 2,950,000 | 127% |
| 2008 – Budget | 2,021,438 | | 500,000 | 800,000 | 1,300,000 | |

The Port of Milwaukee has submitted 19 capital requests. Twelve are for inclusion in the 2013 Budget. The remaining seven are out-year requests.

The request for 2013 includes \$800,000 in grant funding. The six year request includes \$9.1 million in projected grants. A number of the Port’s programs provide matching funds for grants. Some projects such as the Transload Terminal will not move forward if grant funding cannot be secured.

The total six year request is \$23,755,000 and represents an increase of \$700,000 (3%) from last year’s (2012) request.

City funding in the capital budget for the Port of Milwaukee has averaged nearly \$800,000 per year since 2000. No capital funding was provided in 2010 or 2011. Special Funds which have similar purposes to some of the Port’s capital programs make operating funds available. In 2011 and 2012 these Special Funds provided an additional \$545,000 to the Port for maintaining capital facilities. (see chart below)

Pier Berth and Channel Improvements (1 of 19)

| | | | |
|----------------|-------------|---------------|------------------|
| 6 year Request | Useful Life | Estim Payback | \$200,000 |
| \$1,200,000 | 50 Years | | |

This program provides funding for improvements to the mooring basin, the City’s heavy lift dock and the outer harbor. This program is funded in part by a grant program through the Department of Transportation’s Bureau of Railroads and Harbors. Approximately 80% of the cost of these improvements will be paid by the grant with the City providing 20% of the total funding.

Since 2000, this program has received \$3,770,000 in City funding. It has not been funded since 2009.

The capital request is for \$200,000 each year through 2018. The projection for grant and aid funding is \$800,000 per year.

The six year capital request is unchanged from 2011 and 2012.

This program provides the match for grant funding. No projects were identified.

| 2013 Capital Request Summary – Port of Milwaukee | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 6 Yr Total |
| Secured Ferry Terminal Parking | | 100,000 | | | | | \$100,000 |
| Harbor Maintenance Dredging | | 200,000 | | | | 150,000 | \$350,000 |
| ***GRANTS & AIDS*** | | 800,000 | | | | | \$800,000 |
| Cargo Handling Equipment | | 4,000,000 | | | | | \$4,000,000 |
| Cargo Handling Equipment Rehab/Upgrade | 500,000 | | | | | | \$500,000 |
| City Heavy Lift Dock Improvements | | | 520,000 | | | | \$520,000 |
| ***GRANTS & AIDS*** | | | 2,080,000 | | | | \$2,080,000 |
| Analyze and Upgrade Sewer System | 100,000 | | | | | | \$100,000 |
| Dockwall Rehabilitation | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | \$900,000 |
| Pier Berth & Channel Improvements | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | \$1,200,000 |
| ***GRANTS & AIDS*** | 800,000 | 800,000 | 800,000 | 800,000 | 800,000 | 800,000 | \$4,800,000 |
| Rail Track and Service Upgrades | 250,000 | | 100,000 | | 100,000 | | \$450,000 |
| Confined Disposal Facility | 75,000 | | | | | | \$75,000 |
| Port Security | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | \$600,000 |
| Roadway Paving | 200,000 | | 100,000 | | | | \$300,000 |
| Rehab Electrical Service S. Harbor Tract | | | 100,000 | | | | \$100,000 |
| Terminal Resurfacing | 150,000 | | 250,000 | | | 100,000 | \$500,000 |
| Port Facility Systems | 200,000 | 100,000 | | 100,000 | | 100,000 | \$500,000 |
| Demolish Expired Leasehold Facilities | 100,000 | | 100,000 | | | | \$200,000 |
| Transload Terminal | | 350,000 | | | | | \$350,000 |
| ***GRANTS & AIDS*** | | 1,400,000 | | | | | \$1,400,000 |
| Liquid Cargo Pier | 250,000 | | | | | | \$250,000 |
| Energy Initiative | | | 100,000 | | 100,000 | | \$200,000 |
| | | | | | | | |
| Total Grants & Aids | \$800,000 | \$3,000,000 | \$2,880,000 | \$800,000 | \$800,000 | \$800,000 | \$9,080,000 |
| Total City Funding | \$2,275,000 | \$5,200,000 | \$1,720,000 | \$550,000 | \$650,000 | \$800,000 | \$11,195,000 |
| TOTAL PORT OF MILWAUKEE | \$3,075,000 | \$8,200,000 | \$4,600,000 | \$1,350,000 | \$1,450,000 | \$1,600,000 | \$20,275,000 |

| Port of Milwaukee Special Funds* | | | |
|---|-----------------------|-----------------------|-----------------------|
| | 2010 <i>Actual</i> | 2011 <i>Budget</i> | 2012 <i>Budget</i> |
| Major Maintenance – Terminals & Piers | \$95,000 | \$100,000 | \$100,000 |
| Major Rehab & Upgrades – Equipment | \$43,615 | \$50,000 | \$50,000 |
| Environmental Cleanup Fund | \$70,000 | \$100,000 | \$100,000 |
| Harbor Maintenance Dredging | \$46,500 | \$50,000 | \$50,000 |
| Equipment Rehab & Upgrade | \$51,540 | \$75,000 | \$75,000 |
| Dockwall & Breakwater Rehabilitation | \$31,978 | 100,000 | 100,000 |
| Energy Efficiency Upgrade | \$52,000 | \$0 | \$0 |
| Leasehold Demolition | \$2,223 | \$40,000 | \$40,000 |
| Sewer System Upgrade | \$1,041 | \$30,000 | \$30,000 |
| Harbor Security | \$19,664 | \$0 | \$0 |
| Total * | \$413,561 | \$545,000 | \$545,000 |
| *This table excludes Summerfest related special funds | | | |

Terminal Resurfacing (2 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$150,000 |
| \$500,000 | 30 Years | |

Since 2000, this program has received \$350,000 in funding. \$100,000 in 2008 and \$250,000 in 2009. The total request is unchanged from 2012. The 2012 Budget shows \$340,000 in carryover funds remain – the same amount shown in 2011.

Request Summary

| | |
|------|-----------|
| 2013 | \$150,000 |
| 2015 | \$250,000 |
| 2018 | \$100,000 |

Liquid Cargo Pier (3 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$250,000 |
| \$250,000 | 30 Years | |

This is a **new** request to provide supplemental funding for the liquid cargo pier project. Additional damage to the pier was discovered during the rehabilitation project. Repairing the damage was not an eligible expense under terms of the grant that was used to pay for 80% of the original project.

Rail Track & Service Upgrades (4 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$250,000 |
| \$450,000 | 35 Years | |

This program provides funding to upgrade the 17 miles of rail track system on an on-going basis to meet modern day safety and service load requirements.

Since 2000, this program has received \$225,000 in funding. \$25,000, \$100,000 and \$100,000 in 2002, 2004, and 2007 respectively

A previous request projected that funding would be required in 2012 and 2014. The amount of the request is unchanged.

Request Summary

| | |
|------|-----------|
| 2013 | \$250,000 |
| 2015 | \$100,000 |
| 2017 | \$100,000 |

Dockwall Rehabilitation (5 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$150,000 |
| \$900,000 | 50 Years | |

This program provides funding for the dock wall rehabilitation program necessary to avert costly emergency repairs and to maintain the dock wall in appropriate condition for cargo operations. Lease documents often require the city to maintain dock walls for its tenants. Loss of revenue to the City may result if the dock walls are not kept in a safe and useable condition.

Between 2004 and 2007, this program received a total of \$500,000 in funding. Additional funding of \$150,000 was received in 2009 and 2012.

The capital request is for \$150,000 each year and is unchanged from 2011 and 2012.

The special fund for Dock Wall Rehabilitation received \$100,000 in 2011 and 2012

This program has \$24,568 of carryover authority.

Cargo Handling Equipment Rehabilitation and Upgrade (6 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$500,000 |
| \$500,000 | 30 Years | |

This program received \$50,000 of funding in 2005 and \$500,000 in 2009.

Equipment related special funds received \$125,000 in funding in 2011 and 2012.

This program has \$283,017 of carryover authority.

Currently requested funding will pay for major overhauls of cranes and/or the purchase of wind cargo equipment.

Because of potential changes in federal guidelines, the Port of Milwaukee may be required to obtain a locomotive to provide mandated services. The timing of the decision from the Railroad Administration remains uncertain. Additional funding for this program would be required.

Port Facilities Systems (7 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$200,000 |
| \$500,000 | 20 Years | |

This program provides funding to do major maintenance repairs to terminals and piers. This fund is also used to do emergency work as required for projects which exceed special funds set aside for Major Maintenance. This program received \$100,000 of funding in 2008

Funding in 2013 will be used for tuckpointing on Terminals 3 and 4 which exceeds the available O&M funding.

This program has \$100,000 of carryover authority.

Request Summary

| | |
|------|-----------|
| 2013 | \$200,000 |
| 2014 | \$100,000 |

| | |
|------|-----------|
| 2016 | \$100,000 |
| 2018 | \$100,000 |

Analyze and Upgrade Sewer System (8 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$100,000 |
| \$100,000 | 50 Years | |

This program provides funding for the inspection and rehabilitation of the Port’s sewer system to ensure that it remains in compliance with state and federal regulations.

Since 2000, this program has received \$200,000 in funding. \$50,000 in 2001 and \$150,000 in 2005.

The special fund for Sewer System Upgrades received \$30,000 in 2011 and 2012.

Roadway Paving (9 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$200,000 |
| \$300,000 | 20 Years | |

This program provides funding for the maintenance of roadways on Jones Island and the South Harbor Tract. These roadways are not maintained by DPW on a regular basis. Because they are not public thoroughfares, they are not eligible to be paid for with funds from the wheel tax.

This program has received almost no capital funding since 2000. \$50,000 was provided in the 2002 Budget.

The capital request includes an additional \$100,000 for 2015.

Demolish / Rehabilitate Expired Leasehold Facilities (10 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$100,000 |
| \$200,000 | 50 Years | |

This program has received no capital funding. A request was first received in 2012 anticipating the need for funding in 2013. Additional funding is requested for 2015.

The special fund for Leasehold Demolition received \$40,000 in 2011 and 2012.

Port Security (11 of 19)

| | | |
|----------------|-------------|------------------|
| 6 year Request | Useful Life | \$100,000 |
| \$600,000 | 30 Years | |

This ongoing program is used to implement security measures and mandates enacted by the Department of Homeland Security and the US Coast Guard. From 2004 through 2006, this program received a total of \$450,000 in funding. An additional \$400,000 was provided in 2009.

The capital request is for \$100,000 per year through 2018 and is unchanged from 2011 and 2012.

The special fund for Harbor Security did not receive funding in 2011 or 2012.

This program has \$400,000 of carryover authority.

Confined Disposal Facility Expansion (19 of 19)

| | | |
|----------------|-------------|-----------------|
| 6 year Request | Useful Life | \$75,000 |
| \$75,000 | 50 Years | |

This program provides funding for the recovery of land by way of land fill. This program sustains the continued restoration of confined disposal facilities into marketable waterfront development. Funding for this program has historically been titled "Acquire and Rehab KK River Site". In 2005, a technical amendment was adopted by Common council changing the title to "Confined Disposal Facility Expansion".

Funding for this project was provided in 2005, 2006, and 2012. \$175,000, \$75,000 and \$75,000 respectively

Out Year Requests

New Crane/ Heavy Lift Equipment (12 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$4,000,000 | 30 Years |

The amount of the request has not changed since 2011. The project has been moved from 2013 to **2014**. The Port is pursuing grant opportunities to help offset the cost of the equipment.

City Heavy Lift Dock Improvements (13 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$2,600,000 | 30 Years |

This is a request for a two year project to increase the length and weight bearing capacity of the heavy lift dock. A capital request was first submitted in 2012 anticipating the need for funding in **2015**. No capital funding has been provided. The request includes \$520,000 of City funding and \$2,080,000 of grant funding. Funding will provide the City's match (20%) of the Harbor Assistance Grant.

Energy Efficiency Upgrades (14 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$200,000 | 30 Years |

This program has received no capital funding. A capital request was first received in 2011. Funding would pay for aluminum coated roofs on Port Buildings. Funding will not be required until **2015**. To date only one roof has been suitable for replacement under this program.

The special fund for Energy Efficiency Upgrades did not receive funding in 2011 or 2012. Actual expenditures from the special fund were \$52,000 in 2010.

Rehab Electrical Services - South Harbor Tract (15 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$100,000 | 30 Years |

This project received \$100,000 in funding in 2008. Current funding which is requested for **2015**, would pay for Phase III of this project.

This is a 3 phase project which began in December 2009.

Phase I completed in 2010

Phase II completed in 2011

Phase III has been postponed to 2015

This program has \$79,695 of carryover authority.

Secured Ferry Terminal Parking (16 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$100,000 | 50 Years |

This project will provide improvements to the long term parking facilities in support of the Port's passenger operations. This program has received a total of \$400,000 in capital funding. \$200,000 each year in 2005 and 2006.

The funding request has been moved from 2013 to **2014**.

Harbor Maintenance Dredging (17 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$350,000 | 50 Years |

This program provides funding to maintain the navigation channels in certain areas of the harbor. It has received \$100,000 of capital funding in 2008. Funding is requested for **2014** and **2018**, \$200,000 and \$150,000 respectively.

The special fund that supports Harbor Maintenance Dredging received \$50,000 in 2011 and 2012.

This program has \$79,695 of carryover authority.

Transload Terminal (18 of 19)

| | |
|----------------|-------------|
| 6 year Request | Useful Life |
| \$350,000 | 30 Years |

This was a new request in 2012 for funding in **2014** of a transload terminal. The facility would provide intermodal transportation between rail/truck modes and water modes (ferry/barge).

This project is grant dependent and will not move forward unless grant funding can be secured. Grant funding is anticipated to be \$1.4 million.

It is anticipated that development and construction of the facility will take three years.

| | |
|--------------------------------|--------------------|
| TOTAL PORT OF MILWAUKEE | \$3,075,000 |
|--------------------------------|--------------------|

DPW – Water Works

| | Carryover | Retained Earnings | Borrowing | Assessments | Developer Funded | Total |
|-----------------------|------------|-------------------|------------|-------------|------------------|-------------------|
| 2013 – Request | | | | | | 13,850,000 |
| 2012 – Budget | | 500,000 | 8,690,000 | 30,000 | 100,000 | 9,320,000 |
| 2011 – Budget | 11,600,000 | 16,200,000 | 4,045,000 | 100,000 | 300,000 | 20,645,000 |
| 2010 – Budget | 12,275,000 | 19,630,000 | 0 | 100,000 | 300,000 | 20,030,000 |
| 2009 – Budget | 12,500,000 | 26,696,000 | 0 | 100,000 | 300,000 | 27,096,000 |
| 2008 – Budget | | 23,569,000 | 12,500,000 | 100,000 | 600,000 | 36,769,000 |

The Milwaukee Water Works (MWW) has submitted ten capital requests for the 2013 Budget. Eight requests are for funding in 2013.

The total six year request is \$137,235,000 and represents an increase of \$55,225,000 (67%) from last year's request. There were significant increases in every program except Meter Shop Improvements and Backup Power Generation, both of which saw slight decreases.

The 2012 Budget provided \$630,000 for the MWW water main distribution system. This represented a near total reduction in the program. The rationale for the reduction can be traced directly to the lost revenue resulting from the extended delay in the Public Service Commission's (PSC) approval of the rate increase which MWW applied for in September 2009. The delay resulted in the loss of \$16 million of revenue in 2010 and an additional \$10.7 million in 2011.

Several MWW programs were budgeted in 2012 at a level significantly higher than requested. This reflects a decision to delay work on the water mains and to focus the MWW's limited resources on infrastructure with shorter useful lives which may be more adversely affected by short term cuts in funding.

The MWW capital program will rely on debt financing for 2012. Debt financing will also be utilized in 2013. It is believed that by 2014 the cash position of the MWW will have stabilized and will allow the utility to return to more traditional levels of water main replacement.

| Program | 2009 Actual | 2010 Actual | 2011 Budget | 2012 Budget | 2013 Request | 6 year Request |
|-------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|----------------------|
| Water Main Program | \$14,071,107 | \$9,728,663 | \$15,800,000 | \$630,000 | \$8,000,000 | \$74,000,000 |
| Linnwood Plant | | | | | \$ | |
| Building Improvements | \$1,790,166 | \$791,218 | \$520,000 | \$1,040,000 | \$150,000 | \$2,135,000 |
| Treatment Improvements | \$394,366 | \$514,968 | \$1,275,000 | \$400,000 | \$300,000 | \$10,000,000 |
| Howard Plant | | | | | | |
| Building Improvements | \$194,078 | \$23,157 | \$350,000 | \$200,000 | \$100,000 | \$1,350,000 |
| Treatment Improvements | \$27,382 | \$167,001 | \$600,000 | \$50,000 | \$100,000 | \$7,450,000 |
| Pump Facilities | \$584,073 | \$2,254,680 | \$1,650,000 | \$2,250,000 | \$0 | \$21,000,000 |
| Storage Facilities | \$1,523,366 | \$1,373,128 | \$300,000 | \$200,000 | \$1,400,000 | \$8,900,000 |
| Meter Shop Improvements | \$0 | \$902,823 | \$150,000 | \$50,000 | \$0 | \$2,000,000 |
| Backup Power Generation | \$723,836 | \$1,070,043 | \$0 | \$4,500,000 | \$3,800,000 | \$10,400,000 |
| Total | \$19,308,374 | \$16,825,681 | \$20,645,000 | \$9,320,000 | \$13,850,000 | \$137,235,000 |

Distribution Water Main System Program

6 year Request
\$64,000,000

Useful Life
110 Years

\$7,000,000

Since 2001, the MWW has received an average of \$13.8 million in funding for its distribution system. Between 2001 and 2009, MWW has expended, on average, 78% of its appropriation. Because of the revenue loss in 2010, MWW began to scale back its 2010 capital program. A total of \$9.7 million was expended for water main replacement.

In 2011, MWW received \$15.5 million in funding for its water mains. Because of continuing cash flow constraints MWW chose to defer additional projects and expended only \$4.1 million, replacing approximately 4 miles of water main. The remaining \$11.7 million is available to fund projects in 2012. MWW anticipates expending \$5.0 million to replace 5 miles of water main in 2012. Should the revenue outlook improve dramatically, MWW is prepared to accelerate its 2012 program.

The 2013 request of \$7.0 million increases the anticipated water main replacement by approximately 40%. The requests increase incrementally until 2017 when they reach historically budgeted levels.

Request Summary

| | |
|------|--------------|
| 2013 | \$7,000,000 |
| 2014 | \$8,500,000 |
| 2015 | \$9,500,000 |
| 2016 | \$11,000,000 |
| 2017 | \$14,000,000 |
| 2018 | \$14,000,000 |

Six year request history

| | |
|------|---------------|
| 2013 | \$64,000,000 |
| 2012 | \$42,500,000 |
| 2011 | \$106,070,000 |

Feeder Main Program

6 year Request
\$10,000,000

Useful Life
110 Years

\$1,000,000

This program enables the Milwaukee Water Works to satisfy consumer needs and to protect the health and safety of Milwaukee citizens. Changing water use patterns necessitate the addition of feeder mains to improve pressures and flows.

See discussion for Distribution Water Main System Program

Request Summary

| | |
|------|-------------|
| 2013 | \$1,000,000 |
| 2014 | \$1,500,000 |
| 2015 | \$1,500,000 |
| 2016 | \$2,000,000 |
| 2017 | \$2,000,000 |
| 2018 | \$2,000,000 |

Six year request history

| | |
|------|--------------|
| 2013 | \$10,000,000 |
| 2012 | \$4,500,000 |
| 2011 | \$8,650,000 |

Linnwood Plant Building Improvements

6 year Request
\$2,135,000

Useful Life

\$150,000

Since 2001 this program has received \$9.25 million in funding. Funding has been highly variable. The most significant funding years were 2007 and 2008 when \$2.2 million and \$3.4 million respectively were budgeted.

\$1,040,000 was budgeted for this program in 2012.

The large decrease in the six year request from 2011 to 2012 was due to the delay in the PSC approval of the rate case.

Funding in 2013 will pay for skylight filters that will reduce sunlight and reduce algae growth on treatment filters.

Request Summary

| | |
|------|-------------|
| 2013 | \$150,000 |
| 2014 | \$400,000 |
| 2015 | \$250,000 |
| 2016 | \$210,000 |
| 2017 | \$125,000 |
| 2018 | \$1,000,000 |

Six year request history

| | |
|------|-------------|
| 2013 | \$2,135,000 |
| 2012 | \$200,000 |
| 2011 | \$4,880,000 |

Linwood Plant Treatment Improvements

6 year Request
\$10,000,000

Useful Life

\$300,000

Since 2001, \$8.5 million has been budgeted for this program

\$400,000 was budgeted for this program in 2012.

The large decrease in the six year request from 2011 to 2012 was due to the delay in the PSC approval of the rate case.

Funding for 2013 will fund a project to assess and mitigate deficiencies of various steel pipelines associated with the water treatment process

Request Summary

| | |
|------|-------------|
| 2013 | \$300,000 |
| 2014 | \$800,000 |
| 2015 | \$500,000 |
| 2016 | \$250,000 |
| 2017 | \$7,000,000 |
| 2018 | \$1,150,000 |

Six year request history

| | |
|------|--------------|
| 2013 | \$10,000,000 |
| 2012 | \$3,900,000 |
| 2011 | \$17,880,000 |

Pump Facilities Improvements

6 year Request Useful Life
\$21,000,000 Years

\$0

This program provides funding to upgrade or replace various aspects of the pumping facilities that aid in the efficient distribution of water throughout the system. Since 2001, this program has received \$22.9 million in funding. Annual funding is highly variable.

\$2,250,000 was budgeted for this program in 2012 to perform a physical inspection of the treated water tunnel between the Linnwood Plant and the Riverside pumping station. The last complete inspection of this 7,200 foot tunnel was in 1986.

The large decrease in the six year request from 2011 to 2012 was due to the delay in the PSC approval of the rate case.

There are no projects scheduled for 2013

Request Summary

| | |
|------|--------------|
| 2013 | \$0 |
| 2014 | \$1,100,000 |
| 2015 | \$1,700,000 |
| 2016 | \$5,000,000 |
| 2017 | \$3,050,000 |
| 2018 | \$10,150,000 |

Six year request history

| | |
|------|--------------|
| 2013 | \$21,000,000 |
| 2012 | \$3,500,000 |
| 2011 | \$11,200,000 |

Storage Facilities Improvements

6 year Request Useful Life
\$8,900,000 Years

\$1,400,000

This program provides funding for the evaluation, elimination or enhancement of the system's water storage capacity. Since 2001, this program has received \$10.8 million in funding. The most significant investments were in 2006 and 2009. (\$4.5 million and \$3.8 million respectively)

\$200,000 was budgeted for this program in 2012.

The large decrease in the six year request from 2011 to 2012 was due to the delay in the PSC approval of the rate case.

2013 project will replace the roof over the Linnwood South Clearwell.

Request Summary

| | |
|------|-------------|
| 2013 | \$1,400,000 |
| 2014 | \$1,400,000 |
| 2015 | \$0 |
| 2016 | \$2,500,000 |
| 2017 | \$0 |
| 2018 | \$3,600,000 |

Six year request history

| | |
|------|--------------|
| 2013 | \$8,900,000 |
| 2012 | \$5,700,000 |
| 2011 | \$14,200,000 |

