

Capital Improvements 2025 Proposed Executive Budget

Support the regional economy and protect the environment and public health



Source of Funds Comparison



Source of Funds	2024 Adopted Budget	2025 Proposed Budget	Amount Change	Percent Change
<i>Levy-Supported Borrowing</i>	\$ 95,999,084	\$ 115,950,826	\$ 19,951,742	21%
Tax Levy	38,879,000	565,000	(38,314,000)	-99%
Cash Revenues	31,496,174	68,083,823	36,587,649	116%
Tax Incremental District	25,000,000	25,000,000	-	0%
Special Assessments	5,510,000	2,015,000	(3,495,000)	-63%
Total - General City	\$ 196,884,258	\$ 211,614,649	\$ 14,730,391	7.5%

Transportation Fund	\$ 3,411,989	\$ 2,338,820	\$ (1,073,169)	-31%
Sewer Maintenance Fund	50,495,000	50,310,000	(185,000)	0%
Water Works	26,400,000	26,900,000	500,000	2%
Total - Enterprise Funds	\$ 80,306,989	\$ 79,548,820	\$ (758,169)	-29.9%

Capital Budget By Department



Department	2024 Adopted Budget	2025 Requested Budget	2025 Proposed Budget	Percent
Special Projects	\$ 10,515,000	\$ 10,162,000	\$ 10,465,000	4.9%
Administration	8,945,000	12,225,000	10,725,000	5.1%
Assessor	-	-	-	0.0%
City Attorney	-	3,000,000	-	0.0%
City Development	43,100,000	53,350,000	52,850,000	25.0%
Election Commission	-	-	80,000	0.0%
Common Council City Clerk	95,000	7,790,000	-	0.0%
Emergency Communication	113,000	-	-	0.0%
Employee Relations	-	870,000	-	0.0%
Fire Department	6,260,000	31,690,000	3,247,000	1.5%
Fire & Police Commission	-	-	-	0.0%
Health Department	-	3,910,000	300,000	0.1%
Library	3,470,000	10,750,000	2,635,000	1.2%
Municipal Court	760,000	375,000	100,000	0.0%
Neighborhood Services	4,064,000	4,104,000	3,300,000	1.6%
Police Department	20,835,000	16,170,000	8,300,000	3.9%
Port Milwaukee	3,589,714	8,240,000	6,350,000	3.0%
Public Works	95,137,544	161,277,649	113,262,649	53.5%
Total	\$ 196,884,258	\$ 323,913,649	\$ 211,614,649	100%

Levy-Supported Borrowing

Levy-Supported Borrowing

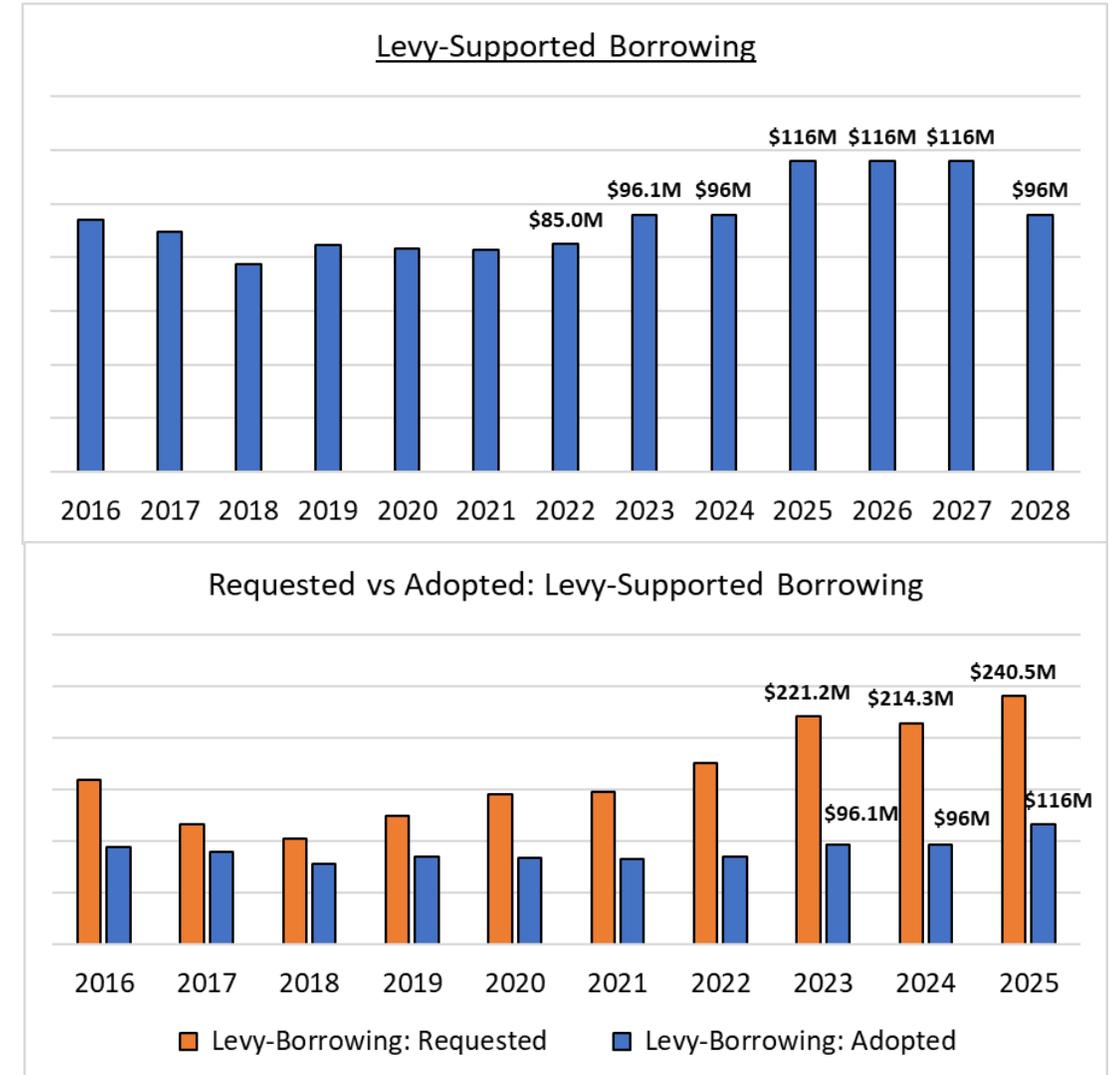
- \$116 million
- Increase of \$20 million from 2024

Borrowing Level vs Capital Needs

- +\$200 million – Annual Request
- Balancing deferred maintenance, borrowing levels, & debt service
- As debt service increases monies available for general city services decrease

Prioritizing Capital Needs

- Leverage outside funding such as State & Federal street aid
- Investing in city facilities
- Reducing fleet age



Infrastructure - Streets Program



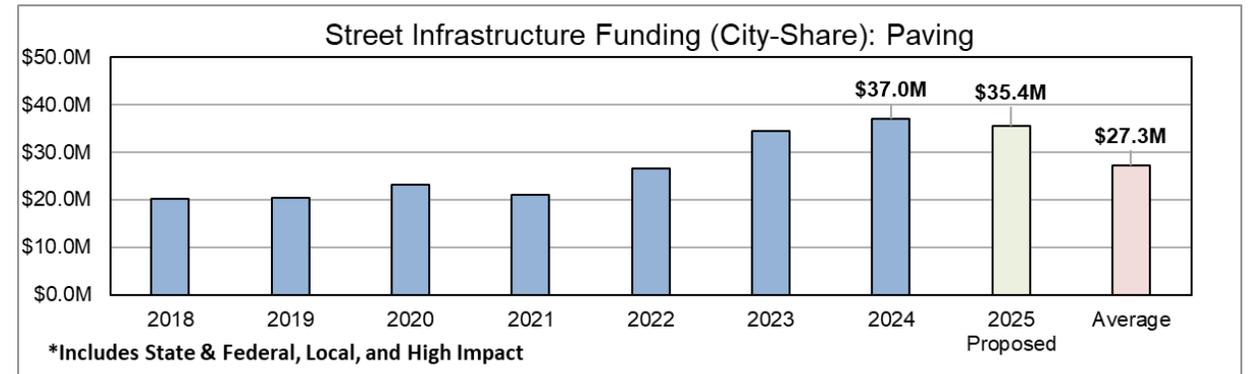
Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Paving - State & Federal	\$ -	\$ 23,425,000	\$ 10,000	\$ -	\$ 11,323,732	\$ 34,758,732
Paving - Local Reconstruction	-	5,500,000	500,000	-	-	6,000,000
Paving - Local High Impact	-	6,000,000	-	-	-	6,000,000
New Streets	-	200,000	150,000	-	-	350,000
Alley Reconstruction	-	400,000	180,000	-	-	580,000
Sidewalks, Curb, and Gutter	-	1,500,000	375,000	-	-	1,875,000
Total	\$ -	\$ 37,025,000	\$ 1,215,000	\$ -	\$ 11,323,732	\$ 49,563,732

State & Federal Paving Program

- City maintains 1,144 lane miles of major and minor arterials
- Arterials are part of the Federal Aid Transportation System and are eligible for State & Federal funding
- ***State & Federal funding covers at least 50% of project costs***

Local Paving Program

- City maintains 987 lane miles of local streets
- ***Local streets are generally not eligible for State & Federal funding requiring the city to cover 100% of project costs***



Infrastructure - Streets Outlook



Description	2026	2027	2028	2029	2030	2026-2030
State & Federal Aid	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 53,646,866	\$ 268,234,329
Local Match - 37%	19,783,837	19,783,837	19,783,837	19,783,837	19,783,837	\$ 98,919,185
Local Match - 50%	26,823,433	26,823,433	26,823,433	26,823,433	26,823,433	\$ 134,117,165

State & Federal Paving Program

- \$268.2 million in signed agreements through 2030
- Local match = 37% to 50%
- **Average = \$23.8 million (20% of total borrowing)**

Local Match Factors

- State design changes after agreement is finalized
- Local scope changes above and beyond initial agreement
- Cost of labor & materials

Looking to the future

- City cannot maintain +2,300 lane miles of city streets without capitalizing on State & Federal Aid
- **Deferring local projects or forgoing acceptance of State & Federal increases future costs**

Infrastructure - Street Improvements



Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Street Lighting	\$ -	\$ 10,000,000	\$ 500,000	\$ -	\$ -	\$ 10,500,000
Traffic Control Facilities	-	3,340,000	-	-	-	3,340,000
Street Light Knockdowns	-	3,000,000	-	-	-	3,000,000
Multimodal Transportation	-	1,375,000	-	-	-	1,375,000
Conduit & Manholes	-	1,200,000	-	-	-	1,200,000
Electrical Manholes	-	1,000,000	-	-	-	1,000,000
Bike Infrastructure	-	750,000	-	-	-	750,000
Total	\$ -	\$ 20,665,000	\$ 500,000	\$ -	\$ -	\$ 21,165,000

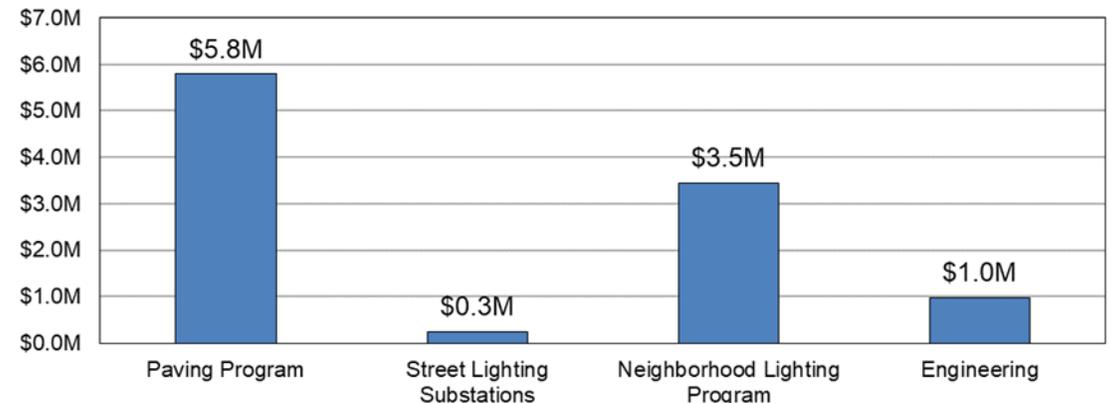
Street Improvements

- Funding for Traffic Control Facilities, Multimodal Transportation, Conduit & Manholes, & Electrical Manholes are tied to proposed street projects in 2025

Street Lighting

- Decrease of 34% or \$5.4 million
- 77,000 streets lights city-wide
- 12,000 LED conversions in 2025
- Replacement of circuits serving 550 fixtures in 2025
- Fee = \$9,922,000 or \$43.20 per household

Street Lighting Program by Function



Capital - Facilities



Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Fire Facilities Programs	\$ -	\$ 1,247,000	\$ -	\$ -	\$ -	\$ 1,247,000
Health Facilities Programs	-	300,000	-	-	-	300,000
Police Facilities Programs	-	3,000,000	-	-	-	3,000,000
Library - Central	-	2,100,000	-	-	-	2,100,000
Library - Neighborhood	-	535,000	-	-	-	535,000
ISD - City Facilities	250,000	6,803,750	-	46,250	-	7,100,000
Total	\$ 250,000	\$ 13,985,750	\$ -	\$ 46,250	\$ -	\$ 14,282,000

Public Health & Safety Facilities: \$4,547,000

- Fire Department District Station roof replacements
- Police Department Data Communications building boilers, chillers, VAV, Fire Suppression, and Police Academy upgrades

Milwaukee Public Library: \$2,635,000

- Central Library fire suppression system upgrade & modernization
- Zablocki Library roof and window replacement

General City Facilities: \$7,100,00

- Funds space planning, ADA, mechanical (heating, ventilation, air conditioning, and electrical), exterior façade, and building security upgrades
- Allocations are based on probability and consequences of asset failure, in addition to the costs associated with each project

Capital - Equipment

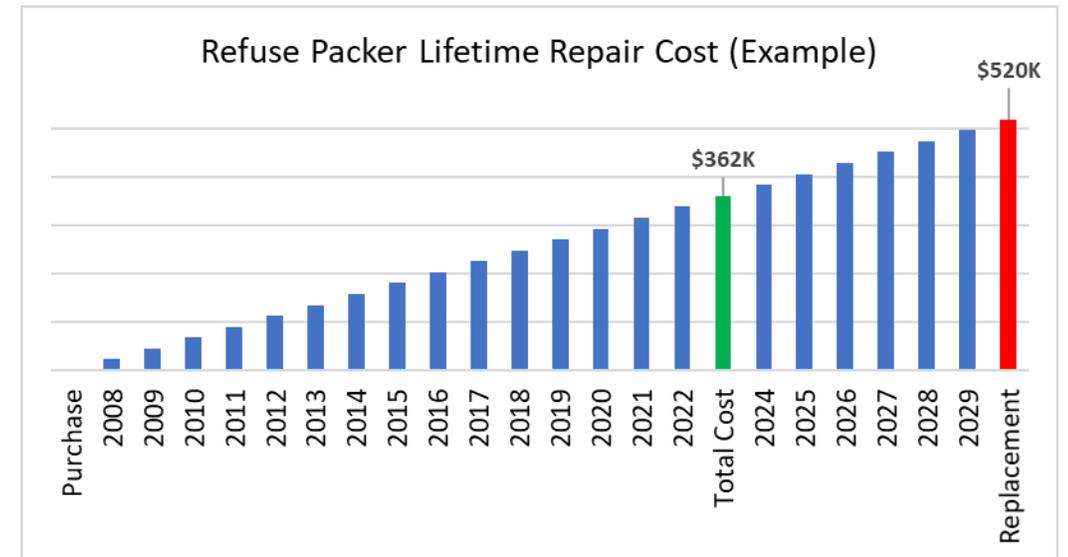
Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Capital Equipment - Fire	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
Capital Equipment - Police	-	2,000,000	-	-	-	2,000,000
Capital Equipment - Fleet	-	4,300,076	-	3,849,924	-	8,150,000
Total	\$ -	\$ 8,300,076	\$ -	\$ 3,849,924	\$ -	\$ 12,150,000

Public Safety Vehicles: \$4,000,000

- Police Vehicles - 30 units
- Fire Vehicles - 2 engines or 4 medical

Fleet Vehicles: \$8,150,000

- General Fleet - \$4,300,076
 - General Obligation Borrowing**
 - Replacement of general fleet vehicles
 - One unit in and one unit out strategy
 - Goal is to reduce total fleet age and size
- Forestry Equipment - \$3,849,924
 - Cash Revenue (From Sewer Fund)**
 - Replacement of Forestry
 - Cash financing equipment reduces overall cost by avoiding interest and allows the city to utilize borrowing in other areas



- Annual Replacements = 8
- Annual Repair \$23K
- Current rate of replacement = 8.4 years by 2040

Capital - Major Projects

Project	2023	2024	2025	2026	2027	Total Cost	Funded	Remaining
ERP System Replacement	\$ 1,250,000	\$ 8,000,000	\$ 8,600,000	\$ 5,000,000	\$ 3,200,000	\$ 26,050,000	\$ 9,250,000	\$ 16,800,000
New Borrowing	1,000,000	8,000,000	8,600,000	5,000,000	3,200,000	25,800,000	9,000,000	16,800,000
Cash Levy	250,000	-	-	-	-	250,000	250,000	-
Cash Revenues	-	-	-	-	-	-	-	-
Grant & Aid	-	-	-	-	-	-	-	-
Joint Public Radio Upgrades	\$ 11,500,000	\$ 17,383,000	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ 38,783,000	\$ 28,883,000	\$ 9,900,000
New Borrowing	5,500,000	6,500,000	3,300,000	3,300,000	3,300,000	21,900,000	12,000,000	9,900,000
Cash Levy	-	9,900,000	-	-	-	9,900,000	9,900,000	-
Cash Revenues	6,000,000	-	-	-	-	6,000,000	6,000,000	-
Grant & Aid	-	983,000	-	-	-	983,000	983,000	-
Materials Recycling Facility	\$ -	\$ 206,174	\$ 9,387,649	\$ 26,312,352	\$ -	\$ 35,906,175	\$ 206,174	\$ 35,700,001
New Borrowing	-	-	-	9,733,742	-	9,733,742	-	9,733,742
Cash Levy	-	206,174	-	-	-	206,174	206,174	-
Cash Revenues	-	-	9,387,649	12,578,610	-	21,966,259	-	21,966,259
Grant & Aid	-	-	-	4,000,000	-	4,000,000	-	4,000,000
Total	\$ 12,750,000	\$ 25,589,174	\$ 21,287,649	\$ 34,612,352	\$ 6,500,000	\$ 100,739,175	\$ 38,339,174	\$ 62,400,001

Major Capital Projects

- Major projects and street infrastructure funding accounts for 69% of all borrowing in 2025

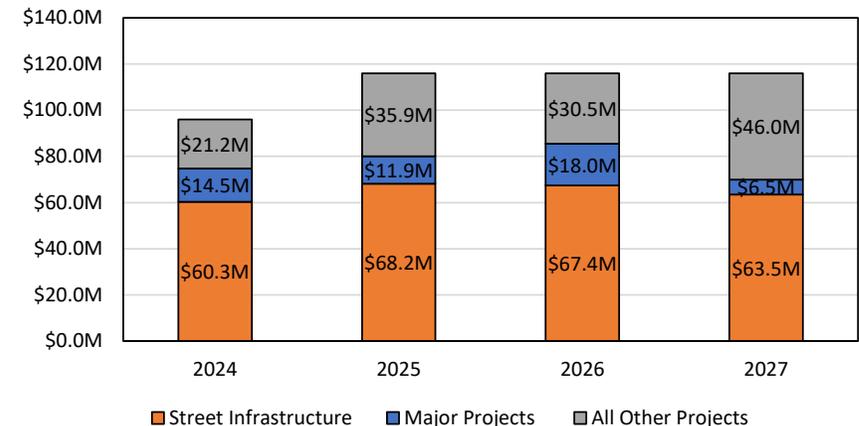
Additional Projects

- Municipal Services Building, Fire Repair Facility, and CNG Filling Station

Levy-Supported Borrowing

- Maintaining borrowing @ \$96 million would result in forgoing signed State & Federal street projects, reducing local paving, and further deferral major facility projects

2024-2027: Levy-Supported Borrowing



Capital - Raze & Revive



Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Raze & Revive	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -	\$ 3,300,000
Total	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -	\$ 3,300,000

Raze & Revive Program Costs

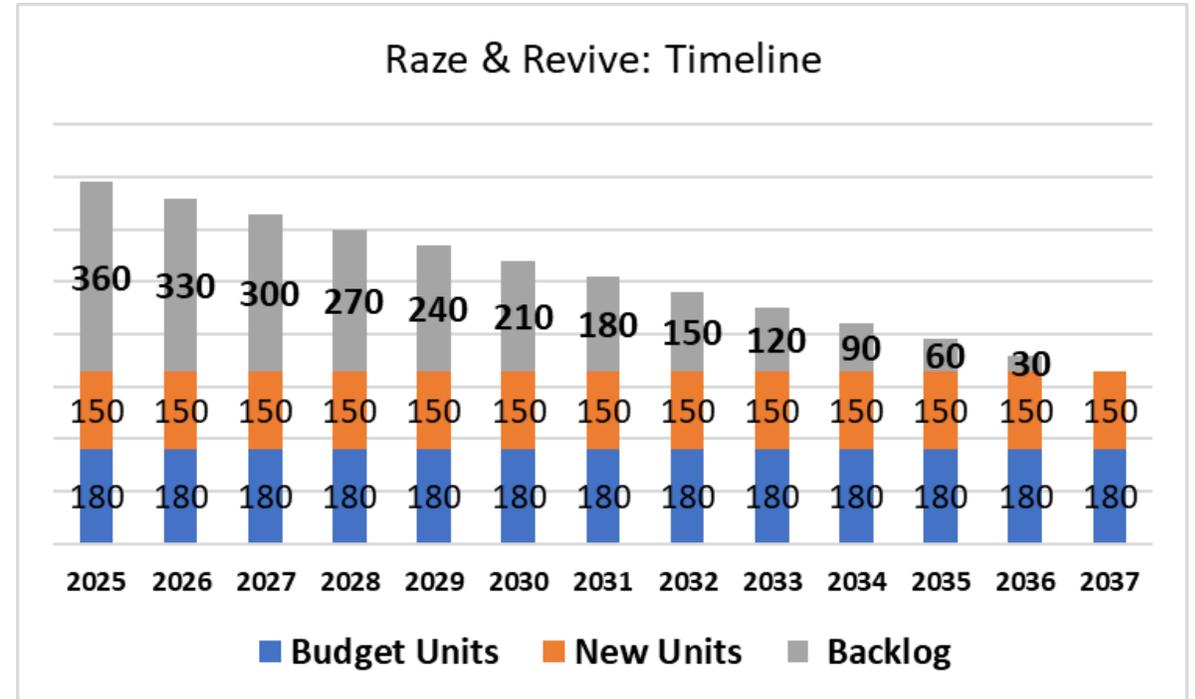
- O+M = \$1,025,901 (Labor, equipment, fuel, & disposal)
- Capital = \$3,442,697 (Utility disconnect, abatement, & contract costs)
- **Total = \$4,468,598 / \$24,26 per unit**

In-House Demolition

- DPW-Operations
- 90 units
- Residential

Contracted

- Neighborhood Services (4 - Contractors)
- 90 units
- Commercial & multi-Family



Capital – South Shore Cruise Dock

Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Pier, Berthm and Channel	\$ -	\$ 500,000	\$ -	\$ -	\$ 800,000	\$ 1,300,000
Terminal & Facility Maintenance	-	200,000	-	-	-	200,000
Cruise Ship Terminal	-	5,000,000	-	-	-	5,000,000
Roadway Paving	-	100,000	-	-	-	100,000
Rail Track & Service Upgrades	-	300,000	-	-	-	300,000
Port Utilities	-	250,000	-	-	-	250,000
Total	\$ -	\$ 6,350,000	\$ -	\$ -	\$ 800,000	\$ 7,150,000

South Shore Cruise Dock

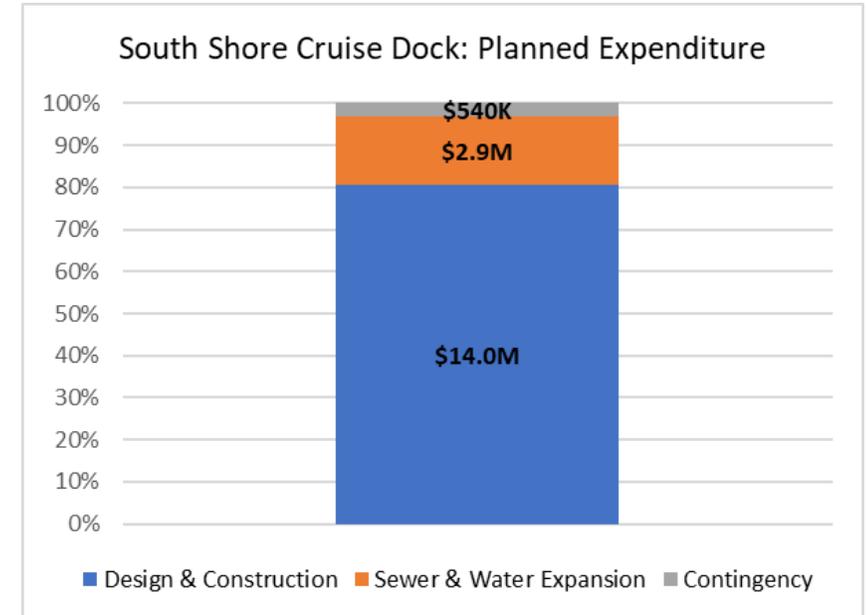
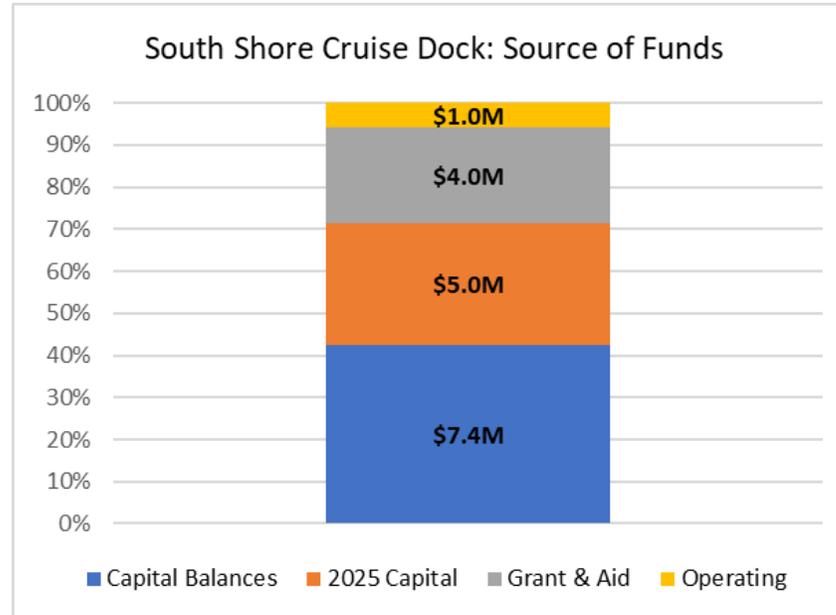
- Total Cost = \$17 million

Cost Increase

- Sewer & Water Expansion
- Design scope changes

Economic Impact

- Regional Revenue: \$2,230,000
- Port Revenue: \$340,000
- Regional Jobs: 660



Capital – Forestry Capital

Project	Cash Levy	Borrowing	Assessments	Cash Revenues	Grant & Aid	Total
Concealed Irrigation	\$ -	\$ -	\$ -	\$ 420,000	\$ -	\$ 420,000
Tree Planting & Production	-	-	-	1,500,000	-	1,500,000
Stump Removal	-	-	-	1,250,000	-	1,250,000
Emerald Ash Borer	-	-	-	930,000	-	930,000
Total	\$ -	\$ -	\$ -	\$ 4,100,000	\$ -	\$ 4,100,000

Concealed Irrigation

- 60 deep taps

Tree Planting & Production

- Replace 3,400 diseased or dead street trees
- Replace 478 construction related tree removals

Stump Removal

- Contracted removal: 2,870
- In-House removal: 300
- Grant: 491
- **Total: 3,661 (3,300 new stumps annually and a backlog of 2,515)**

Emerald Ash Borer

- Program goal is to treat one-third of the city's 25,792 ash trees each year

Capital - Enterprise Funds

Transportation Fund: \$2.3 million

- *MacArthur Square Renovations*
- *Parking Structure Repairs*
- *Replacement Parking Meters*
- *Parking Vehicles*

Sewer Maintenance Fund: \$27 million

- *Sewer Relief & Relay Program*
- *I&I Reduction Projects*
- *Flood Mitigation*
- *Pump & Channel Projects*

Water Works: \$50 million

- *Water Distribution System Projects*
- *Linnwood Treatment Plan Improvements*
- *Pump & Storage Facilities Improvements*

Capital – Looking Forward

Levy-Supported Borrowing

- ❑ Annual borrowing requests constantly tops \$200 million
- ❑ \$95 million requested for Street Infrastructure and Facilities
 - \$96 million = deferral of facilities upgrades, local road projects, and inadequate funding for major fleet replacements
 - Replacing aging facilities and capitalizing on State & Federal road aid not in the picture

The Big 3

❑ Street Infrastructure

- Leverage city funds to match **ALL AVAILABLE** State & Federal aid
- Continue investments in the cities street lighting system to increase energy savings and public safety

❑ Facilities

- Deferral of facilities projects does not = savings
- **Replace facilities that are beyond their useful life (Example: +\$1,000,000 annual to address deferred maintenance at the Electrical Services Building)**
- Future Facilities: Electrical Services Building, Materials Recycling Facility, CNG Filling Station, and Fire Repair Facility

❑ Major Fleet Replacements

- Reducing the age of vehicles will require a three-pronged approach
- **Greater funding in future budgets (Fleet is purchasing fewer vehicles at a higher cost)**
- **Reduce overall fleet size (one in and one out at a minimum)**
- **Replace vehicles before repairs reach 100% of replacement cost**