

2019



Legislative Reference Bureau

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CAPITAL IMPROVEMENTS OVERVIEW



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Final Version

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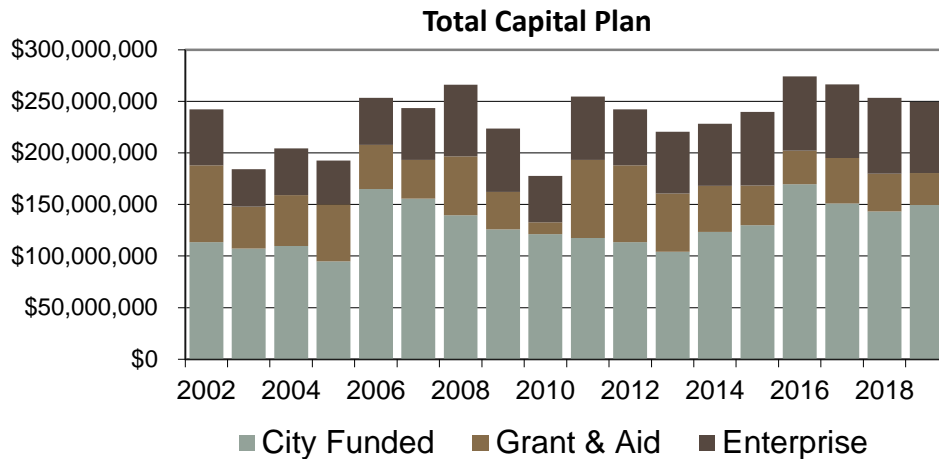
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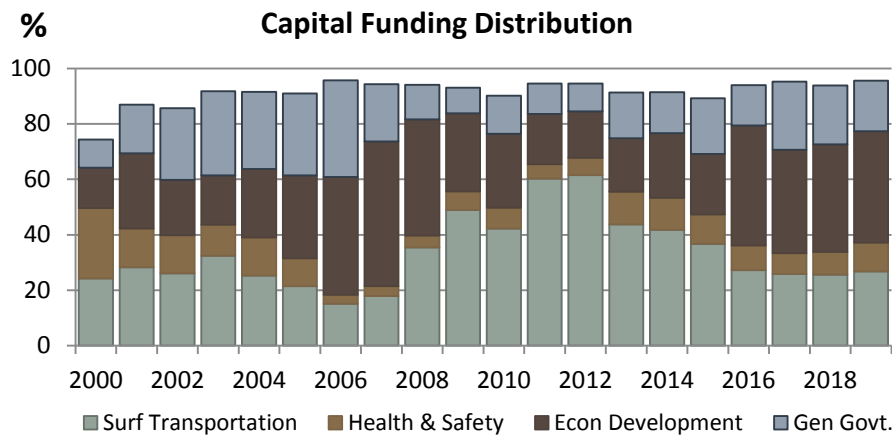
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1 Capital Improvements Overview



Source: Plan & Executive Budget Summary



Source: Plan & Executive Budget Summary

A vital function of the City is the construction and maintenance of public works infrastructure. The City’s capital budget funds major improvements to City facilities and infrastructure. Capital expenditures are long-term commitments which provide benefits over time. In addition to addressing transportation, health and safety needs, the City’s capital investments promote economic development and allow for the efficient functioning of City government.

The capital budget is supported through multiple funding sources including different types of bonds, grants, cash and other smaller sources of funding.

The total capital plan which includes capital projects in all departments as well as the City’s 3 enterprise funds is \$249.3 million. Annual capital funding has been somewhat variable, but has been trending upward since at least 2002.

Maintaining a sustainable capital budget has grown more challenging. In addition to funding the traditional network of roadways, bridges, sewers, water mains and other essential public facilities, non-traditional projects and programs are placing increasing pressure on the City’s operational and capital budgets.

Non-traditional components of the capital budget include the large number of vacant, abandoned and foreclosed properties that have become the responsibility of the City as a result of the foreclosure crisis and the growing number

of information technology systems that are at the ends of their useful lives and need to be replaced or upgraded. A newer challenge is the number of aging vehicles in the City’s fleet.

Capital Program Funding Policy

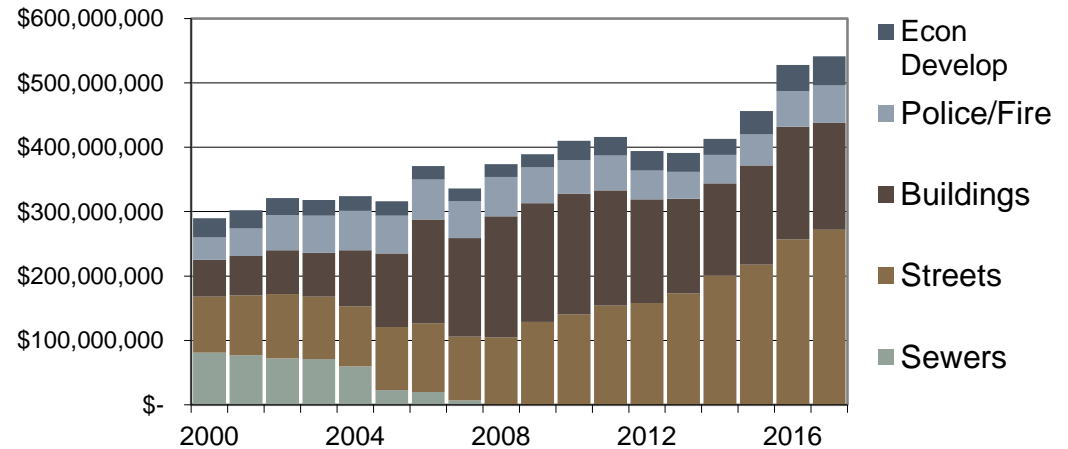
It is generally the City’s policy to finance operations with cash and to finance the City’s portion of capital improvements with general obligation borrowing or other non-tax levy revenues.

The City maintains an aggressive repayment policy. The “10-Year Debt Payout” measures the percentage of total general obligation debt that will be repaid or retired within the next 10 years. The industry benchmark is 50%. From 2007 through 2017, the City’s 10-Year Debt Payout ranged between 82% and 88%. It is projected to be 85% in 2019.

As proposed, the City-funded capital program will be financed with \$80 million of general obligation debt, an increase of \$2.6 million (3.1%) from the 2018 Budget. This amount does not include \$44 million of debt which will be used to fund tax incremental districts.

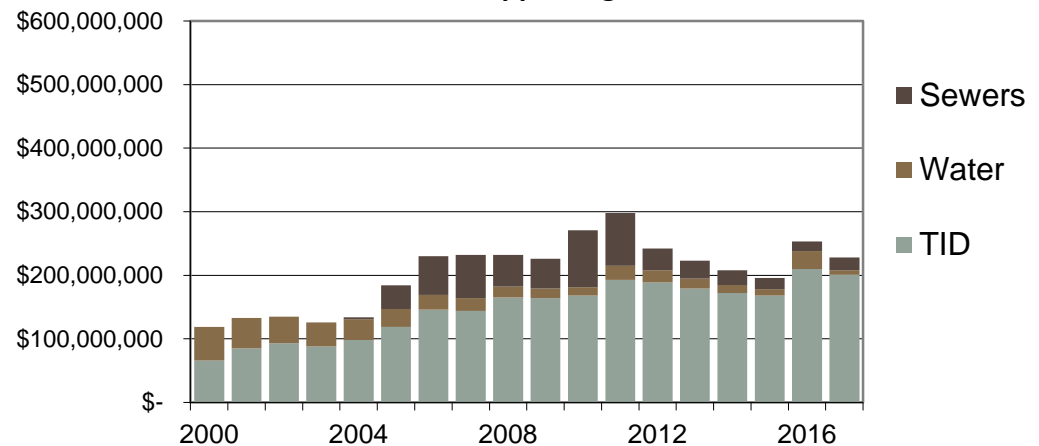
Additional borrowing in 2019 will support the capital programs of the Sewer Maintenance Fund (\$29.3 million), the Milwaukee Water Works (\$30.7 million)

Outstanding General Obligation Debt Levy Supported



Source: Report of Debt and Debt Service, City of Milwaukee Comptroller

Outstanding General Obligation Debt Self Supporting



Source: Report of Debt and Debt Service, City of Milwaukee Comptroller

and the Parking Fund (\$3.39 million).

The City has 3 enterprise funds: Sewer Maintenance, Water Works, and Transportation. Borrowing for enterprise fund activities is considered self-supporting because debt service is paid using revenues received by the respective funds – not the tax levy. Debt for the enterprise funds can be issued as general obligation bonds or revenue bonds. Revenue bonds are not included when calculating the City’s use of its debt limit.

Debt Limit & Funding Constraints

In 2010, approximately \$70 million of the tax levy was used to pay debt service on general obligation bonds. That amount has been increasing steadily. The Comptroller estimates that in 2019, tax-levy-supported debt service will be approximately \$100 million

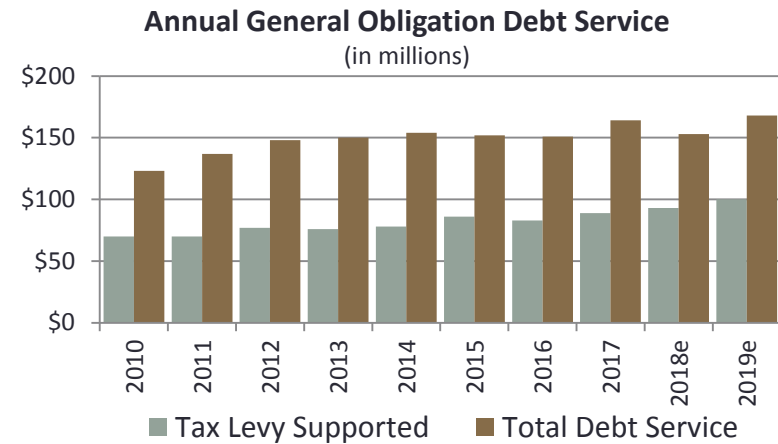
The City is facing unique challenges in maintaining its capital program. The value of the City’s allocation of Shared Revenue from the State has declined by \$105.7 million since 2003. At the same time, strict limits on levy increases imposed by the State prevent the City from raising additional revenues to pay for services or infrastructure improvements.

The City is also facing a higher utilization rate of its debt limit. The amount of general obligation debt the City may issue is limited by the State Constitution to no more than 5% of the City’s equalized value.

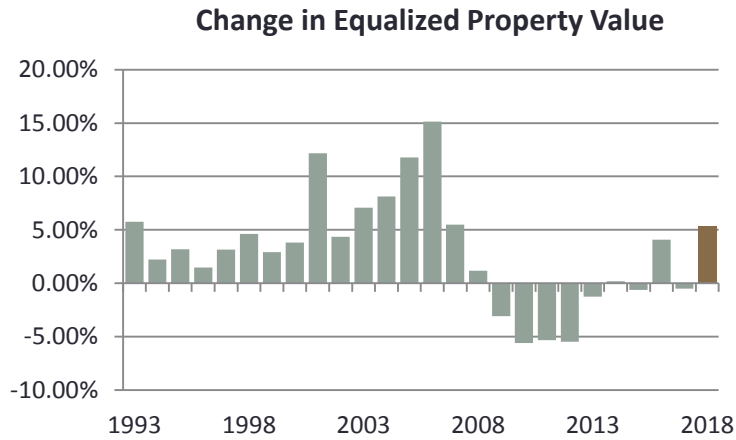
The Report of Debt and Debt Service issued by the Comptroller in July, 2018, indicated that at the end of 2017, the City had used approximately 73% of its debt limit. At the end of 2009, debt limit utilization was just over 50%. The total outstanding levy-supported general obligation debt for all purposes at the end of 2017 was just under \$1 billion.

To address the declining condition of its infrastructure, the City has been issuing slightly more debt than it is retiring. Until 2008, increases in the City’s equalized value helped to keep debt limit utilization at an acceptable level. The City of Milwaukee’s equalized value for 2018 was \$28.3 billion. Equalized values have stabilized and begun to rebound over the last 5 years, but are still \$3.9 billion lower than in 2008.

Managing debt utilization is critical to maintaining high bond ratings. As the utilization of the debt limit rises, the City faces the risk of bond rating downgrades which could have a significant, adverse effect on the City’s borrowing costs.



Source: Report of Debt and Debt Service, City of Milwaukee Comptroller



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Sources of Funds for Capital Improvements.

The City-funded (non-enterprise) portion of the capital program has several funding sources. Historically, the largest source of funding for capital improvement projects is tax-levy-supported general obligation debt. The 2019 Proposed Budget includes \$80 million (53.6%) of levy-supported debt.

In addition to levy supported debt, the 2019 Proposed Budget authorizes \$44 million of borrowing for tax incremental districts (TIDs). The borrowed funds are used to make various infrastructure improvements which are designed to increase property values in the district. TID borrowing is considered self-supporting because the property tax levy is not used to pay off the debt.

A small portion of the capital budget, \$1.1 million, is funded directly from the tax levy. Levy funding is typically used for smaller projects or projects that have a shorter useful life than traditional infrastructure projects.

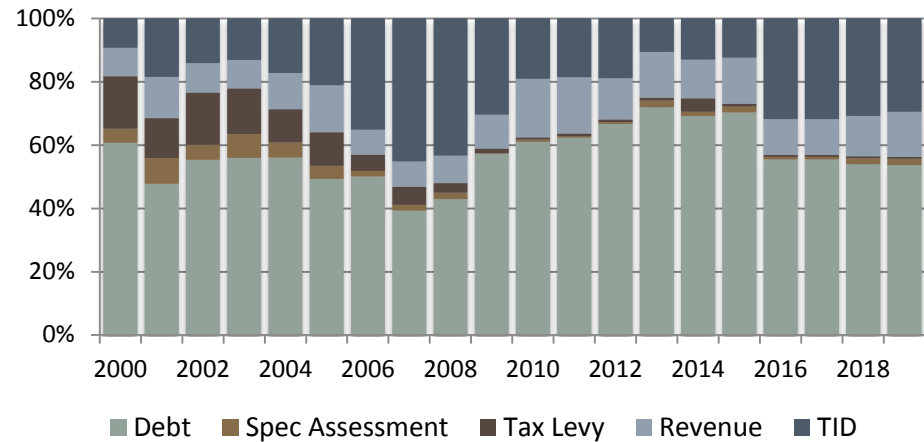
Approximately \$21.3 million of the capital budget is funded with revenues from various fees. The largest contributor to this type of funding is the Sewer Maintenance Fund.

When a capital project provides a direct benefit to specific property owners, for example when sidewalks are replaced, a portion of the project cost is recovered from the property owner through a special assessment. The 2019 Proposed Budget includes \$3 million of special assessment funding.

Funding sources for non-enterprise capital improvements have become less diverse. Changes to the cost-recovery policy for street and alley paving in 2008 significantly reduced the amount of special assessments collected. The portion of the capital program financed by the tax levy has also decreased significantly since 2005. This reflects a suspension of the Infrastructure Cash Conversion (ICC) policy. Between 2000 and 2005, an average of 13.5% of the capital program was financed with cash from the tax levy. The average fell to 3.3% between 2006 and 2010. The average since 2011 has been 1.3%.

Funding Sources for Capital Investments

(excluding enterprise funds)



Source: Plan & Executive Budget Summary

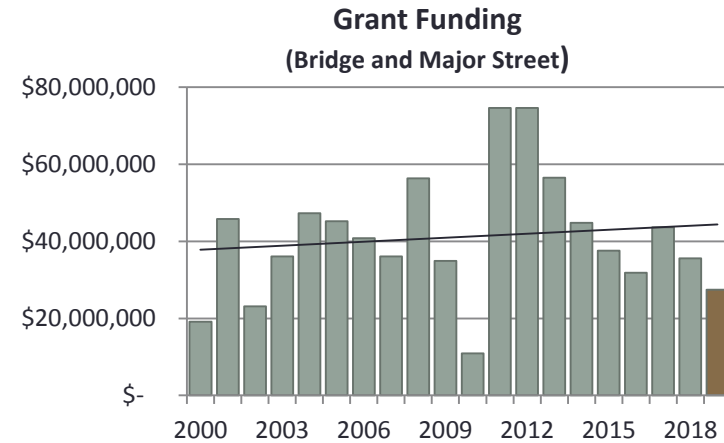
As the cash in the capital program has decreased, the amount of tax levy-supported debt has increased. The percentage of tax-levy-supported debt, however, has varied depending on the level of TID borrowing. Since 2000, TID related borrowing has averaged 23% of the City-funded capital program.

Grant Funding

The most variable funding in the capital budget is grant and aid funding. The City receives grant and aid funding from the state and federal government, primarily for surface transportation projects in the Major Bridge and Major Street programs. Grant availability is determined by transportation and project decisions made at the state and federal level. The City uses the grants to offset approximately 80% of project costs.

Grant funding has been trending downward since 2011. In the past 2 decades, only 3 years (2000, 2003, 2010) have seen less total grant funding than 2019. Grant funding in 2019 for capital related projects is expected to be \$27.4 million.

The Port of Milwaukee also utilizes grant funding for infrastructure maintenance.



Transfer from the Sewer Maintenance Fund

Because of their mitigating effects on storm water, certain infrastructure improvements are financed with transfers from the Sewer Maintenance Fund. Most of the capital programs that receive such transfers are in the Forestry Section of the Department of Public Works. They include the Tree Planting and Production program, the Emerald Ash Borer Readiness and Response program, Concealed Irrigation, Stump Removal and the Hazardous Tree Removal Program. The Sewer Maintenance Fund will also provide funding in 2019 for Environmental Remediation Program and the Facility Systems account in the Department of Public Works.

The total transfer from the Sewer Maintenance Fund for capital projects is \$2.9 million, an increase of \$440,000 (18%) from 2018. Annual transfers from the Sewer Maintenance Fund for capital projects have been somewhat variable. The average transfer since 2015 is \$2.96 million.

Motor Vehicle Registration Fee

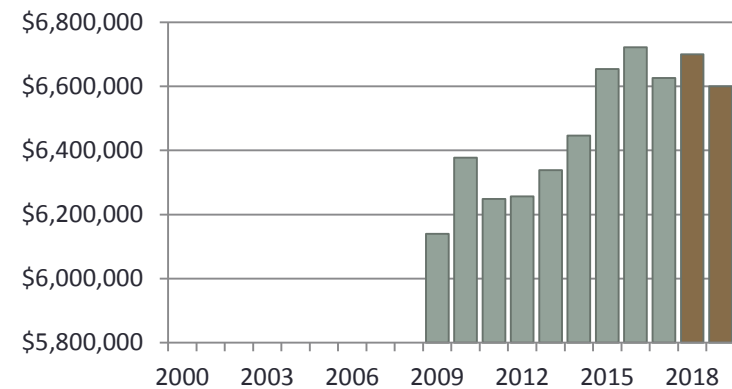
In 2008, the City implemented a Motor Vehicle Registration (MVR) fee of \$20 per vehicle (Common Council File Number 080034). The fee was expected to generate \$6.6 million annually in revenue for street repairs. Although the average revenue has been somewhat lower than originally anticipated, the actual revenue received has exceeded the budgetary estimate every year since 2013.

From 2009 through 2017, \$57.8 million in revenue has been received. The 2019 Proposed Budget anticipates receiving \$6.6 million in revenue from the fee.

When the fee was implemented, a provision was included that prohibited the fee from being raised until April, 2012. The fee has not been raised since it was implemented. When the fee was created, most of the special assessments related to paving projects were eliminated. This reduced the amount of additional revenue available for paving projects by approximately half.

In 2016, Milwaukee County implemented a \$30 vehicle registration fee. The County Executive proposed raising the fee to \$60 for 2018. The County Board reduced the registration fee to \$30 after a referendum failed to support the increase to \$60. The 2019 Proposed Budget for Milwaukee County includes a \$30 registration fee

Motor Vehicle Registration Revenue



Source: Executive Budget

TID Housing Revenues

A newer source of funding for the capital budget is TID Housing Revenues. An ordinance change in September 2013 (Common Council File Number 130460) allows the life of tax incremental districts to be extended by one year to benefit affordable housing in the City and to improve the City’s housing stock. In order for the revenues to be available, the district must have already paid off all of its project costs, including any project costs relating to street paving amendments. TID Housing Revenues can be used for projects city-wide.

In 2019, a total of \$3,170,000 of TID funding will be used for the *in rem* Property and STRONG Homes Loan programs.

Enterprise Funds

Sewer Maintenance Fund

Approximately 86% of the capital program for the Sewer Maintenance Fund (SMF) is funded with debt. The SMF uses a combination of general obligation debt, Clean Water funds from the State, and revenue bonds. In 2019, the SMF anticipates using \$29.3 million in debt financing; \$24.5 million for sewer relays, \$2 million for the Inflow & Infiltration program, and \$800,000 for water quality projects. The SMF also anticipates receiving \$1.65 million in grants from MMSD for projects that will reduce the amount of clear water that enters the sewer system through private laterals.

Funding for the Sewer Relief and Relay program provides a replacement cycle that closely approximates the currently-recommended cycle. In addition to replacing and relining sewer mains, the City is using a more diversified approach to improving the performance of the sewer system. Strategies include reducing the amount of clear water that enters the sewer system, constructing bio-swales to help manage storm water runoff, restoring capacity to various channels and drainage ditches, and including pervious pavement in select street and alley projects.

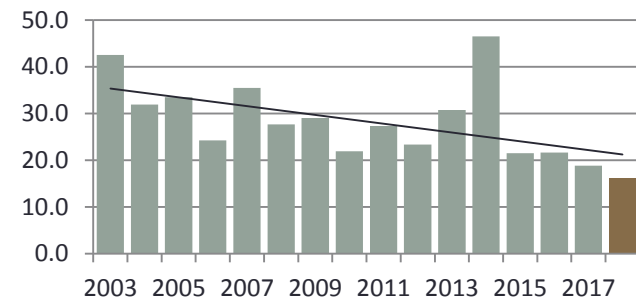
Milwaukee Water Works

The Milwaukee Water Works (MWW) has developed a capital plan that will address Public Service Commission (PSC) concerns about water main replacement. MWW will replace 18 miles of water mains in 2019. MWW is evaluating the best way to address the replacement of lead service lines while maintaining the required level of water main replacement. Water usage continues to decline at a rate of approximately 2.5% per year.

Milwaukee Water Works, which is traditionally funded with cash, has been funding more of its capital maintenance with debt to meet the water main replacement target required by the PSC. MWW anticipates borrowing over \$30 million for 2019.

Breaks per 100 miles of Water Main

(as of June 30, 2018)



Parking Fund

Capital improvements for the Parking Fund are relatively modest (\$3.4 million) compared to the Sewer Maintenance Fund and the Milwaukee Water Works, and are typically debt-financed. The largest investments proposed for 2019 are at the MacArthur Square parking structure.

Capital Program Highlights

Core Infrastructure Programs

Core infrastructure generally refers to streets, other street related programs and sewers. For the purposes of evaluating the City’s commitment to the maintenance of its infrastructure, water mains are generally not considered core infrastructure because the Milwaukee Water Works is a utility subject to regulation by the Public Service Commission. Since 2004, there has been a much stronger commitment to funding core infrastructure. The average annual funding for core infrastructure since 2011 is \$122 million. This amount includes grant and aid funding for streets and bridges.

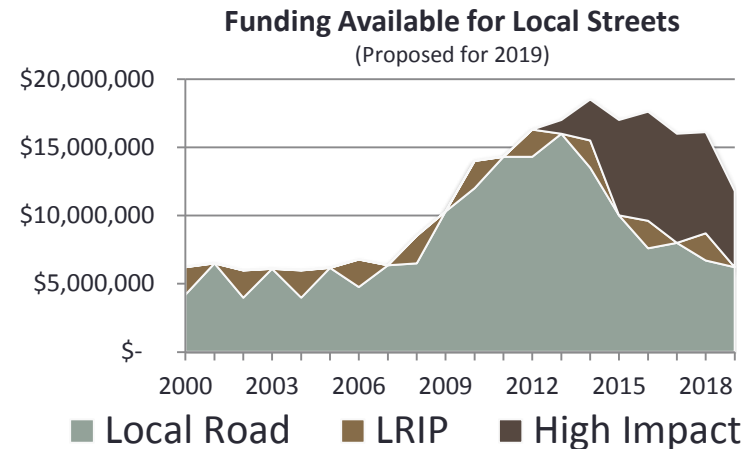
Pressures from capital projects at other City facilities, IT projects and vehicle purchases make it difficult to maintain high levels of investment in core infrastructure. Funding for local roads is less than in 2018. \$2 million of the decrease can be attributed to the State’s Local Road Improvement Program (LRIP). The State only provides LRIP funds in even-numbered years. Total funding for improvements to local streets is still significantly higher than it was in the early 2000’s.

Total funding for bridges in 2019 is down by \$5.7 million from 2018 largely because of a decrease in grant funding. The sufficiency rating (SR) of the City’s bridges have been increasing. Almost 97% of the rated bridges had an SR greater than 50. The percentage of structurally deficient bridges has been decreasing as well. However, it is still higher than the state and national averages.

Buildings

Building and facility related projects will remain large components of the capital budgets for several years. The age-related deterioration of structural elements of City Hall has required a significant, multi-year investment to address. Phase 1 of the project was included in the 2016 Budget (\$13 million). Funding continued in 2017 and 2018. The 2019 Proposed Budget includes \$8 million for foundation work and \$500,000 to modernize the City Hall elevators. An additional \$15 million is anticipated to be needed over the next 3 budget years.

The Library received \$1.4 million to continue the development and construction of new branch libraries to replace aging facilities. An additional



\$5.2 million is expected to be required in 2020.

The Office of African American Affairs has received \$800,000 to remodel its office. Communication file 170243 was introduced on May 31, 2017, to update the Council on the status of the memorandum of understanding with various partner organizations. The file is in committee. No MOU has been signed. The project estimate last year was \$250,000.

Strong Neighborhoods

The 2019 Proposed Budget continues capital support for the Strong Neighborhoods Plan. This comprehensive, inter-departmental program addresses the issues brought to the forefront by the foreclosure crisis. Capital funding for 2019 will largely support demolition and deconstruction activities and various loan programs. Additional funding for the Strong Neighborhoods Plan is provided in the operating budget.

Strong Neighborhoods - Capital Funding Summary

Dept.	Account	2015	2016	2017	2018	2019
DNS	Code Compliance Loans	\$500,000	\$500,000	\$800,000	\$800,000	\$800,000
DNS	Concentrated Blight Elimination	\$1,319,000	\$2,200,000	\$2,100,000	\$1,200,000	\$1,000,000
DCD	In rem Property	\$3,250,000	\$1,330,000	\$1,550,000	\$600,000	\$1,700,000
DCD	Rental Housing Rehab Program.	\$1,000,000	\$0	\$0	\$0	\$0
DCD	STRONG Loans	\$0	\$1,500,000	\$1,167,000	\$1,150,000	\$1,400,000
DCD	Housing Infrastructure Preservation.	\$450,000	\$450,000	\$450,000	\$250,000	\$100,000
DCD	Commercial in rem	\$500,000	\$250,000	\$250,000	\$200,000	\$200,000
DPW	Vacant Lot Beautification	\$200,000	\$0	\$0	\$0	\$0
		\$7,219,000	\$6,230,000	\$6,317,000	\$4,050,000	\$5,200,000

Vehicles

Vehicle procurement is emerging as an additional challenge to the City's capital budget. Passenger vehicles have traditionally been purchased with operating funds. As vehicles have become more expensive and levy limits constrain the operating budgets of many departments, the purchase of new vehicles has been delayed. As fleets age, it becomes increasingly difficult to fund the necessary replacement vehicles within the operating budget. The Police Department is most affected because of the large number of vehicles utilized by patrol officers and the high cost of the specialized equipment required for squad cars and other police-related vehicles. The 2018 capital budget funded 10 squad cars. The 2019 Proposed Budget funds 50 squads and 10 motorcycles. If the number of vehicles funded by the capital budget continues to grow, it will be difficult to maintain adequate levels of funding for other core infrastructure programs.

Capital Budget by Department								
	2013	2014	2015	2016	2017	2018	2019	Change
	Adopted	Adopted	Adopted	Adopted	Adopted	Adopted	Proposed	from 2018
City-Funded								
Special Projects	\$8,510,000	\$8,710,000	\$9,587,000	\$8,512,000	\$8,739,000	\$8,514,000	8,514,000	
Administration, Dept. of	1,875,000	1,060,000	3,260,000	4,340,000	3,045,000	1,660,000	2,590,000	930,000
Assessor			555,000	556,000	350,000			
City Attorney		1,758,000						
City Development, Dept. of	17,585,000	23,500,000	26,350,000	61,830,000	53,517,000	53,420,000	55,890,000	2,470,000
Common Council City Clerk	117,500	175,000	150,000	225,000	438,000		150,000	150,000
Election Commission			1,530,000					
Fire & Police Commission		150,000					150,000	150,000
Fire Dept.	3,403,000	4,437,000	1,898,000	3,179,000	2,948,000	1,555,000	3,324,000	1,769,000
Health Dept.	435,000	425,000	366,000	745,000	731,000	660,000	760,000	100,000
Library	3,743,000	3,383,000	8,750,000	5,800,000	2,844,000	4,695,000	2,150,000	(2,545,000)
Municipal Court		144,000	504,000		384,000			
Neighborhood Services, Dept. of		2,320,000	2,244,000	2,925,000	2,900,000	2,000,000	1,800,000	(200,000)
Police Dept.	7,375,700	9,177,000	8,200,000	9,070,000	7,589,000	7,001,000	6,416,000	(585,000)
Port of Milwaukee	1,075,000	750,000	1,000,000	4,400,000	640,000	700,000	1,450,000	750,000
Public Works, Dept. of	60,061,700	67,395,000	65,559,000	68,022,000	66,904,000	63,123,000	66,159,000	3,036,000
Total City-Funded	\$104,180,900	\$123,384,000	\$129,953,000	\$169,604,000	\$150,029,000	\$143,328,000	\$149,353,000	\$6,025,000
Grant & Aid								
Port of Milwaukee			800,000	800,000	400,000	800,000	3,800,000	3,000,000
Public Works, Dept. of	56,555,000	44,818,000	37,607,907	31,838,000	43,643,000	35,570,000	27,399,000	(8,171,000)
Total Grant & Aid	\$56,555,000	\$44,818,000	\$38,407,907	\$32,638,000	44,043,000	36,370,000	\$31,199,000	(\$5,171,000)
City-Funded and Grant & Aid	\$160,735,900	\$168,202,000	\$168,360,907	\$202,242,000	\$194,072,000	\$179,698,000	\$180,552,000	\$854,000
Enterprise Funds								
Parking	1,441,000	1,715,000	2,292,000	1,780,000	3,340,000	3,424,500	3,385,000	(39,500)
Sewer Maintenance	44,510,000	44,550,000	44,200,000	44,404,000	38,714,000	37,514,000	33,950,000	(3,564,000)
Water	13,850,000	13,825,000	24,950,000	25,660,000	29,210,000	32,780,000	31,385,000	(1,395,000)
Total Enterprise Funds	\$59,801,000	\$60,090,000	\$71,442,000	\$71,844,000	\$71,264,000	\$73,718,500	\$68,720,000	(\$4,998,500)
TOTAL CAPITAL PLAN	\$220,536,900	\$228,292,000	\$239,802,907	\$274,086,000	\$266,836,000	\$253,416,500	\$249,272,000	(\$4,144,500)

4 Department of Administration

\$2,590,000

Proposed Capital Funding

\$2,575,000

Requested Capital Funding

\$930,000

Increase from 2018 Budget

56%

Percent Change from 2018 Budget

\$16,160,000

Six-Year Capital Request

Capital Programs and Projects

It Upgrades /Replacement	\$300,000
Public Safety communications	\$540,000
ADA Web & Public App compliance	\$250,000
PeopleSoft PUM Upgrade	\$150,000
Electronic Records & Billing	\$100,000
GIS Street Data Modernization	\$150,000
City Watch Replacement	\$100,000
Phone Voice Recording Replacement	\$100,000
Better Buildings Challenge	\$100,000
OAAA Office Construction	<u>\$800,000</u>
Total	\$2,590,000

Ongoing and Recent Capital Projects

City Assessor Modernization	(2018)
Open Data Dashboard & Analytics	(2018)
FMIS Upgrade	(2017)
HRMS Upgrade	(2016)
Treasurer’s Tax Collection System	(2015-2016)
CSWAN-COMON Upgrade	(2016-2017)
Corporate Database Server	(2016-2017)
Map Milwaukee Upgrade	(2015)
Land Management System (LMS)	(2012 &2015)

Unfunded Capital Requests

DPW Fleet Scheduler	\$500,000
Network Monitoring	\$200,000

Anticipated Capital Requests

Large upcoming projects include the replacement of the City’s ERP System, a new time entry system, an upgrade of the phone system and a new budget module for the PeopleSoft system.

Capital funding for the Department of Administration has primarily been used for IT-related and energy efficiency projects. In 2019, \$500,000 of cash will be used for various IT projects.

The 2019 Proposed Budget includes a building renovation project for the Office of African American Affairs.

Capital Program Detail – Dept. of Administration

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
IT Upgrades/ Replacements	\$300,000	\$300,000	\$0	0%	\$1,800,000
Public Facility Communications	\$540,000	\$540,000	\$0	0%	\$3,750,000
PeopleSoft Upgrade Manager	\$150,000	\$150,000	\$0	0%	\$450,000
ADA Web & Public App Compliance	\$250,000	\$250,000	\$0	0%	\$250,000
Electronic Health Records and Billion	\$100,000	\$0	\$100,000		\$2,100,000
GIS Street Data Modernization	\$150,000	\$0	\$150,000		\$150,000
City Watch Replacement	\$100,000	\$0	\$100,000		\$100,000
Phone Voice Recording Replacement	\$100,000	\$0	\$100,000		\$100,000
Better Buildings Challenge	\$100,000	\$100,000	\$0	0%	\$600,000
Office of African American Affairs Office Construction	\$800,000	\$0	\$800,000		
City Assessor Modernization	\$0	\$170,000	(\$170,000)	(100%)	\$710,000
Open Data – Dashboard and Analytics	\$0	\$150,000	(\$150,000)	(100%)	\$0
DPW Operations – Fleet Scheduler	\$0	\$0			\$500,000
Network Monitoring	\$0	\$0			\$200,000
Total	\$2,590,000	\$1,660,000	\$930,000	56%	\$8,900,000

Compliance \$250,000

This was a new capital account in 2018 when it received \$250,000. Projects undertaken will ensure that the City's website and apps are in compliance with the Americans with Disabilities Act (ADA). In 2019, this program is funded with cash.

Public Facility Communications, \$625,000

This program provides for the installation and maintenance of the City of Milwaukee Optical Network. The network provides circuits for data, telephone, SCADA, security, building management, fuel management, telemetry and video systems.

The network has been developed to serve other public entities, including UWM, MATC, Marquette University, MIAD, WisDOT, Discovery World, and the Milwaukee Public Museum.

Projects are designed to increase system redundancy and to provide diverse routes to critical public safety locations. Average annual funding since 2001 is \$550,000. Expenditures in 2017 were \$435,461.

Until 2013, this account was administered by the Department of Public Works.

ADA Web and Public App

The City's reliance on IT systems for critical business functions has increased. There is also an increasing trend of inter-departmental activities. It is essential that new IT systems be evaluated and implemented in a City-wide context. In order to ensure consistency and compatibility among the various IT systems that are used by the departments, the City began consolidating IT services in the Dept. of Administration – ITMD in 2013.

IT Upgrades/Replacement Program, \$300,000

This program was created in 2012 to fund a variety of small- to mid-sized IT capital projects. Projects consist primarily of updates to existing systems or the replacement of systems which are reaching the end of their useful lives. This program allows greater flexibility to respond to emerging technological issues by re-prioritizing planned projects, and will allow more consistent budgeting. Average annual funding since 2012 is \$281,000. In 2019, this program is funded with borrowing. Expenditures in 2017 were \$110,092.

PeopleSoft Upgrade Manager, \$150,000

This was a new capital account in 2018. The Peoplesoft HRMS and FMIS systems require periodic updates. In the past, major upgrades were done to each system every 6 or 7 years. This program would implement incremental upgrades, likely on an annual basis. The department will evaluate the benefits of moving forward with this approach. In 2019, this program is funded with cash.

Electronic Health Records and Billing, \$100,000

This is a new project for 2019 to convert paper health and medical records to industry standard electronic format. Funding in 2019 will allow for a needs assessment. The department anticipates

requesting additional funding in 2020 and 2021 to implement the project. The preliminary cost estimate is \$2 million. In 2019, this program is funded with cash.

City Watch Replacement, \$100,000

This is a new project for 2019 to replace an outdated auto-dialing system. The system is used by several departments including Public Works, Neighborhood Services, Health, Police and ITMDT for various kinds of internal and external notifications. In 2019, this program is funded with borrowing.

Phone Voice Recording Replacement, \$100,000

This is a new project for 2019 to replace an outdated phone recording system. The current system is used primarily by the Call Center and for 911 operations. Recorded calls are used for training and

The demand for IT project development, upgrades and support continues to exceed the capacity of the available staffing.

quality assurance. This project is funded with borrowing. No funding was requested after 2019.

GIS Street Data Modernization, \$150,000

This is a new capital project for 2019 to update the GIS application that many departments use for address verification. This project will be funded with borrowing. No funding was requested after 2019.

Better Buildings Challenge, \$100,000

The City is currently participating in the Better Building Challenge, with the goal of cutting energy use in City facilities by 20% by 2020, from a 2009 baseline. This goal was included in the Refresh Milwaukee plan which was approved by the Common Council in Resolution File Number 131035. Projects will be implemented across departments as identified by the interdepartmental Energy Reduction Team chaired by the Environmental Collaboration Office. This account has received \$600,000 since 2016. Expenditures in 2017 were \$67,408. In 2019, this program is funded with borrowing.

Office of African American Affairs Construction, \$800,000

This is a new capital account in 2019 to provide additional funding for the renovation of office space for the Office of African American Affairs. Construction began in 2018 using O&M funds. The proposed funding does not include furnishings. In 2019, this program is funded with borrowing.

Unfunded Capital Requests

DPW Fleet Scheduler

The department requested \$500,000 to replace a computer system used by DPW Operations. The new system would support driver scheduling and various payroll functions. **No capital funding is proposed for this project in 2019.**

Network Monitoring

The department requested \$200,000 for software and hardware upgrades which would provide more proactive monitoring of the operation of the City's computer networks. **No capital funding is proposed for this project in 2019.**

Energy Efficiency Investments

The City has used various capital accounts to fund energy-efficient improvements. The Energy Challenge Fund, created in 2008 and administered by ECO, received a total of \$1 million in funding. Funding of \$700,000 in the Energy Efficiency and Renewable Energy Initiative account has been used to reduce energy consumption at DPW-managed buildings by over 25%. The department has not requested funding for that program since 2016.

Other Capital Projects

City Assessor Modernization

This project will make technology upgrades that will allow the City Assessor's Office to comply with the Wisconsin Department of Revenue requirements outlined in the 2012 Property Assessment Manual. It is expected to be a multi-year project. This project is separate from the project funded in the Assessor's Office to replace the CAMA system. The modernization project received \$170,000 in 2017 and 2018. The RFP for this project is currently under review. The department anticipates requesting additional capital funds in 2020, 2021 and 2022.

The 2017 Budget included \$350,000 in the Assessor's capital budget for the third year of a multi-year project to replace the property assessment software. The Assessor's IT functions were consolidated in DOA –ITMD in 2016.

Open Data Dashboard and Analytics

DOA-ITMD is developing an Open Data portal. The dashboard interfaces and the analytics tools will benefit internal users such as the Budget Office, elected officials and department heads. The project received \$150,000 in 2017 and 2018. Expenditures in 2017 were \$148,800. No additional funding was requested for 2019.

The Data Portal can be found at <https://data.milwaukee.gov/>. The site currently has 68 datasets available.

Corporate Database Server Upgrade

This project updated the server that supports the corporate database. The Oracle database server houses critical datasets, including the Unified Call Center, City Clerk Licenses and Master Property, as well as data lookups and web applications used by the City web site. Funding was requested over 2 years; \$270,000 and \$200,000 for 2016 and 2017, respectively. The project was funded as requested. The project is expected to have a useful life of 7 years. There were no expenditures in 2016. Expenditures for 2017 were \$38,459.

CSWAN Upgrade

This project to replace Ethernet Routing Switches was funded in 2016 and 2017 (\$500,000 and \$250,000, respectively). Manufacturer support for the switches ended in June of 2016. Expenditures in 2016 and 2017 were \$402,082 and \$293,636, respectively.

FMIS Upgrade

This project received \$1,300,000 of funding in 2017 to guarantee continued support for the City's FMIS system and increase productivity. The PeopleSoft Financial system requires periodic upgrades. This upgrade was first requested in 2011 for funding in 2016. The project was

rescheduled to allow for the HRMS upgrade to be moved to 2016. The last major upgrade of the FMIS system was funded in 2009 and 2010 (\$1,217,600 and \$598,400, respectively). Expenditures for the prior upgrade were \$1.48 million.

Tax Collection System

A total of \$2.3 million was budgeted in 2015 and 2016 to replace the tax collection software system that is used by the City Treasurer. The project replaces a tax-collection system which was designed in 1982. It became increasingly difficult to recruit new personnel with the skillset required to support the system. Technical support for the base operating system ended on December 31, 2014. The system was deployed for the 2017 tax year. Expenditures in 2016 and 2017 were \$573,773 and \$1,402,723, respectively.

The City should strongly consider a more consolidated approach to the management of City records. The approach should include appropriate oversight and authority. It should also include training for managers and staff regarding their legal responsibilities relative to City records and data.

Land Management System

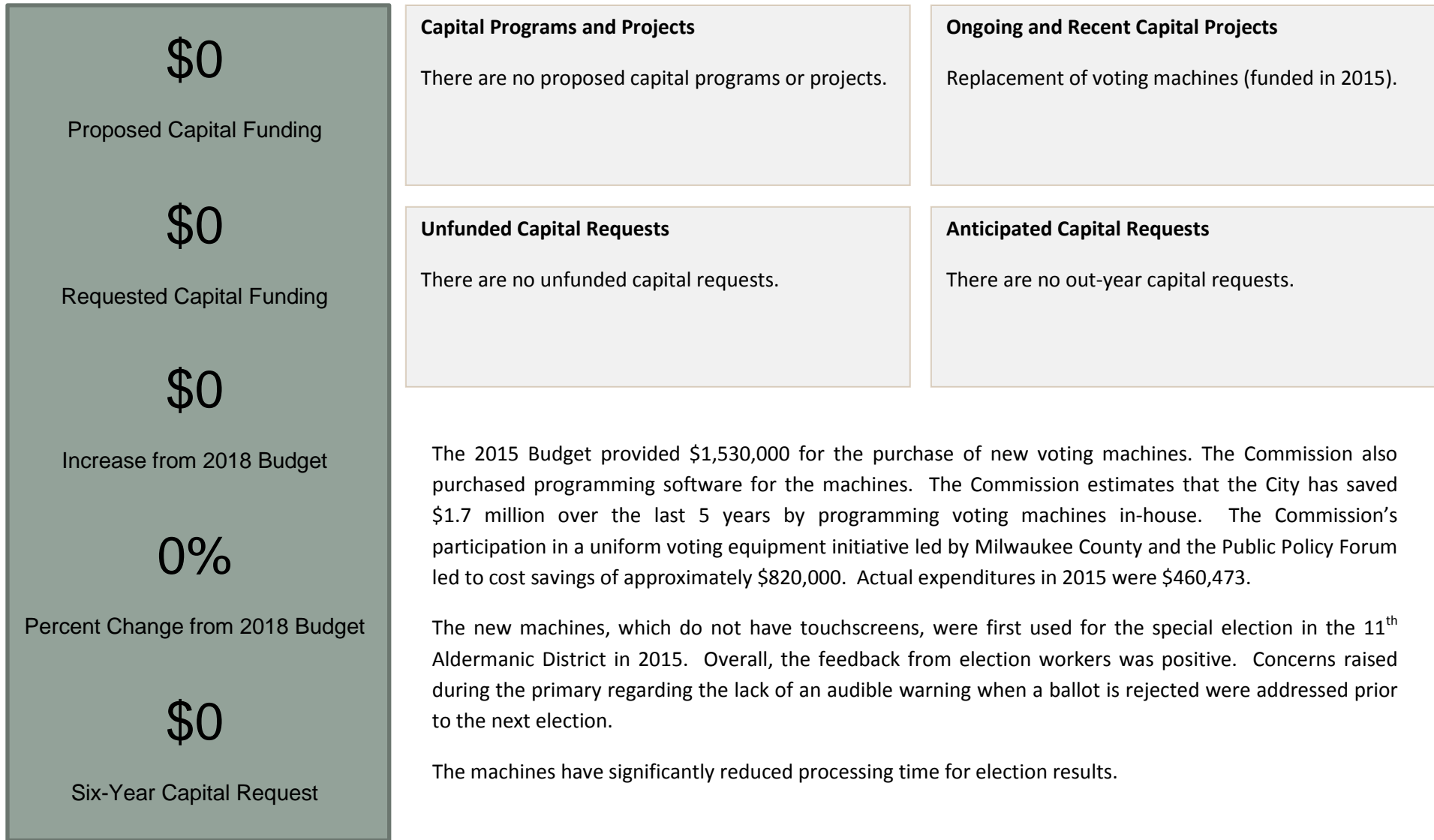
This project was requested by the Department of Neighborhood Services to replace the existing legacy code enforcement Neighborhood Services System (NSS) and the DCD permit and plan tracking system. Because the LMS is used by multiple departments, it is budgeted as a special capital project. The new system, which will be administered by DOA-ITMD, will support land management, plan review and permitting, construction and trades inspections, and code enforcement across departmental lines.

The Land Management System received \$2.5 million in the 2012 Budget. The City issued an RFI in April, 2011, and an RFP in spring, 2012. A contract was signed with the vendor (Accela) in June, 2013. The system was rolled out in February 2016 for some sections of the Department of Public Works. The Department of Neighborhood Services was launched in October 2016. The 2015 Budget provided \$850,000 to migrate licensing information from the LIRA system that is currently used by the City Clerk. Health Department inspections will also be included in Phase II.

PeopleSoft HRMS Upgrade

Funding for this project (\$1 million) was provided in the 2016 Budget to take advantage of bi-monthly vendor-supplied tax upgrades. The cost of the tax upgrades, which are critical to proper payroll processing, was expected to increase significantly. The FMIS upgrade, which had been scheduled for 2016, was moved to 2017 to accommodate this project. Annual maintenance payments for this project are included in ITMD's operational budget. The last major upgrades of the HRMS system were funded in 2007 (\$710,000) and 2011 (\$1.47 million). Expenditures for those upgrades were \$709,900 and \$1.11 million. Expenditures in 2016 and 2017 were \$749,000 and \$226,191 respectively.

5 Election Commission



6 Port of Milwaukee

\$1,450,000

Proposed Capital Funding

\$2,100,000

Requested Capital Funding
(excluding grant funding)

\$750,000

Increase from 2018 Budget

250%

Percent Change from 2018 Budget

\$14,420,000

Six-Year Capital Request

Capital Programs and Projects

Rail Track & Service Upgrades	\$275,000
Pier Berth and Channel Improvements	\$200,000
ADA Improvements	\$225,000
Rail Grant Match	<u>\$750,000</u>
Total	\$1,450,000

Ongoing and Recent Capital Projects

Upgrades to railroad tracks	(On-going)
Pavement Surfacing	(2017)
Heavy Lift Crane	(2016)

Unfunded Capital Requests

Dockwall Rehabilitation	\$200,000
Demolish/Rehab Leasehold Facilities	\$150,000
Pavement Surfacing	\$350,000

Anticipated Capital Requests

The Port has submitted capital requests for various capital projects related to equipment, dock maintenance, dredging and energy efficiency.

Much of the Port’s capital budget is used to match grant funding. Grants are available from various agencies to improve Port facilities, improve security at the Port and reduce energy consumption. Annual grant funding amounts can be highly variable. The increase in funding for 2019 is related to a new rail grant and a new capital account to address ADA deficiencies in Port facilities.

In addition to capital funding, the 2019 Proposed Budget provides \$594,000 in tax-levy-supported special funds that can be used to maintain infrastructure. This is a decrease of \$135,000 (23%) from 2018. Actual expenditures in 2015, 2016 and 2017 from infrastructure-related special funds were \$362,116, \$217,320 and \$243,991, respectively.

Capital Program Detail – Port of Milwaukee

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Dockwall Rehab	\$0	\$200,000	(\$200,000)	(100%)	\$1,200,000
Pier, Berth & Channel Improvements	\$200,000	\$200,000	\$0	0%	\$1,200,000
Rail, Track & Service Upgrades	\$275,000	\$300,000	(\$25,000)	(8%)	\$1,800,00
WisDOT Rail Grant	\$750,000	\$0	\$750,000		\$700,000
ADA Improvements	\$225,000	\$0	\$225,000		\$400,000
Roadway Paving/Pvmt Surfacing	\$0	\$0	\$0	0%	\$550,000
Total	\$1,450,000	\$700,000	\$750,000	107%	\$5,850,000

Rail, Track & Service Upgrades, \$275,000

This program provides funding to upgrade the Port’s 17 miles of rail track. The Port began a railroad-crossing replacement program in 2013. The Port also developed a program to upgrade track from 90 lb. rails to 110 lb. or 115 lb. rails. The contractor will focus first on replacing the lead track, then on street crossings. Street crossing work will be coordinated with paving work.

This program was funded as requested. Expenditures in 2015, 2016 and 2017 were \$110,000, \$352,000, and \$142,161, respectively.

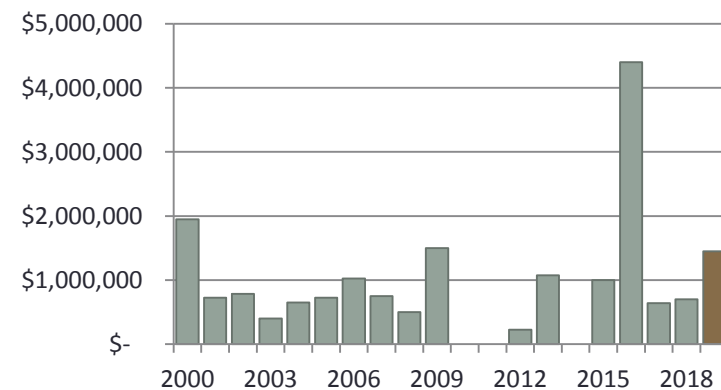
Pier, Berth and Channel Improvements, \$200,000

This program makes improvements to the mooring basin, the City’s heavy lift dock and the outer harbor. It is funded in part through the Wisconsin Department of Transportation’s Bureau of Railroads and Harbors grant program. Approximately 80% of the cost of these improvements will be paid by the grant. This capital fund provides the City’s 20% match of the grant funding. Expenditures in 2017 were \$31,750.

ADA Compliance, \$200,000

This account will fund improvements to Port facilities which are required to maintain compliance with the ADA. Projects would include restroom upgrades and flooring replacement in Port Buildings.

Port - Budgeted Capital Funding



Unfunded Capital Requests

Dockwall Rehabilitation

The department requested \$200,000 for dockwall rehabilitation. The purpose of this program is to avert costly emergency repairs and to maintain the dockwall in appropriate condition for cargo operations. Many of the Port's dock walls are old, but still serviceable. Rehabilitation projects are prioritized by business needs and revenue generation potential. Loss of revenue to the City may result if the dockwalls are not kept in a safe and useable condition. Since 2007 \$682,200 in capital expenditures have been made from this account. **No capital funding is proposed for this account in 2019**

The Port also receives O&M funding through a special fund to maintain its dockwalls. Approximately 250 feet of dockwall at Terminal 1 and 75 feet of dockwall in the mooring basin were repaired in 2014. The cost for both projects was approximately \$95,000. Additional dockwalls in the mooring basin and Terminal 2 were repaired in 2015.

Port of Milwaukee Special Funds								
	2013 <i>Actual</i>	2014 <i>Actual</i>	2015 <i>Actual</i>	2016 <i>Actual</i>	2017 <i>Budget</i>	2017 <i>Actual</i>	2018 <i>Budget</i>	2019 <i>Proposed</i>
Major Maintenance – Terminals & Piers	\$56,053	\$172,118	\$77,486	\$91,316	\$80,000	\$44,338	\$80,000	\$80,000
Major Rehab & Upgrades – Equipment	89,633	58,730	143,690	36,104	185,000	20,513	109,000	109,000
Environmental Cleanup Fund	48,217		22,538	31,601	100,000	23,931	100,000	100,000
Harbor Maintenance Dredging								
Equipment Rehab & Upgrade	157,663	108,405	91,186	58,299	210,000	0	210,000	75,000
Dockwall & Breakwater Rehabilitation	61,146	44,213	25,154		50,000	44,029	50,000	50,000
Energy Efficiency Upgrade		50,000			20,000	0	20,000	20,000
Leasehold Demolition		24,500	2,062		744,000	102,112		50,000
Sewer System Upgrade	5,6510	75,043			25,000	9,068	25,000	25,000
Harbor Security								
Total *	\$469,222	\$500,000	\$362,116	\$217,320	\$1,414,000	\$243,991	\$594,000	\$509,000
<i>*This table excludes Summerfest related special funds</i>								

Roadway Paving

The department requested \$350,000 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 account has received funding in odd-numbered years. Since 2013, \$640,000 has been provided. Expenditures in 2016 were \$70,999. There were no expenditures from this account in 2017. **No capital funding is proposed for this account in 2019**

Demolish/Rehabilitate Expired Leasehold Equipment

The department requested \$150,000 to make improvements to Port-owned properties so they will be more marketable to prospective tenants when the leases of existing tenants expire. No capital funding has been provided since 2014. In addition to this capital account, the Port has a Leasehold Demolition Special Fund. That fund received \$744,000 in the 2017 Budget. **No capital funding is proposed for this account in 2019**

The Port recently conducted a survey that identifies the existing location of the docklines. The dockline becomes the ordinary high water mark that riparian owners can build to without a permit. Over the years some owners have built beyond the established dockline. This survey will allow the Council to re-establish the dockline based on current conditions. The revised dockline lines could affect property sizes and assessments in locations where property owners have built beyond the ordinary high water mark or have built without a permit.

Other Capital Projects

Heavy-Lift Crane

The purchase of a new heavy-lift crane had been in the City's capital plan since at least 2009. The 2016 Budget funded the crane (\$4 million) with revenue, not general obligation debt. The Port purchased a crawler crane similar to its Manitowoc 4100. The new crane replaced a Lima Crawler that was purchased in 1971.

An additional crane has been included in the Port's 6-year capital request for 2024.

7 Department of Neighborhood Services

\$1,800,000

Proposed Capital Funding

\$2,043,181

Requested Capital Funding

\$200,000

Decrease from 2018 Budget

-10%

Percent Change from 2018 Budget

\$26,043,181

Six-Year Capital Request

Capital Programs and Projects

Concentrated Blight Elimination	\$1,000,000
Code Compliance Program	<u>\$800,000</u>
Total	\$1,800,000

Ongoing and Recent Capital Projects

Concentrated Blight Elimination	(On-going)
Code Compliance Program	(On-going)
Anderson Tower Garage Conversion	(2015/2016)

Unfunded Capital Requests

Remodel Development Center Offices	\$127,003
Redesign IT Offices	\$116,178

Anticipated Capital Requests

The total 6-year capital request is \$26 million for the continuation of the Concentrated Blight Elimination and Code Compliance programs.

The majority of capital funding for the Department of Neighborhood Services in recent years has been used to address challenges that have arisen from the recession and subsequent foreclosure crisis.

Capital Program Detail – Dept. of Neighborhood Services

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Change	6-year Request
Concentrated Blight Elimination	\$1,000,000	\$1,200,000	(\$200,000)	(17%)	\$21,000,000
Code Compliance Program	\$800,000	\$800,000	\$0	0%	\$4,800,000
Remodel Development Center Offices	\$0	\$0	\$0	0%	\$127,003
Redesign IT Offices	\$0	\$0	\$0	0%	\$116,178
Total	\$1,800,000	\$2,000,000	(\$200,000)	(10%)	\$26,043,181

Concentrated Blight Elimination (Demolition), \$1,000,000

The 2014 Budget created this capital program as part of the STRONG Neighborhoods initiative. Expenditures from 2014 through 2017 were \$7.02 million. Funding in this account will raze or deconstruct approximately 27 structures. This account will support one Building Construction Inspector position and one Building Construction Supervisor position.

Although the number of foreclosures has declined, the number of vacant buildings and new raze files being monitored and processed by the department remains high. Funding proposed for 2019 will not keep pace with new raze orders or address the backlog of buildings with raze orders, including an increasing inventory of larger commercial buildings.

The average cost of a residential demolition is \$15,700. Costs can vary significantly depending on the amount of remediation required for materials such as asbestos and lead. Commercial properties generally have higher demolition costs than residential properties.

An ordinance which became effective January 1, 2018, (Common Council File Number 170188) requires that 1-4 family houses constructed before 1930 be deconstructed rather than demolished. The department has over 300 properties on its raze list which require deconstruction. The average cost for deconstruction is \$36,500.

The department reports demolition and deconstruction activities to the Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes. Reports detailing 2017 and 2018 activities are in in CC Files 161359 and 171233.

Code Compliance Loan Summary	
(2014-2017)	
Number of Loans	123
Average Project Cost	\$12,800
Average Recipient Age	59 years
Average Length of Home Ownership	19 years
Median Household Income	\$20,000
Percent Single Family Homes	68%
Median Year Built	1915
Median Property Assessment	\$47,900

Code Compliance Program, \$800,000

The Code Compliance Loan program was created in 2014 as part of the STRONG Neighborhoods initiative and funded by a special purpose account. This capital account was created in 2015 to increase the funding available and consolidate the sources of funds for the program. The Code Compliance Loan Program provides deferred payment loans of up to \$15,000 per property to correct outstanding building code violations. This program will fund 2 positions, an inspector and a coordinator.

The Compliance Loan Program largely serves older homeowners. Nearly 25% of loan recipients are at least 70 years old and over half live alone. As of January 2018, 89% of 2014-2016 loan recipients were current on their property taxes, 99% have avoided foreclosure since receiving a loan and 96% of the homes remain owner occupied.

Code Compliance Loans by District (2014-2017)	
District	Loans
1	18
2	10
3	2
5	0
4	0
6	23
7	12
8	7
9	1
10	9
11	1
12	20
13	0
14	2
15	18

Unfunded Capital Requests

Remodel Development Center Offices

The department requested \$127,000 to reconfigure the Development Center on the 1st floor of the Zeidler Municipal Building. The project would move the management offices from the rear of the space to the front where they would have a view of the staff and the customer waiting areas. This would allow managers to be more available to manage the day to day operation of the front counter.

No capital funding is proposed for this project in 2019.

Redesign IT Offices

The department requested \$116,000 to reconfigure space on the 1st floor of the Zeidler Municipal Building. The space became available when IT staff was moved to DOA-ITMD as part of the on-going centralization of IT services. The space would be utilized by staff from the Administrative division of DNS.

No capital funding is proposed for this project in 2019.

8 Department of Employee Relations

\$0

Proposed Capital Funding

\$0

Requested Capital Funding

\$0

Increase from 2018 Budget

0%

Percent Change from 2018 Budget

\$0

Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

There are no on-going or recent capital projects.

Unfunded Capital Requests

There are no unfunded capital requests.

Anticipated Capital Requests

There are no out-year capital requests.

9 Mayor's Office

\$0

Proposed Capital Funding

\$0

Requested Capital Funding

\$0

Increase from 2018 Budget

0%

Percent Change from 2018 Budget

\$0

Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

There are no on-going or recent capital projects.

Unfunded Capital Requests

There are no unfunded capital requests.

Anticipated Capital Requests

There are no out-year capital requests.

10 Municipal Court

\$0
Proposed Capital Funding

\$0
Requested Capital Funding

\$0
Increase from 2018 Budget

0%
Percent Change from 2018 Budget

\$0
Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

CATS & Website Upgrade - funding was provided in 2015 (\$504,000) and 2017 (\$384,000) for this project.

Virtual Server and SAN Replacement - \$144,000 was budgeted in 2014 to upgrade a virtual server and for SAN replacement.

Unfunded Capital Requests

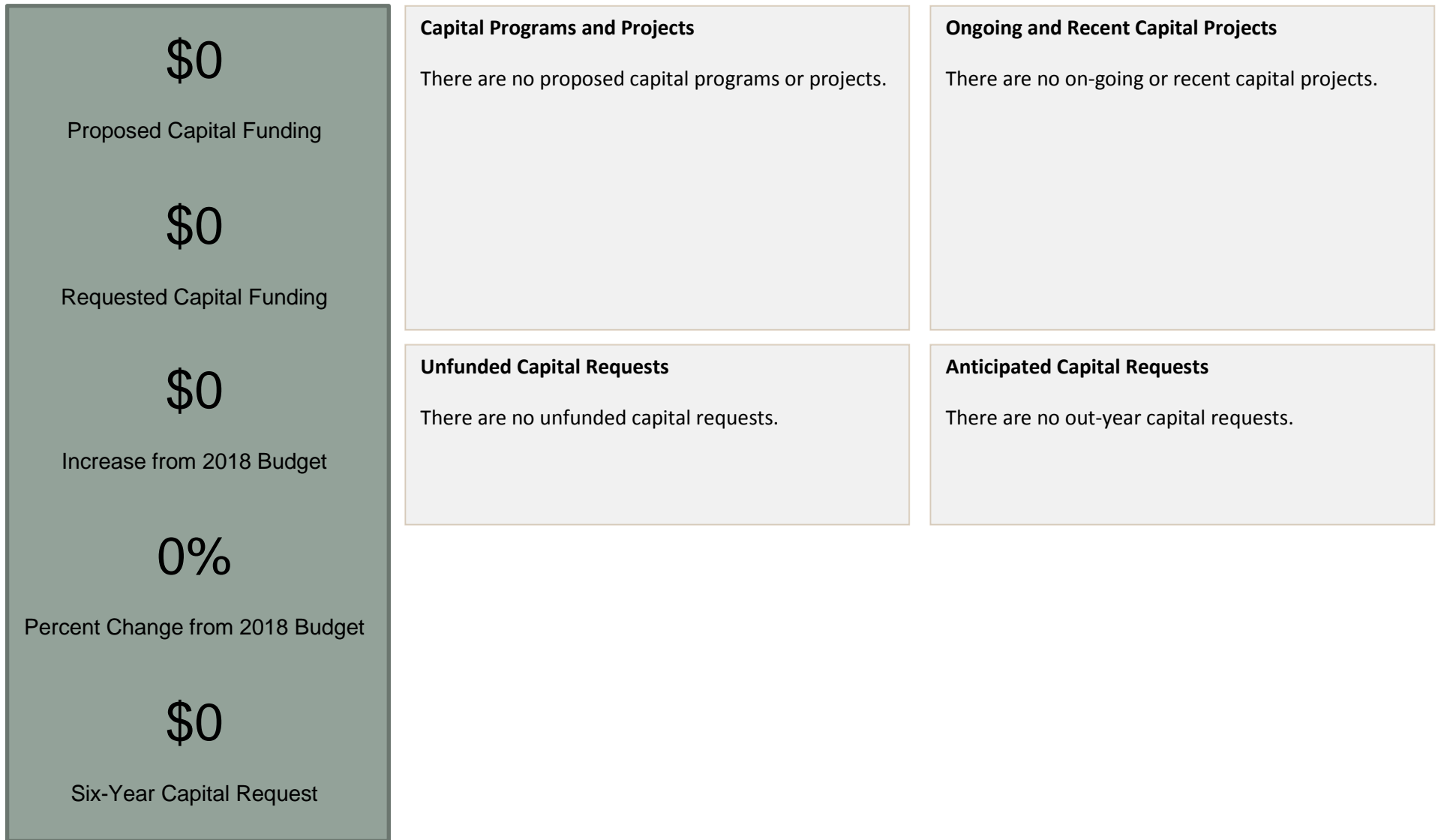
There are no unfunded capital requests

Anticipated Capital Requests

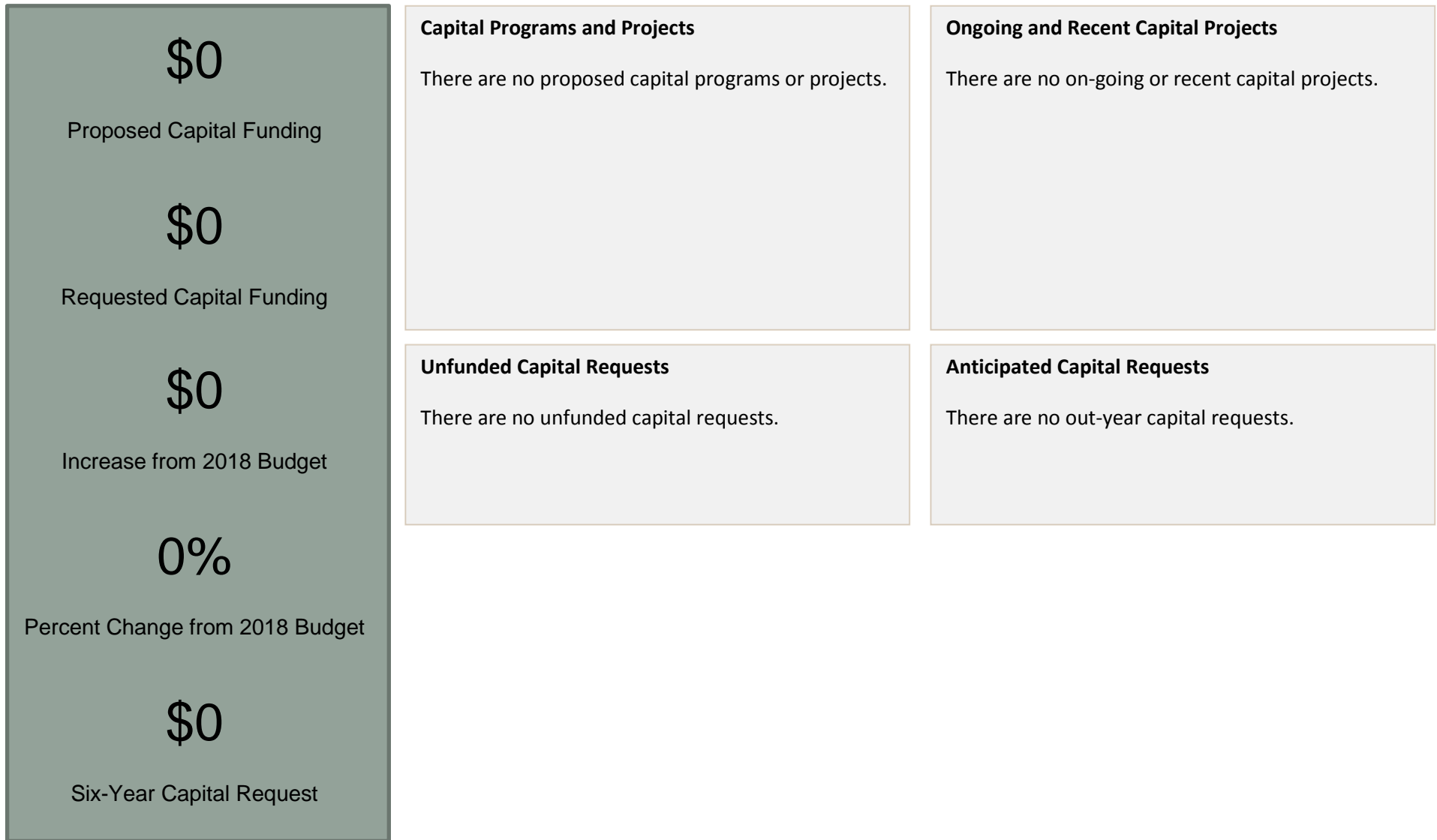
There are no out-year capital requests.

Capital funding for the Municipal Court in recent years has been primarily for computer-related upgrades. The focus of the Court’s Case Automated Tracking System (CATS) & Website Upgrade is the transition from a client-server-based architecture to a browser-based platform, similar to FMIS, HRMS and other City systems.

11 Deferred Compensation



12 Employee Retirement System



13 Fire Department

\$3,324,000

Proposed Capital Funding

\$3,752,825

Requested Capital Funding

\$1,769,000

Increase from 2018 Budget

114%

Percent Change from 2018 Budget

\$26,858,068

Six-Year Capital Request

Capital Programs and Projects

Major Capital Equipment	\$1,677,000
Fire Facilities Maintenance Program	\$962,000
Auxiliary Power	\$85,000
SCBA Equipment Replacement	\$500,000
Extrication Equipment	<u>\$100,000</u>
Total	\$3,324,000

Ongoing and Recent Capital Projects

Auxiliary Power Supply	(On-going)
Extrication Equipment	(2018)
Fire Repair Shop – Facility Upgrade	(2017)
Fire Digital Radio System Upgrade	(2016)
Fire Record Management System	(2016)

Unfunded Capital Requests

Fire Station Renovation	\$450,000
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Anticipated Capital Requests

The total 6 year capital request is \$26.9 million.

The 2019 Proposed Budget includes funding increases for all of the department’s existing capital programs. It also creates a new capital account to purchase SCBA equipment.

Capital Program Detail – Fire Department

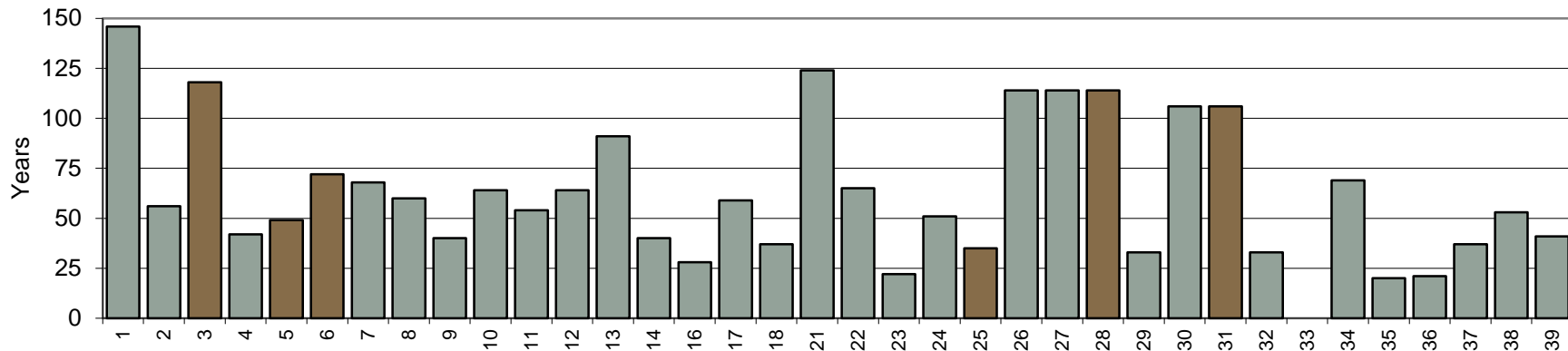
Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Major Capital Equipment	\$1,677,000	\$1,106,000	\$571,000	52%	\$20,760,249
Fire Facilities Maintenance	\$962,000	\$349,000	\$613,000	176%	\$3,392,819
Extrication Equipment	\$100,000	\$100,000	\$0	0%	\$100,000
Auxiliary Power Supply	\$85,000	\$0	\$85,000		\$255,000
SCBA Replacement	\$500,000	\$0	\$500,000		\$1,000,000
Fire Station Renovation	\$0	\$0			\$1,350,000
Total	\$3,324,000	\$1,555,000	\$1,769,000	114%	\$26,858,068

Fire Facilities Maintenance, \$962,000

This program funds the repair and maintenance of internal, external and mechanical systems for the Fire Department’s engine houses. The average age of the City’s active firehouses is 60.4 years. The median age is 54 years. Eight buildings maintained by the Fire Department of the fire houses (23%) are over 100 years old.

Six fire stations were transitioned to other uses in 2018. Those buildings have an average age of 82.3 years. The department will re-evaluate the capital maintenance needs of the buildings based

Firehouse Building Age



on their expected use. Four of the repurposed buildings have basements under the apparatus parking floor. These basements have been of concern to the department for a number of years because they were not designed for the size and weight of the equipment currently used by the Fire Department. Shoring was installed in the basement of Station #6 (Franklin & Brady), to support the equipment that was parked there.

Expenditures from this account in 2017 were \$723,036.

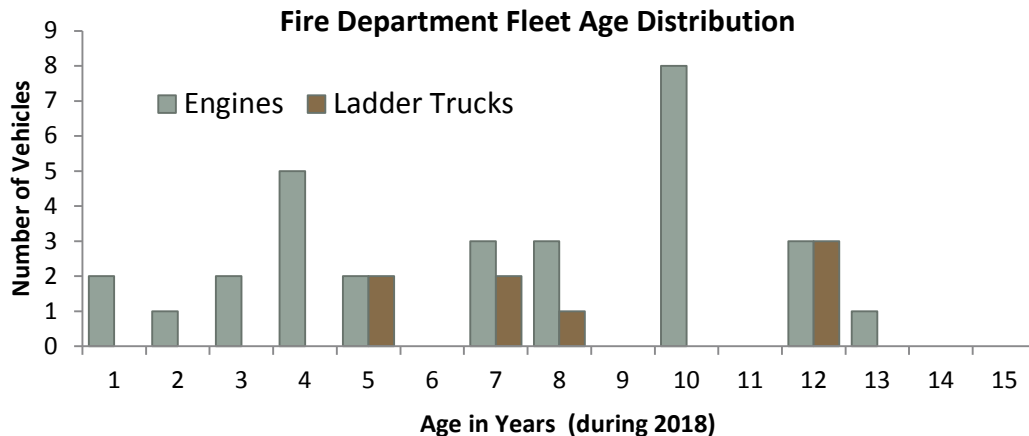
Major Capital Equipment, \$1,677,000

Expenditures from this account in 2017 were \$393,009.

The average age of the department’s front line engines in 2018 will be approximately 7.1 years. The National Fire Protection Association (NFPA) recommends shifting frontline firefighting apparatus to reserve status after 15 years. The proposed reduction in the size of the front line fire equipment fleet will make it easier to keep the age of active equipment within the NFPA recommendations.

**Work typically funded by the
Fire Facilities Maintenance Program**

- HVAC and boiler replacement
- Roof repair and replacement
- Electrical upgrades
- Overhead door replacement
- Window and door replacement
- Environmental remediation
- Concrete repair and replacement
- Flooring
- Paint



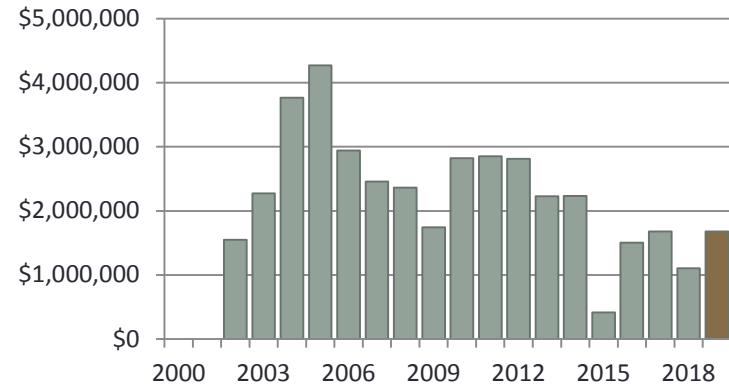
Stable funding for the acquisition of firefighting apparatus allows for a smooth age distribution throughout the fleet. This avoids the need for large capital expenditures in any given year. Funding for major capital equipment was reduced in the 2015 Proposed Budget with the intent of using the reduction to partially offset the cost of a new repair garage. The funding for the repair garage was removed by the Council prior to the adoption of the 2015 Budget.

Auxiliary Power Supply, \$85,000

This project purchases and installs backup generators for Fire Department engine houses. All but 5 stations (Engines 1, 6, 26, 27, and 28)

have generators installed. Communications equipment, garage door openers and fueling stations are especially important for the operation of fire houses in the event of a power failure. The generators are customized for each location. Recent funding has allowed for the installation of one or 2 generators each year. The Fire Department utilizes the Department of Public Works to install the generators. \$85,000 was included in the 2017 Budget. No funding was provided in 2018. Expenditures in 2016 and 2017 were \$2,600 and \$56,357, respectively.

Fire Major Capital - Budgeted Funding



SCBA Equipment Replacement, \$500,000

This is a new capital account for 2019. The proposed funding will replace the components of the department’s breathing system. To ensure proper training and interoperability, regulators, harness and face pieces are replaced department wide. This funding does not include the replacement of air tanks, which are funded through the O&M budget. The department anticipates requesting an additional \$500,000 in 2020.

Extrication Equipment, \$100,000

This is the second year of funding for the replacement of extrication equipment. \$100,000 was provided in 2018. The current equipment is nearly 20 years old. No funding has been requested after 2019.

Unfunded Requests

Fire Station Renovation

The department requested \$450,000 to make upgrades at Station 7, Station 26 and Station 34 to meet the needs of an increasingly diverse workforce. The renovations would primarily consist of shower and restroom modification to provide privacy and meet ADA compliance.

Other Capital Projects

Fire Repair Shop – Facility Upgrades

This project will address deferred maintenance at the Fire Department’s repair facility. The project is expected to reduce energy cost, increase productivity and significantly reduce out of service time for response vehicles. The project was funded in 2017 (\$483,000). There were no expenditures from this account in 2017. Improvements at the facility will include:

- The addition of a women’s locker room.
- The construction of an additional restroom.
- Repairs and upgrades to the electrical system.
- Upgrades to the fire apparatus storage facility.
- Window replacement.
- Boiler replacement.
- The installation of wider entry doors.
- The addition of vehicle service doors.

Fire Record Management System

This project will replace the department’s fire record management system. The Fire Department reporting must be in compliance with National Fire Incident Reporting System (NIFRS) standards. The department’s current system was old and becoming increasingly unreliable. The software will be configured with MFD specific information, such as incident call types, pre-fire plan information and staffing information. The 2016 Budget provided \$550,000 for this project. There were no expenditures from this account in 2016 or 2017. Phase I will be complete in December 2018 or January 2019. Phase II is expected to be complete mid-2019.

Fire Digital Radio System

The Fire Department and the Police Department both utilize the Open Sky radio system. The consoles for the system needed to be replaced because the existing operating system was no longer supported and replacement parts were no longer available. This project also included an ISSI gateway, which will provide a direct connection between the City and the County radio systems and support the Fire Department’s Shared Services Initiative.

The Fire Department has 18 consoles and the Police Department has 31 consoles. The 2016 Budget included \$400,000 for Fire Department and \$1.9 million for Police Department consoles. This project is complete.

14 Police Department

\$6,416,000

Proposed Capital Funding

\$12,557,000

Requested Capital Funding

\$585,000

Decrease from 2018 Budget

-8.4%

Percent Change from 2018 Budget

\$80,019,500

Six-Year Capital Request

Capital Programs and Projects

Police Vehicles	\$3,941,000
Data Comm Center Air Handling Unit	\$1,000,000
Telephone Switch Hardware Upgrade	\$300,000
Avaya CMS Upgrade	\$300,000
Upgrade CAD System	\$500,000
Auto License Plate Recognition	<u>\$750,000</u>
Total	\$6,416,000

Unfunded Capital Requests

Police Admin Building Remodeling	\$650,000
District Repairs	\$470,000
Non-Priority District Repairs	\$446,000
Police Training Management System	\$250,000
Cell Site Simulator	<u>\$520,000</u>
Total	\$2,336,000

Ongoing and Recent Capital Projects

Police Administration Building Renovation	
Record Management System	(2013-2018)
911 and Phone System Upgrade	(2018)
Uninterruptable Power Supply	(2014-2017)
CAD System Upgrade	(2016)
Mobile Data Computer Upgrade	(2016)
Radio Dispatch Console Upgrade	(2016)
911 Network Upgrade	(2016)
MediaSolv Camera Upgrade/Expansion	(2016 & 2018)
3rd District Parking Deck Repair	(2015)

Anticipated Capital Requests

The out-year requests are related to the Police Administration building, on-going maintenance at district stations, and the purchase of police vehicles..

The total 6-year request is \$80 million.

The 2019 Proposed Budget includes funding for 4 new capital projects. The Proposed Budget continues capital for Police vehicles. No funding is proposed for the Police Administration Building project.

Capital Program Detail – Police Department

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Police Vehicles	\$3,941,000	\$3,881,000	\$60,000	2%	\$35,258,500
Data/Comm Center Air Handling Unit	\$1,000,000	\$0	\$1,000,000		\$1,000,000
Telephone Switch Hardware	\$300,000	\$0	\$300,000		\$300,000
Avaya CMS Upgrade	\$300,000	\$0	\$300,000		\$300,000
Upgrade CAD System	\$500,000	\$0	\$500,000		\$500,000
Auto License Plate Recognition	\$375,000	\$0	\$375,000		\$750,000
Police Administration Building Remodeling	\$0	\$0	\$0	0%	\$33,970,000
District Station Repairs	\$0	\$470,000	(\$470,000)	(100%)	\$4,225,000
Records Management System	\$0	\$500,000	(\$500,000)	(100%)	\$0
911 & Phone System Upgrade	\$0	\$2,000,000	(\$2,000,000)	(100%)	\$0
MediaSolv Camera Expansion	\$0	\$150,000	(\$150,000)	(100%)	\$0
Non-Priority District Station Repairs	\$0	\$0	0	0%	\$2,946,000
Cell Site Simulator	\$0	\$0	0	0%	\$520,000
Police Training Management System	\$0	\$0	0	0%	\$250,000
Total	\$6,416,000	\$7,001,000	(\$585,000)	(8%)	\$80,019,500

Police Vehicles, \$3,941,000

The 2018 Budget created a new capital account for the purchase of police vehicles. \$3.9 million was provided in 2018 for patrol cars, prisoner conveyance vehicles, and motorcycles. Prior to 2018 vehicles were purchased with O&M funding. The total 6-year request is \$35.3 million, an increase of nearly \$10.5 million from last year's 6-year request.

The Police Department has approximately 900 vehicles. Of those, approximately 350 are marked squad cars for uniformed officers. Nearly 40% of the squads have over 100,000 miles. Just under 20% have over 150,000 miles.

The national standard for squad car replacement is 4 years based 3 shift usage. To adhere to the national standard, the department should be replacing at least 85

patrol vehicles each year. From 2013 through 2016 the adopted budgets provided funding for between 22 and 25 vehicles.

So far in 2018, 29 squads have been totaled compared to 17 and 19 in 2016 and 2017 respectively. The 2018 capital budget provided for 10 new squad patrol vehicles. Capital funding is being proposed for 50 squad cars, 5 prisoner conveyance vehicles and 10 motorcycles.

Data/Comm Center Air Handling Unit, \$1,000,000

This project will add a dedicated air handling unit to cool the server room at the department's Data/Comm Center. The existing air handling unit is insufficient to ensure that the department's computer systems are adequately protected from overheating. No additional funding was requested after 2019.

Automatic License Plate Reader, \$375,000

This is a new capital project to upgrade the department's current ALPR system which is over 9 years old. The Police Department will coordinate with DPW to utilize the same technology as Parking Enforcement. Funding in 2019 would equip 2 squad cars per district. Each squad will have 3 cameras to record oncoming traffic, curbside parked cars and a camera oriented to capture vehicles in parking facilities.

Upgrade Computer Aided Dispatch (CAD) System, \$500,000

This project received \$1.3 million in 2016 to upgrade the department's current CAD system, which was installed in 2004 and updated in 2007. The CAD system is a separate system from the department's current record management system (RMS). The department requested an additional \$500,000 for 2019 to complete the project. The upgrade will include new hardware. There were no expenditures from this capital account in 2016. Expenditures in 2017 were \$529,637.

Telephone Switch Hardware Upgrade, \$300,000

This project will upgrade telephone switch hardware which will become unsupported in 2020.

Avaya Call Management System (CMS) Upgrade, \$300,000

Support for the department's call management system will end in November, 2018. In addition to maintaining support for the system, the upgrade will increase capacity as well as reporting and monitoring functionality.

Unfunded Requests**District Station Repairs**

The department requested \$470,000 for this on-going program which provides funding for repair and upgrades at the Police Department's District stations as well as the Radio Shop and the Neighborhood Task Force building. This program first received funding in 2012. In prior years,

projects at the district stations were funded with discrete capital accounts or included in the District Station Renovation Program. Since 2012, \$2.8 million has been budgeted in this account. Expenditures in 2017 were \$547,481. **No capital funding is proposed for this program in 2019.**

Police Administration Building (PAB) Remodeling

The department requested \$650,000 to continue the renovation of the Police Administration building. Since 2011, \$24 million has been budgeted for this project. The project was also authorized to receive \$350,000 in contingent borrowing in June, 2012. The project includes the areas used by the Municipal Court and the Office of the City Attorney. The department anticipates requesting an additional \$33.3 million over the next 5 years (2020-2024). Expenditures from 2011 through the end of 2017 have totaled \$19.8 million. Additional information regarding The Police Administration Building Project is available in Common Council Files 100006 and 111338.

PAB Expenditures	
2011	\$520,541
2012	\$2,450,702
2013	\$3,037,126
2014	\$5,684,644
2015	\$1,973,980
2016	\$4,636,760
2017	\$1,457,254

No capital funding is proposed for this program in 2019.

Non-Priority District Repairs

The department requested \$446,000 for repairs and upgrades at district stations that are not considered critical.

No capital funding is proposed for this program in 2019.

Cell Site Simulator

The department requested \$520,000 to purchase a cell site simulator which is designed to assist investigators in establishing the location of a cellular telephone.

No capital funding is proposed for this project in 2019.

Police Training Management System

The department requested \$250,000 to purchase software to manage and track Police Department training requirements. The project was first requested in 2015. The department anticipates the system will reduce operating costs and increase productivity. The amount of savings has not been quantified. No estimate was provided for the annual maintenance costs for the system.

No capital funding is proposed for this project in 2019.

3rd District Parking Deck Repair

The entire upper level of the parking structure at the Data/Communications Center has been closed since approximately June 30, 2011.

The 2015 Budget included \$3.6 million of budgetary authority to make repairs, in anticipation of the resolution of litigation relating to the construction of the structure. Expenditures in 2016 were \$2.3 million.

Other Capital Projects

Records Management System,

Since 2013, this capital account has received \$6.7 million. In 2013, \$68,300 was expended from the Tiburon Upgrade account for this project.

The department used a request for information (RFI) to allow a more thorough evaluation of options available. The RFI received 15 responses. The City issued an RFP with a submission deadline of December 3, 2013. Four vendors were chosen to make performance demonstrations. The demonstrations were complete in July, 2014. Implementation of this project is on-going. Expenditures in 2017 were \$1.11 million.

No capital funding was requested or proposed for this project in 2019.

Radio & Communications Upgrade

This program was first funded in 2009. Since 2011, it has been used to improve radio coverage inside buildings and to ensure better radio signal strength in areas throughout the City that are affected by land clutter.

Budgeted funding from 2009 through 2016 has totaled \$1.97 million. No funding was provided in 2017 or 2018. Expenditures through the end of 2017 totaled \$1.96 million.

No capital funding was requested or proposed for this program in 2019.

911 & Phone System Upgrade

The 2018 Budget created a new capital account (\$2 million) to fund the replacement of the ATT Sentinel 911 and Avaya phone systems. Computer support for the operating system platform has been discontinued by Microsoft. The systems were last upgraded in 2010.

No capital funding was requested or proposed for this project in 2019.

MediaSolv Interview Camera System

This project received \$250,000 in 2016 to upgrade interview room cameras. The system was purchased in 2010. Digital upgrades provided higher quality recordings, indexing and audit features. Expenditures in 2016 and 2017 were \$249,071 and \$983, respectively. Funding in 2018 (\$150,000) expanded the system to 5 additional interview rooms.

No capital funding was requested or proposed for this project in 2019.

Uninterruptible Power Supply (UPS),

The 2014 Budget provided \$696,000 to replace UPS systems. In 2015, an audit of Police Department technology, network and radio transmitter rooms identified additional UPS and HVAC systems that need to be installed or replaced. Revised project estimates have increased the total project cost from \$696,000 to \$1.5 million. The department will fund system maintenance in its operating budget. An additional \$425,000 and \$94,000 was provided in 2016 and 2017, respectively. No funding was provided in 2018. Expenditures through the end of 2017 were \$759,953.

No capital funding was requested or proposed for this project in 2019.

Radio Dispatch Consoles

The Police Department and the Fire Department both utilize the Open Sky radio system. The 2016 Budget provided \$1.9 million to replace the system consoles. The existing operating system is no longer supported and replacement parts are no longer available. The new equipment is expected to have a useful life of 7 years. This project also includes the purchase of an ISSI gateway to provide a direct connection between the City and County radio systems. There are 31 consoles in the Police Department and 18 consoles in the Fire Department. Expenditures in 2017 were \$1.63 million. This project is complete.

15 Fire and Police Commission

\$150,000

Proposed Capital Funding

\$100,000

Requested Capital Funding

\$150,000

Increase from 2018 Budget

Percent Change from 2018 Budget

\$100,000

Six-Year Capital Request

Capital Programs and Projects

Unified CAD Study \$150,000

Unfunded Capital Requests

FPC Office Remodeling and Relocation \$100,000

Ongoing and Recent Capital Projects

In 2009, the Commission received \$150,000 to move its offices to the 10th floor of the Zeidler Municipal Building (ZMB); into the space currently occupied by the City Attorney. The project remains on hold.

Anticipated Capital Requests

There are no out-year capital requests.

The 2019 Proposed Budget includes funding for a new capital account to study the feasibility of a unified dispatch system.

The Commission requested \$100,000 of additional funding for new FPC offices. The Commission’s current office on the 7th floor of City Hall is just 1,066 square feet and lacks all of the following: lobby, waiting area, file storage space, document copying/assembly area, interview room, meeting/conference room, supply room and employee break room/kitchen. In addition, the current office arrangement requires some Commission employees to be housed in another department and necessitates the locking of the Commission’s main door.

The project was originally funded in 2009. The delay of the 8th floor renovation for the City Attorney caused the funding to lapse. Although funding was restored in 2014, the project remains on hold.

16 DPW- Infrastructure

\$84,548,000

Proposed Capital Funding
(including grant & aid)

\$93,218,143

Requested Capital Funding
(including grant & aid)

\$4,470,000

Decrease from 2018 Budget

-5.0%

Percent Change from 2018 Budget

\$606,348,261

Six-Year Capital Request

Capital Programs – Core Infrastructure

Major Bridge Program	\$700,000
Bridge Program - Local	\$5,350,000
Major Streets	\$32,513,000
Local Streets	\$6,200,000
High Impact Paving	\$5,600,000
New Street Construction	\$400,000
Sidewalk Replacement	\$1,500,000
Street Lighting	\$11,000,000
Traffic Control Facilities	\$3,000,000
Underground Conduit	\$1,800,000
Electrical MH Reconstruct	\$700,000
Lead Service Line Replacement	<u>\$4,400,000</u>
Total	\$73,163,000

Unfunded Capital Requests

Core Infrastructure	
Alley Reconstruction	\$700,000
Buildings and Facilities	
ADA Compliance Program	\$2,000,000
North Point Lake Tower	\$50,000

Capital Programs – Buildings and Facilities

City Hall Foundation	\$8,000,000
Environmental Remediation Program	\$165,000
Facilities Exterior Program	\$1,060,000
Facilities Systems Program	\$1,210,000
Space Planning and Engineering	\$150,000
MKE Plays	\$250,000
City Hall Elevator Modernization	<u>\$500,000</u>
Total	\$11,385,000

Six-Year Request

Core Infrastructure	\$555.4 million
Buildings & Facilities	<u>\$50.9 million</u>
Total	\$606.3 million

Capital Program Detail – DPW Infrastructure Services					
Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Major Bridges ¹	\$700,000	\$5,938,000	(\$5,238,000)	(88%)	\$27,380,000
Local Bridges	\$5,350,000	\$5,900,000	(\$550,000)	(9%)	\$44,000,000
Major Streets ¹	\$32,513,000	\$36,305,000	(\$3,792,000)	(10%)	\$282,072,261
Local Streets ²	\$6,200,000	\$6,700,000	(\$500,000)	(7%)	\$92,200,000
High Impact Street	\$5,600,000	\$7,400,000	(\$1,800,000)	(24%)	\$16,200,000
New Streets - Developer	\$400,000	\$400,000	\$0	0%	\$400,000
Alley Program ²	\$0	\$900,000	(\$900,000)	(100%)	\$4,200,000
Sidewalk Program ²	\$1,500,000	\$1,500,000	\$0	0%	\$9,000,000
Street Lighting Program	\$11,000,000	\$5,000,000	\$6,000,000	120%	\$68,900,000
Traffic Control Program	\$3,000,000	\$2,200,000	\$800,000	36%	\$15,461,000
Underground Conduit & Manhole Program	\$1,800,000	\$600,000	\$1,200,000	200%	\$9,000,000
Underground Electrical Manhole Reconstruction Program	\$700,000	\$400,000	\$300,000	75%	\$5,100,000
Lead Service Line Replacement	\$4,400,000	\$2,500,000	\$1,900,000	76%	
Sub Total – Core Infrastructure	\$73,163,000	\$75,743,000	(\$2,580,000)	(3%)	\$555,463,261

¹ Includes grant and aid funding; ² Includes special assessment funding.

Capital Program Detail – DPW Infrastructure Services (cont'd)					
Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
City Hall Foundation	\$8,000,000	\$9,000,000	(\$1,000,000)	(11%)	\$23,000,000
ADA Compliance program	\$0	\$2,000,000	(\$2,000,000)	(100%)	\$2,750,000
Environmental Remediation	\$165,000	\$150,000	\$15,000	10%	\$1,165,000
Facilities Exterior	\$1,060,000	\$600,000	\$460,000	77%	\$8,060,000
Facilities Systems	\$1,120,000	\$825,000	\$385,000	47%	\$9,010,000
Space Planning Alterations& Engineering	\$200,000	\$400,000	(\$200,000)	(50%)	\$2,200,000
MKE Plays	\$250,000	\$250,000	\$0	0%	\$2,700,000
Elevator Modernization	\$500,000	\$0	\$500,000		\$1,000,000
Northpoint Lake Tower	\$0	\$50,000	(\$50,000)	(100%)	\$1,000,000
Sub Total – Buildings & Facilities	\$11,385,000	\$13,275,000	(\$1,890,000)	(14%)	\$50,885,000
Total – DPW Infrastructure Services	\$84,548,000	\$89,018,000	(\$4,470,000)	(5%)	\$606,348,261

Core Infrastructure Programs

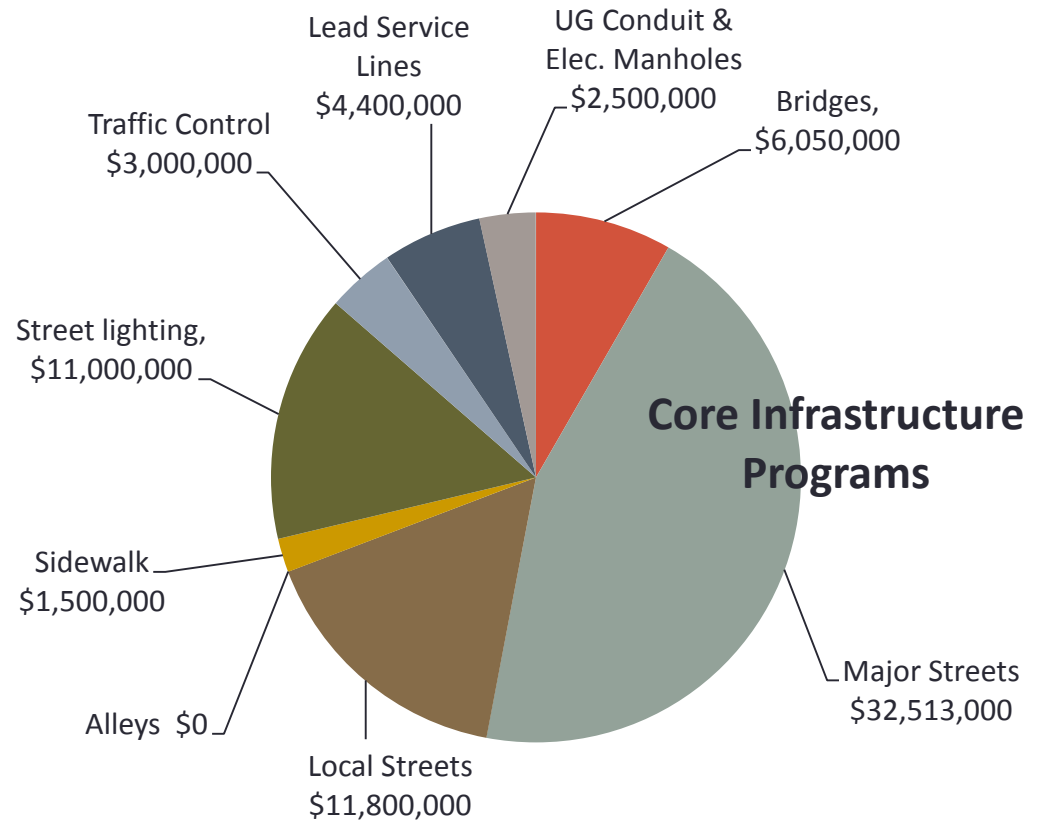
The 2019 Proposed Budget includes \$73.2 million in funding for capital programs relating to bridges, streets, alleys, street lighting, traffic control, underground conduit and electrical manholes, a decrease of \$2.58 million (3%) from the 2018 Budget.

Once again, the largest decrease is in the Major Bridge Program, where grant funding is \$5.2 million less than in 2018. Grant funding in the Major Street program is also less than in 2018, by \$3.4 million.

Combined City funding for the Local Street program and the High Impact Program is nearly \$2 million less than in 2017. However, Local Road Improvement Funds (LRIP) which are available from the State in even-numbered years will make the total funding available for local street paving projects approximately the same as 2017.

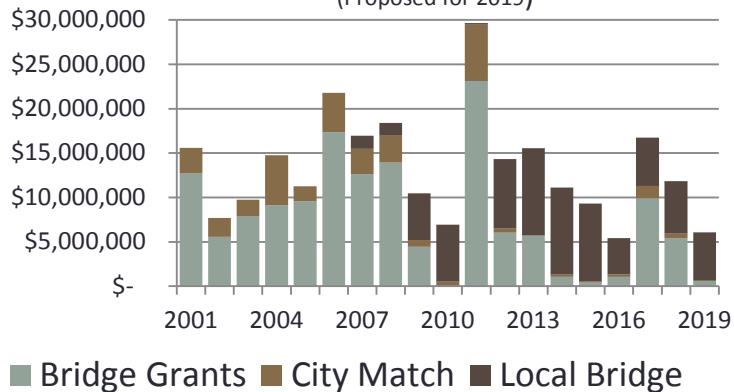
The total capital investment in core infrastructure programs can vary significantly from year to year because of fluctuations in the amount of grant and aid funding available for the Major Bridge and the Major Street programs. Total grant funding in 2019 is \$8.2 million (23%) less than in 2018 and \$16.2 million (37%) less than 2017. Although grant funding decreased every year from 2013 through 2016, the trend in total grant funding since 2000 has been upward. There has been a significant shift away from bridge grants. Between 2001 and 2011, on average, nearly 25% of the grant and aid funding the City received each year was for bridges. Since 2012, the average share of grant and aid funding for bridges has fallen to just 8%.

The 2018 Budget created a new capital program “Lead Service Line Replacement”. The account will provide a funding mechanism for the replacement of the private side of water service laterals. The replacement of the service laterals will take place under contracts administered by the Milwaukee Water Works.



Bridge Funding - Budgeted

(Proposed for 2019)



Major Bridge Program, \$700,000 & Local Bridge Program, \$5,350,000

Major bridges are eligible for federal or state aid. The City’s share of these major bridge projects is normally 20%. Funding for this program is fluid, largely dependent on when projects are scheduled in the grantor funding cycle. Grant funding for bridges has decreased significantly in recent years. Between 2001 and 2011, the average annual bridge aid was just over \$11.6 million. Since 2012, average annual bridge aid has fallen to \$3.8 million

Anticipated grant funding for bridges in 2019 is \$600,000, a decrease of \$4.7 million (87%) from 2018.

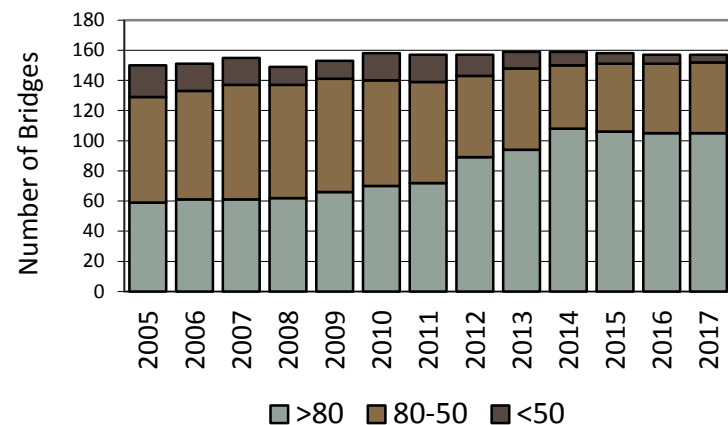
Structures within the Local Bridge Program are essentially all those bridges that are not eligible for federal and/or state aid or where federal and state aid is not available. The Local Bridge Program now includes high-cost

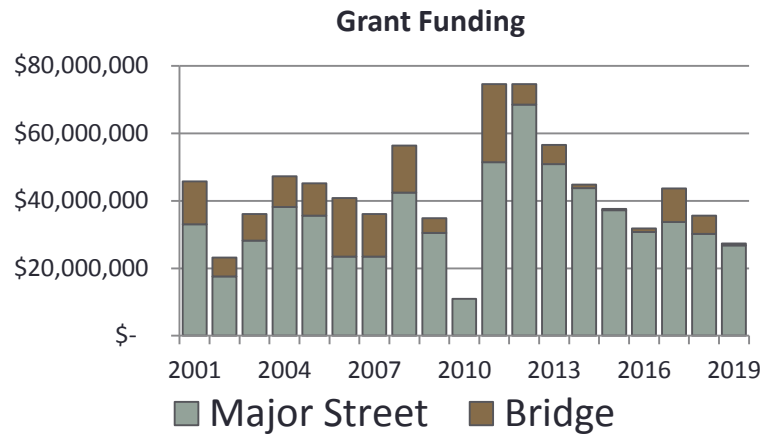
movable bridges, which receive a lower priority for WisDOT aid due to funding constraints at the state. The Local Bridge Program also funds maintenance work, structural repairs, painting, mechanical upgrades, inspection and engineering for the City’s entire bridge system.

The City’s investment in its bridge infrastructure has improved the condition of the system. In the late 1980s, 51 bridges had a sufficiency rating of less than 50; at the end of 2016, there were 5. This represents 3.2% of the City’s rated bridges.

Although the City’s efforts have improved bridge condition, the system overall continues to age, with many bridges being at or near the ends of their projected useful lives. The percentage of bridges in Milwaukee that are classified as structurally deficient is greater than the state-wide average. Unless structural changes in transportation funding are made at the state level, grant and aid funding will likely remain difficult to obtain, and the Local Bridge program will require significant local funding.

Bridge Sufficiency Ratings



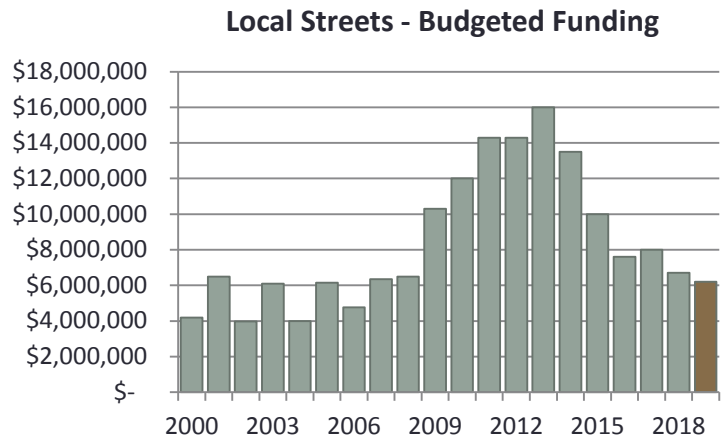


Major Street Program, \$32,513,000

Arterials and collectors are eligible for county, state and federal funding and are part of the City’s Major Street Program. This capital account generally funds the match for state and federal grants. Funding programs include the State Transportation, Connecting Highways, State Trunk Highways, County Trunk Highways, Highway Safety Improvement and Local Road Improvement programs.

Funding for the Major Street program is highly variable because it is dependent on receiving state and federal aid. Uncertainties in funding for the transportation bill at the federal level make it especially difficult to project funding levels for this program in future years.

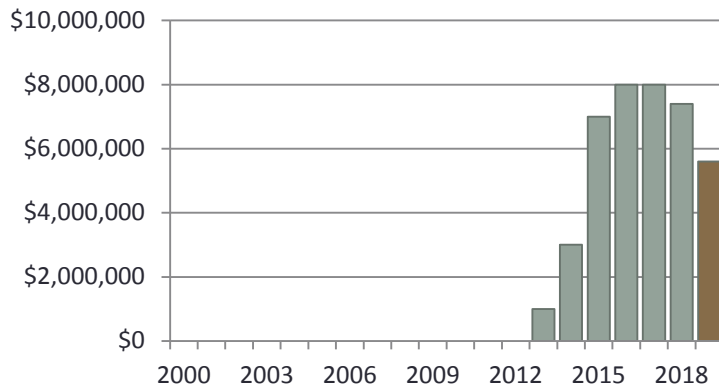
In even-numbered years, Local Road Improvement Program (LRIP) funds are available from the state. These funds appear in the Budget in the Major Street Program, but they are available to improve locals. LRIP funds were approximately \$2 million in 2018.



Local Street Program, \$6,200,000

Beginning in 2009, the City began to devote more resources to local street paving. Between 2011 and 2014, funding in the Local Street Program averaged just over \$14 million. In 2015 the department proposed a new short-term strategy for making improvements to the City’s streets which would divert a portion of Local Street funding over 3 years to execute high-impact projects. After 3 years, the department would return to a traditional reconstruction strategy. The 2019 Proposed Budget contains a significant amount of funding in the High Impact program.

High Impact Streets - Budgeted Funding



High Impact Street Paving Program, \$5,600,000

The High Impact Street Paving Program was first included in the 2013 Budget. Streets in this program are improved using an asphalt overlay. There are no assessments, and projects can be estimated and bid in a short amount of time.

Because there is almost no curb removal, the projects have a minimal impact on street-lighting and traffic-control facilities. Projects are typically constructed in a few days, minimizing impacts on businesses and traffic patterns. However, in accordance with the settlement agreement that the City signed with the United States Department of Justice, pedestrian ramps on High Impact projects will be modified to ensure that they are in compliance with the Americans with Disabilities Act.

In 2015, the department proposed a short-term strategy for making improvements to the City’s streets which called for scaling back traditional reconstruction projects and completing a much larger number of overlay projects. The approach was expected to last for 3 years. The 2019 Proposed Budget still contains a significant amount of funding for this program.

The department has received positive feedback from property and business owners where High Impact projects have been completed. The department has included bike lanes on several High Impact projects.

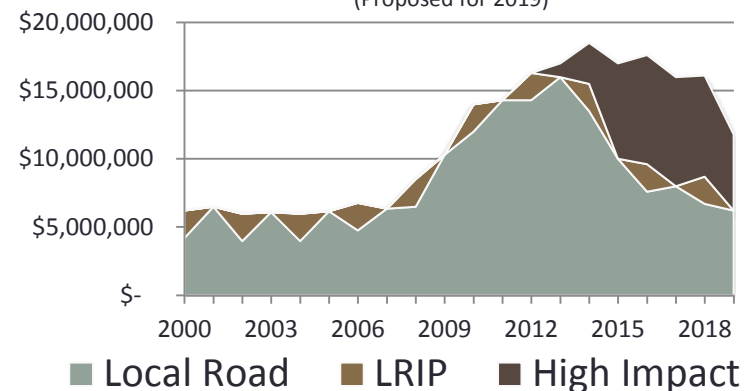
Total funding available for making pavement improvements remains comparatively high. However, inadequate investment in street infrastructure in the 1990s and into the mid-2000s has resulted in a large backlog paving projects.

Motor Vehicle Registration (MVR) Fee

The Common Council passed an ordinance (Common Council File Number 080034) which adjusted the recovery ratios for certain assessable improvements. The ordinance also established a Motor Vehicle

Funding Available for Local Streets

(Proposed for 2019)



Registration (MVR) Fee to generate revenues that are used to defray City costs for transportation-related improvements.

The registration fee is \$20 per vehicle. The 2019 Proposed Budget includes \$6.6 million in revenues from the fee, which will be allocated to the General Fund to pay for street-related capital programs. By ordinance, a minimum of 10% of the MVR fee receipts must be allocated to street-maintenance activities. DPW has allocated approximately \$1 million of the total budget for the local road program in 2019 for capital maintenance.

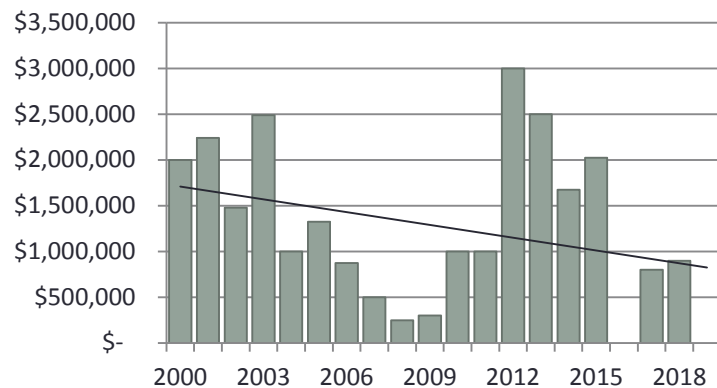
The MVR fee has not been increased since it was first implemented. When the fee was created, most of the special assessments related to paving projects were eliminated. This reduced the amount of additional revenue available for paving projects by approximately half.

In 2016, Milwaukee County implemented a \$30 vehicle registration fee. The County Executive proposed raising the fee to \$60 for 2018. The County Board reduced the registration fee to \$30 after a referendum failed to support the increase to \$60. The 2019 Proposed Budget for Milwaukee County maintains a \$30 registration fee.

New Street Construction – Developer-Funded, \$400,000

This program provides for the construction of streets required to serve platted subdivisions and planned developments with funding provided by the developer. This fund is also used for street paving projects that are partially in adjacent communities. Projects will typically be constructed and then billed to the participating community.

Alley Reconstruction- Budgeted Funding



Alley Program, \$0

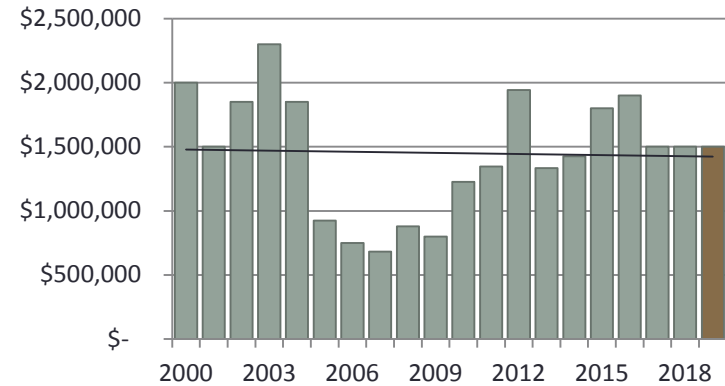
The City’s alley network is comprised of approximately 4,000 alleys totaling 400 miles in length. DPW generally considers the useful life of an alley to be 50 years. Between 2000 and 2005, based on funds budgeted for the alley program, approximately 2 miles of alleys were replaced each year, resulting in a replacement cycle of nearly 200 years. The cost of constructing alleys averages \$800,000 per mile. Maintaining a 50-year replacement cycle will take approximately \$2.5 million per year. The 2019 Proposed Budget does not include any capital funding for the Alley program.

The department is installing more permeable pavements in alleys. The marginal cost of the green infrastructure is offset by grant funding.

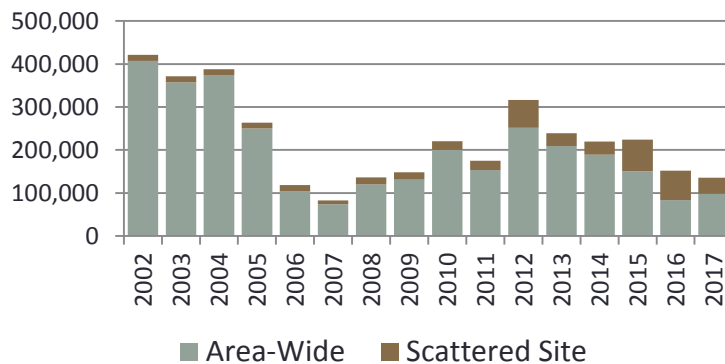
Until 2009, the cost of paving alleys was recovered through a special assessment at a rate of 90%. With the passage of the Motor Vehicle Registration Fee, the recovery rate was reduced to 60%. This reduced property-owner resistance to alley-paving projects, but also increased the amount of City funding required. The recovery rate was further reduced to 30% in 2012. In November 2016, Common Council File 160916 increased the recovery rate to 50%. The alley assessment rate for 2018 is \$45 per frontage foot.

Policy decisions regarding the appropriate level of funding and cost recovery must take into consideration property owner expectations as well as the amount of funding available and the relative importance of other capital projects and programs. Alleys do not form the same type of transportation network that streets do, but in many neighborhoods, they serve the important function of facilitating the removal of garbage by sanitation crews.

Sidewalk Replacement - Budgeted Funding



Annual Sidewalk Replacement
(Square Feet)



Sidewalk Replacement Program, \$1,500,000

The purpose of the sidewalk-replacement program is to eliminate cracked, spalled and out-of-grade sidewalk in the public way. In 2007, a detailed field sidewalk survey was completed which represented 5% of all sidewalks in random streets throughout the city. This survey indicated that as much as 18% of the 68 million square feet of sidewalk in the city may be defective. This program has been used to maintain the City’s sidewalk system since 1963.

DPW’s goal is to maintain an annual program of between 300,000 and 350,000 square feet of sidewalk replacements. Although significant increases have been made in this program in the last 5 years, the investment trend in sidewalks since 2000 has been downward.

This Sidewalk Replacement account funds both the Area-Wide program

and the Scattered-Site replacement program. DPW typically allocated approximately \$200,000 each year for the Scattered-Site program. This level of funding allowed the City to complete work at approximately 100 properties each year. However, the Scattered Site program has become a significantly larger part of the overall sidewalk replacement program. In 2016, 45% of the walk replaced using funds from the Sidewalk Replacement capital account was done in the Scattered Site program. Between 2014 and 2017, the Scattered Site program has been, on average, 30% of the overall sidewalk program. Property owner requests for walk replacement in the Scattered Site program increased after a 2010 ordinance change which removed the special assessment for sidewalks damaged by City trees.

Additional sidewalks routinely get replaced in conjunction with local and major street improvement projects. As the Local Paving program increased after 2009, paving contributed a greater percentage to the overall walk replacement rate. The shift to High Impact paving projects, which include almost no sidewalk replacement, the amount of sidewalk replaced each year has declined.

Street Lighting Program, \$11,000,000

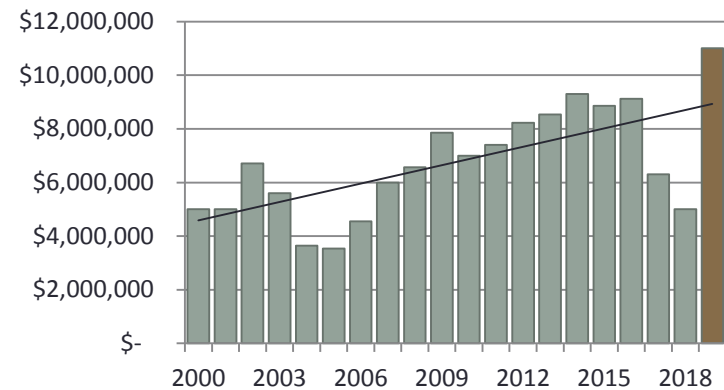
This program is used to replace deteriorated poles, defective cable, outdated circuitry, aging electrical substations and other lighting equipment, and to modernize the street-lighting control system. The City currently maintains nearly 68,000 street lights and over 8,800 alley lights. Historically, about half of the department’s requested budget for street-lighting is related to the paving program.

Funding in 2017 and 2018 was reduced to utilize previous borrowing authorizations. Funding in 2019 returns to previously anticipated levels.

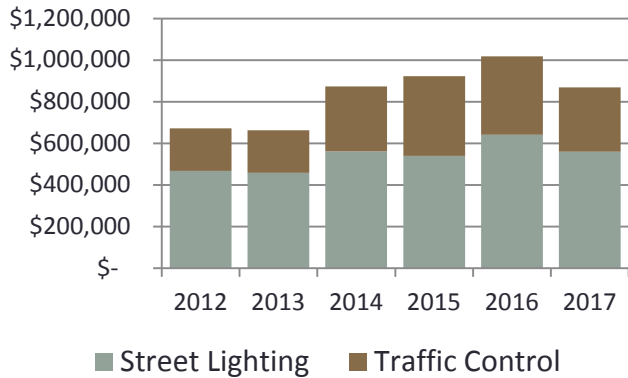
The City’s street-light system is a combination of series and multiple circuitries. The series circuitry, which is the older technology, represents approximately 33% of the system, and is becoming increasingly unreliable. It is also more difficult to repair, requiring more time, specialized knowledge and unique parts which are becoming more difficult to obtain. The City began transitioning to multiple circuits in the 1950’s. One of the main challenges with the conversion project is that series circuits cannot be replaced one block at a time. Each series circuit, which consists of multiple blocks, must be replaced in its entirety. No funding is allocated to the series circuit conversion project in 2019.

After several years of testing, the department has identified an LED street light instrument that meets the City’s specifications for light dispersion, color temperature and maintenance. LED lights are being added in the series conversion project. The initial cost of LED instruments

Street Lighting - Budgeted Funding



Uncollectible Knockdown Costs



is higher than high-pressure sodium, but LED Instruments have a longer life expectancy, use less energy and do not typically experience sudden failure.

“Replacement of Control” continues as part of the City’s Street Lighting Control System Improvement Project. This improvement provides backup in the event of a communications system failure, allows monitoring of street-lighting operation, provides intrusion alarms and provides diagnostics to identify and assist with troubleshooting in response to street-lighting system problems. DPW began to replace the controllers in 2006. It was originally a 4-year project. Funding cuts and resource diversions that were required because of ARRA-funded paving projects and the increase in the local paving program have delayed the completion of this project.

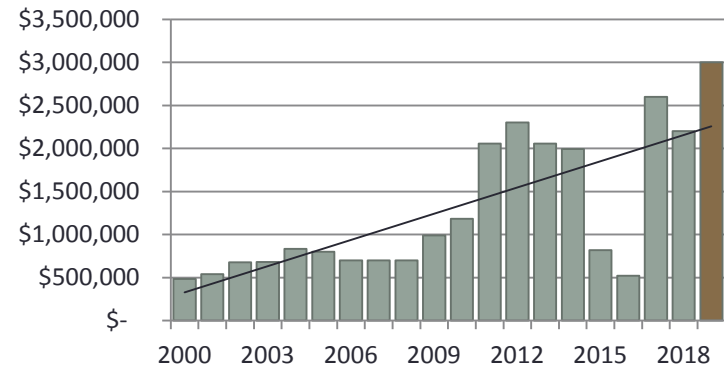
Traffic Control, \$3,000,000

This program provides for the upgrade, replacement and installation of traffic-control devices as needed to accommodate traffic pattern changes, provide conformity with national standards, comply with City ordinances, and use technological advances to improve traffic flow. Traffic control devices are installed and maintained to conform to the federal Manual on Uniform Traffic Control Devices (MUTCD).

Typically, about 25% of the traffic-control program is paving-related. The new High Impact paving program, which targets high-traffic volume streets, has not had a significant impact on the installation of traffic control devices.

In December, 2009, the Federal Highway Administration issued a final rule adopting changes to the 2003 MUTCD. The changes mandated upgrades and improvements to traffic control signs, signals and pavement-marking systems in the city. A MUTCD revision in May, 2012, removed all fully-defined compliance dates for meeting sign retro-reflectivity requirements and required a management plan to maintain sign retro-reflectivity. DPW adopted a Traffic Sign Retro-reflectivity Policy on November 29, 2011. DPW

Traffic Control - Budgeted Funding



anticipates meeting the retro-reflectivity standards for yellow, red and white signs in 2018 or 2019.

The FHWA and the Department of Justice are considering proposed “Accessibility Guidelines for Pedestrian Facilities in the Public Right-of-Way”. Key elements of the guidelines which could affect the City include the installation of audible pedestrian signals at all signalized intersections when the controller is changed or software is modified; the installation of signalization on all legs of multi-lane roundabouts; and new requirements for pedestrian clearance times.

The department typically installs about 2 new traffic signals each year. The department is using different types of non-intrusive detection at intersections. Newer detection technologies can be installed without cutting the pavement are better able to properly detect motorcycles and bicycles to ensure that the signals operate properly.

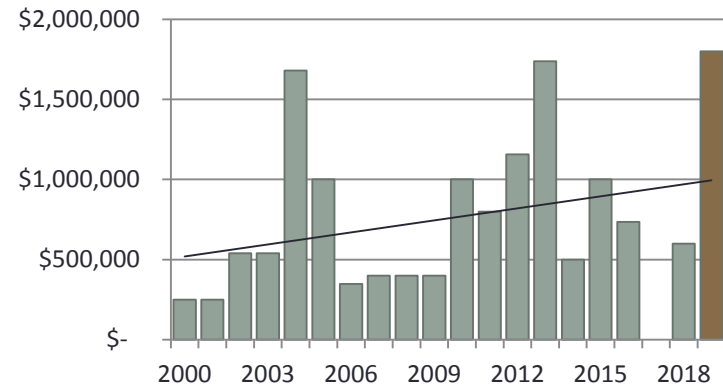
Underground Conduit & Manhole Program, \$1,800,000

The installation of a permanent underground electrical conduit and manhole system provides secure weatherproof public safety cable and circuit networks for multiple City agencies. The system ensures a reliable route for City communication cables to be installed into all existing and proposed City buildings, provides a reliable route for traffic control at signalized intersections and is used for street-lighting cable circuits. Typically, 100% of the underground conduit program is driven by the paving program.

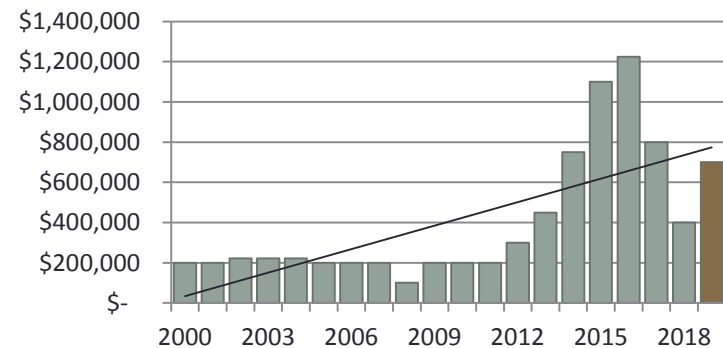
Electrical Manhole Reconstruction Program, \$700,000

This program funds the reconstruction of existing manholes that provide access to the networks for communications, traffic control and street lighting cable circuits. There are approximately 7,550 active manholes in the system.

Underground Conduit - Budgeted Funding



Electrical MH Reconstruction - Budgeted Funding



In 2013, the department began a systematic inspection program for its electrical manholes. As of December 2015, 320 manholes had been identified that need major repairs or replacement, 95 manholes require deck roof replacement and 690 manholes require chimney or corbel repair. The extent of the repairs required is expected to increase as the manhole inspection program continues. In 2014, 4 positions within DPW were reclassified to create a crew that will perform repairs on electrical and communications manholes. The 2019 Proposed Budget includes funding for an additional crew to make manhole repairs.

Lead Service Line Replacements, \$4,400,000

This is a new capital account for 2018. The account will provide a funding mechanism for the replacement the lead water services. Work will be done by contractors. The contracts will be administered by the Milwaukee Water Works.

The key challenge in providing capital funding for DPW-ISD is the inter-relatedness of the programs. Increases in the paving program drive increases in workload for other programs, such as traffic control and underground conduit. If additional funding is not provided for those programs, backlogs or inefficient use of resources may result.

Building & Facility Programs

The Proposed Budget includes 7 capital improvement items for City building and facilities programs totaling \$11.4 million, a decrease of \$1.9 million (14%) from the 2018 Budget. The decrease is primarily related to decreases in the City Hall Foundation project and the ADA Compliance Program.

The 2019 Proposed Budget includes funding from the Sewer Maintenance Fund in the Environmental Remediation program (\$50,000) and the Facility Systems Program (\$30,000). The remainder of the department's Buildings and Facility capital programs are financed with borrowing in 2019.

City Hall Foundation & Hollow Walk, \$8,000,000

Significant repair and restoration work is needed to address age-related deterioration of key elements of City Hall, including wood foundation piles, pile caps, below-grade hollow sidewalk walls, and structural concrete beams and sidewalk. Funding for this multi-year project has been deemed critical to the long-term stability of the structure.

Capital funding began in 2008 with \$1.2 million for professional design services. The project was placed on hold on March 1, 2011 by Common Council File Number 101367. In July 2012, the Common Council authorized DPW to move forward with the project. (Common Council File

Number 120362) The design/build team investigated the wood piles, the water recharge and hollow sidewalk systems and prepared a preliminary engineering report of its findings.

The project was designed in phases. The DPW presentation describing the new foundation and the passive load transfer system can be found in Common Council File Number 160808.

Phase 1 was funded in 2016 (\$13 million). Additional funding was provided in 2017 (\$13 million) and 2018 (\$9 million). The department anticipates requesting an additional \$15 million over the next three years (2020-2022). Expenditures in 2015, 2016 and 2017 were \$1.13 million, \$7.7 million and \$8.6 million, respectively.

Elevator Modernization, \$500,000

This is a new capital project for 2019 to update the City Hall elevators. The elevators are old and in need of replacement. The project is being timed to coincide with the planned service outage which is required to accommodate the City Hall Foundation project.

The department anticipates requesting an additional \$500,000 for 2020.

Environmental Remediation Program, \$165,000

The goal of this on-going program is to provide a safe environment for the public and for City employees. Activities include asbestos removal and lead abatement in City-owned buildings; the monitoring of closed landfills and contaminated sites; repairs to petroleum storage tanks; and upgrades and repairs to storm water management systems and equipment. Since 2000, \$6.25 million has been budgeted for this program. The 6-year capital request is \$1.2 million. The 2019 Proposed Budget includes \$50,000 of revenue from the Sewer Maintenance Fund. Expenditures in 2016 and 2017 were \$155,748 and \$134,922 respectively.

Facilities Exterior, \$1,060,000

This on-going program maintains City facilities in a water-tight, energy-efficient and safe condition. Typical activities include roof repairs, tuck pointing, caulking and sealing, window, entry door and overhead door replacement, yard and lot paving, exterior lighting improvements, foundations, and other miscellaneous facility exterior maintenance items.

Funding proposed for 2019 has increased by \$460,000 from the 2018 Budget. Since 2000, \$16.7 million has been budgeted for this program. The 6-year capital request is \$8.1 million. Funding for the account was reduced in 2017 and 2018, in part, to accommodate funding for the City Hall Foundation project. Expenditures in 2016 and 2017 were \$1.4 million and \$1.5 million, respectively.

Facilities Systems Program, \$1,210,000

This on-going program is used to sustain the operating systems of approximately 95 City-owned buildings. Operating systems include heating, ventilating and air-conditioning, plumbing, fire protection, electrical distribution, lighting, chillers, boilers, computerized facility management, security and life safety. Programming decisions are made using the Facilities Condition Information System, which provides condition data on City buildings.

The 2019 Proposed Budget includes \$1,210,000, an increase of \$385,000 (47%) from the 2018 Budget. A small portion (\$30,000) of this program is funded with revenue from the Sewer Maintenance Fund. There was no revenue funding in 2018.

Since 2000, \$34.5 million has been budgeted for this program. The 6-year capital request is \$9.0 million. Funding for 2016, 2017 and 2018 was reduced, in part, to accommodate funding for the City Hall Foundation project. Funding in 2019 is \$300,000 less than requested. Expenditures in 2016 and 2017 were \$868,827 and \$962,721, respectively.

Space Planning Alterations and Engineering, \$200,000

This program provides funds for architectural and engineering services related to office space studies, including the preparation of preliminary plans and cost estimates for proposed projects, and unscheduled interior office alterations for City departments. It also provides funding for the inspection of the City buildings which are the responsibility of DPW and the maintenance of condition data for those buildings.

Funding proposed for 2019 has decreased by \$200,000 (50%) from the 2018 Budget. This program was funded as requested. Since 2000, \$3.8 million has been budgeted for this program. The 6-year capital request is \$2.2 million. This program is funded with cash in 2019. In 2017 and 2018 it was financed with general obligation debt. Expenditures in 2016 and 2017 were \$256,409 and \$252,341, respectively.

MKE Plays, \$250,000

The 2016 Budget created this account to fund a community based playground rebuilding initiative. The program will leverage private investment to increase rebuilding capacity. No additional funding is provided in existing Recreational Facilities, Playground Challenge Fund, or ADA Compliance capital accounts.

Expenditures from the MKE Plays capital account were \$132,601 and \$100,251 in 2016 and 2017, respectively. An additional \$542,000 was expended in 2016 from a contribution account set up for the MKE Plays initiative.

The City's Comprehensive Outdoor Recreation Plan for 2016-2021 can be found in Common Council File 160675.

Unfunded Capital Requests

ADA Compliance Program

This on-going program provides funding for building alteration projects to comply with the Americans with Disabilities Act Accessibility Guidelines, respond to new and updated regulations, and improve access to City facilities for the disabled. Alteration projects provide access to building entrances, restrooms, public telephones, drinking fountains, lobbies, meeting rooms and office space in the City Hall complex as well as outlying City facilities and playgrounds. Since 2000, \$6.17 million has been budgeted for this program. The 6-year capital request is \$2.75 million. Expenditures in 2016 and 2017 were \$213,151 and \$555,854, respectively.

In the spring of 2011, the City participated in the U.S. Department of Justice's (DOJ) Project Civic Access program. Through this program, the DOJ works cooperatively with state and local governments to ensure that they are in compliance with the Americans with Disabilities Act. Staff from the DOJ inspected a sampling of City facilities and issued a report of their findings, which was received in the spring of 2015.

The Common Council authorized a settlement agreement with the U.S. Department of Justice in March, 2016 (See Common Council File Number 151685). The settlement outlines the corrective actions required by the City and compliance timelines. In addition to addressing the deficiencies identified in the 2011 inspection, the City must survey the remaining City facilities for potential violations. The department request \$1,000,000 for this program. Although no funding was provided for 2019, work is expected to continue with funds allocated in prior years.

North Point Lake Tower

The department requested \$500,000 to continue the restoration of the North Point Lake Tower. The department assessed the condition of the North Point Lake Tower structure in 2013 and determined that repairs were necessary. This project was first funded in 2015 (\$340,000). The project was not funded in 2016 or 2017. Interior and exterior repairs were made. Expenditures in 2015 were 53,782. There no expenditures in 2016 or 2017. **No capital funding is proposed for this project in 2019.**

17 DPW- Sewer Maintenance Fund

\$33,950,000

Proposed Capital Funding

\$35,850,331

Requested Capital Funding

\$3,564,000

Decrease from 2018 Budget

-9.5%

Percent Change from 2018 Budget

\$236,332,331

Six-Year Capital Request

Capital Programs and Projects

Sewer Relief & Relay Program	\$25,000,000
Water Quality Projects (TMDL)	\$2,800,000
Pump Facility Projects	\$500,000
I&I Reduction Projects	\$3,650,000
Downspout Disconnection	<u>\$2,000,000</u>
Total	\$33,950,000

Ongoing and Recent Capital Projects

Flood Mitigation Program Projects were completed in the Dineen Park neighborhood (69th & Vienna and Copernicus Park (20th & Grange)

Private Property Lateral Lining Demonstrations in Cooper Park and Clemens School areas.

Unfunded Capital Requests

River Channel Maintenance	\$200,000
Flood Mitigation	\$1,000,000

Anticipated Capital Requests

The total 6-year request is \$236.3 million.

Capital funding for the Sewer Maintenance Fund decreased by \$3.6 million (9.5%) from 2018.

Reductions in the Sewer Main Program (\$3 million) and the I&I Reduction Program (\$3 million) were partially offset by funding for the new Downspout Disconnection Program (\$2 million)

The department is continuing to employ a more comprehensive and diversified approach to improving the performance of the sewer system. Strategies include reducing the amount of clear water that enters the sewer system, constructing bio-swales to help manage storm water runoff, restoring capacity to various channels and drainage ditches, and installing permeable pavements.

Capital Program Detail – DPW Sewers

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Sewer Relief & Relay Program	\$25,000,000	\$28,000,000	(\$3,000,000)	(11%)	\$179,200,000
Water Quality for TMDLs	\$2,800,000	\$2,164,000	\$636,000	29%	\$12,832,331
Pump Facility Projects	\$500,000	\$500,000	\$0	0%	\$3,000,000
I&I Reduction Projects	\$3,650,000	\$6,650,000	(\$3,000,000)	(45%)	\$32,400,000
Downspout Disconnect Program	\$2,000,000	\$0	\$2,000,000		\$6,700,000
River Channel Maintenance	\$0	\$200,000	(\$200,000)	(100%)	\$1,200,000
Flood Mitigation	\$0	\$0	\$0	0%	\$1,000,000
Total	\$33,950,000	\$37,514,000	(\$3,564,000)	(10%)	\$236,332,331

The City anticipates issuing \$29.3 million of debt to support improvements to the sewer system; \$24.5 million for the sewer main program, \$2 million for the I&I program, and \$800,000 for water quality projects. If revenue bonds are issued, a portion of the funds must be held in reserve and may not be used to finance construction. The reserve requirement is usually 10%. If general obligation bonds are used, more sewers can be constructed with the budgeted amount, but concerns about the City’s statutory

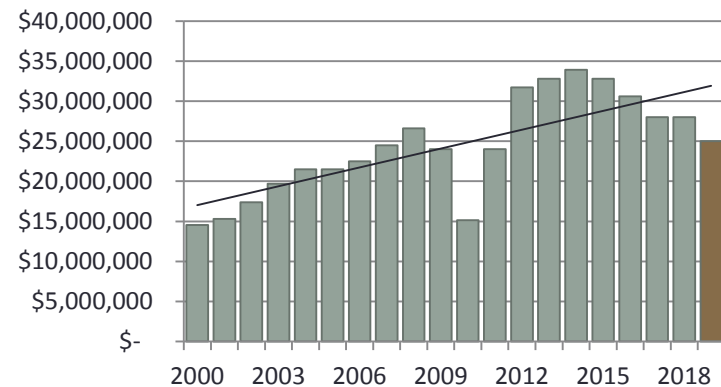
debt limit may constrain the amount of debt the City can issue.

The City also anticipates receiving \$1.65 million in grant funding from MMSD for the private-property I&I program. The Water Quality Program will also receive \$2 million in grant funding.

Sewer Relief and Relay Program, \$25,000,000

This on-going program provides funding for the replacement and rehabilitation of the City’s sanitary, storm and combined sewer mains and other miscellaneous repairs. The replacement cycle based on current funding is shorter than the industry recommended 90 years. The replacement cycle in 2010 was approximately 160 years.

Sewer Mains - Budgeted Funding



In 2014, there were just over 200 miles of sewers that are more than 90 years old. Even though the recent level of funding for sewer main replacement and rehabilitation has been close to what should be required to maintain the industry standard 90-year replacement cycle, the number of sewers that have exceeded their useful lives has grown to almost 350 miles. By 2026 the department estimates that nearly 20% of the sewer system could be over 90 years old.

This is in part because the department uses the condition of a sewer, in addition to other metrics, to determine whether replacement is warranted. A sewer constructed more recently may be in poorer condition than an older sewer and would be replaced sooner.

Sewers may also be replaced sooner than would generally be warranted by their age or condition if they are in a street that is scheduled for repaving. If the amount of funding allocated for street repaving increases to address the poor condition of the local roads, paving-related sewer replacements will become a higher percentage of the overall sewer program. Other factors may also divert funding from the oldest mains in the system.

The older mains are generally performing well but may pose a higher risk of failure as they continue to age significantly past their expected useful life.

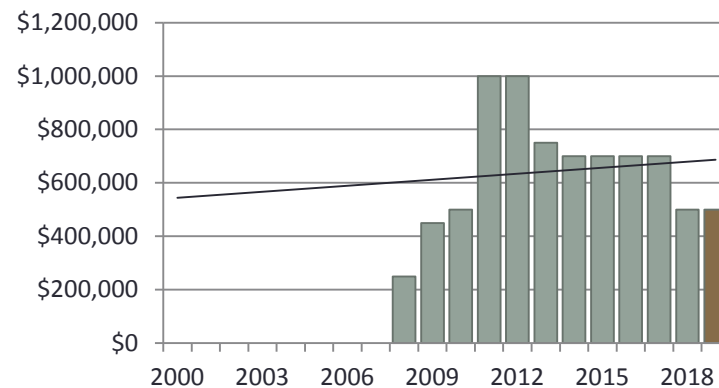
Although funding has declined slightly each year since 2014, it is still trending upward. Gains have been made in the replacement cycle by increasing the number of sewer lining projects. Sewer lining eliminates the need to excavate the roadway to install new sewer pipe and allows the department to improve more miles of sewer with the same amount of funding. The number of miles improved each year will vary depending on the diameter of the sewer pipe that is being improved.

Pump Facility Projects, \$500,000

Funding for this program provides for the inspection, rehabilitation and replacement of sanitary pump facilities. This program was funded as requested by the department. A backlog of projects in this program has been addressed, allowing annual funding to be reduced.

The City owns and maintains 7 sanitary lift stations and 83 sanitary bypass pump stations. These pumps reduce the risk of sewage backing up into homes and businesses. Pumps are located in areas that historically had sewer backup occurrences during periods of heavy rain.

Pump Facilities - Budgeted Funding



The City’s lift stations pump sanitary flow from low areas into gravity sanitary sewers so the flow can reach MMSD’s collection and treatment system. The sanitary bypass pump stations are covered under the Sanitary Bypass permit issued by the DNR. If the bypass pumps operate during large rain events, the DNR has not objected to their use. If the bypass pumps operate during dry weather, or during small rain events, the DNR will work with the City to establish a course of action to prevent these types of operations. The 2005 stipulation with the Wisconsin Department of Justice allows for the DNR to assess a fine for the operation of bypass pumps during small events or dry weather.

The DNR has established new sanitary sewer overflow rules. There are no specific guidelines for sanitary bypass pumps. It is DPW’s understanding that the revised rules will not eliminate the use of sanitary bypass pumps as long as the municipality is maintaining its system and addressing infiltration and inflow problems.

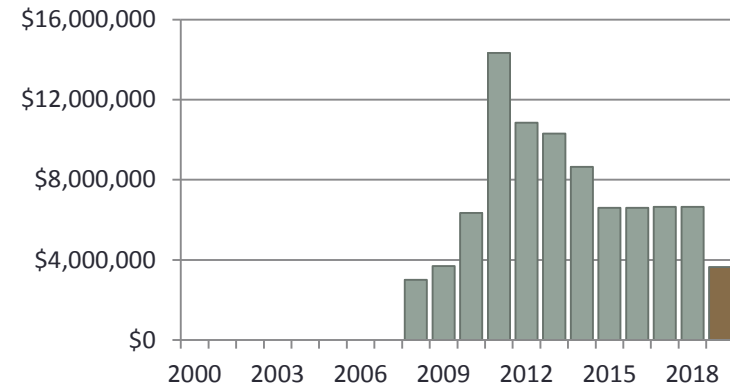
Funding for this program began in 2008. Since that time, \$7.25 million has been budgeted. Expenditures for 2016 and 2017 were \$250,816 and \$559,597, respectively.

Infiltration and Inflow (I&I) Reduction Projects, \$3,650,000

Infiltration and Inflow is the entering of storm water or groundwater into municipal wastewater systems. The extraneous water enters the sanitary sewer system through cracked pipes (mains and laterals), leaking manholes, and downspouts, sump pumps and foundation drains that are connected directly to the sanitary sewer system. When too much excess water enters the system, sewage may back up into buildings, overflow from manholes or bypass treatment facilities. In 2005, the Milwaukee County Circuit Court stipulated a variety of actions that the City must take to eliminate sanitary sewer overflows. These actions included identifying and correcting leaks in selected sewer basins.

Funding for this program began in 2008. Since that time, \$83.7 million in funding has been budgeted, including \$16.3 million in grant funding. Anticipated grant funding for 2019 is \$1.65 million. The amount of grant funding has not changed since 2014. All work on private property done to date has been paid for with grant funding from MMSD. There is no provision in the 2019 Proposed Budget to assess property owners for work done in conjunction with this program.

Inflow & Infiltration - Budgeted Funding



Expenditures for I&I reduction projects in 2016 and 2017 were \$8.9 million and \$5.7 million, respectively.

Water Quality for Total Maximum Daily Loads (TMDL), \$2,800,000

This program has provided funding to construct various Best Management Practices (BMPs), such as green streets, rain gardens, wet detention ponds, bio-infiltration areas, and end-of-pipe treatments to reduce the amount of Total Suspended Solids (TSS) that enter waterways. The DNR now takes a broader, more comprehensive approach to water quality, focusing on bacteria and total phosphorus as well as total suspended solids. It is anticipated that complying with the bacteria loads will be the most challenging aspect of the new standards. Between 2009 and 2018, the City has allocated over \$13.6 million for water quality projects. Expenditures in 2016 and 2017 were \$1.1 million and \$866,500, respectively.

Downspout Disconnection Program, \$2,000,000

This is a new capital program for 2019. The Milwaukee Metropolitan Sewerage District (MMSD) made revisions to Chapter 3 of its Rules and Regulation relating to the connection of downspouts to the sewer system.

Under the new rules, in the combined sewer area, the connection of 1-4 unit residential structures will be prohibited after January 1, 2025. This account will fund a total of 18 positions (6 FTEs). The positions include 2 Civil Engineers, 4 DNS Filed Inspectors, and 12 Field Inspectors. The department anticipates requesting \$6.7 million over the next 6 years for this program.

Total Maximum Daily Load Regulations

New water quality standards developed by MMSD and the DNR may change how the City implements water-quality projects.

The Wisconsin Department of Natural Resources' regulation in ch. 151, Wis. Adm. Code, required the City to reduce the amount of Total Suspended Solids (TSS) in runoff by 40%. To meet the compliance deadline, the City worked with the DNR to be given credit for the TSS removed by the treatment of storm water in the combined sewer area. With the allowance of this credit, the City attained the 40% compliance rate.

The state's new Total Maximum Daily Load (TMDL) requirements will place limits on phosphorus and bacteria, in addition to total suspended solids. Meeting anticipated bacteria requirements in particular could be very challenging, and may require significant work in the future to modify storm sewer outfalls. It is expected the City will have 3 full permit cycles (5 years each) to meet the new requirements.

Unfunded Capital Requests

Flood Mitigation,

The department requested \$1 million for this program which was created in 2015 (\$2,750,000) to implement the findings of a flood mitigation study in the Dineen Park Neighborhood (69th & Vienna). The memorandum of understanding between the City of Milwaukee, Milwaukee County and MMSD for the construction of a storm water detention pond can be found in Common Council File Number 121683.

The 2016 Budget included funding (\$4,300,000) for a flood mitigation project in Copernicus Park (20th & Grange). The memorandum of understanding can be found in Common Council File Number 161598. The 2017 Budget provided funding (\$1,500,000) for the completion of the projects. No funding was requested for 2018. Expenditures from this account in 2016 and 2017 were \$7,585 and \$137,243, respectively.

No capital funding was provided for this program in 2019.

River Channel Maintenance

The department requested \$200,000 for this program which was created in 2012 to provide funding for the restoration of the channels and drainage ditches which carry storm water to local waterways during rain events. Over time, sediment and vegetation can reduce their capacity and intensify the effects of excessive rainfall. As part of a broader strategy for managing storm water run-off and preventing flooding, the City will be reviewing these channels and restoring their capacity as necessary. This account is not intended for routine maintenance or mowing activities. Since 2012, \$960,000 has been budgeted in this account. Expenditures in 2016 and 2017 were \$104,000 and \$59,935, respectively.

No capital funding was provided for this program in 2019.

18 DPW- Transportation Fund

\$3,385,000

Proposed Capital Funding

\$8,164,025

Requested Capital Funding

\$39,500

Decrease from 2018 Budget

-1.2%

Percent Change from 2018 Budget

\$18,882,254

Six-Year Capital Request

Capital Programs and Projects

Parking Facility Maintenance	\$50,000
Repave Tow Lots and Surface Lots	\$50,000
MacArthur Square Parking Structure	
• Renovation	\$1,110,000
• Façade Repairs	\$775,000
• Electrical Upgrade	\$1,300,000
ADA Compliance	<u>\$100,000</u>
Total	\$3,385,500

Unfunded Capital Requests

Lincoln Distribution Bldg Renovation	\$4,489,025
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Ongoing and Recent Capital Projects

Single-space Credit Card Meters	\$1,225,000
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Anticipated Capital Requests

The total 6-year capital request is \$18.9 million.

The department is designing a comprehensive parking strategy using new technology to improve parking operations. The goal is to increase customer satisfaction, ease of use and compliance.

The department requested funding to move the tire shop, parking dispatch and parking enforcement operations to the old Lincoln Distribution building. The request received no capital funding.

Capital Program Detail – DPW Parking

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Parking Facilities Maintenance	\$50,000	\$0	\$50,000		\$1,050,000
Tow Lot / Surface Lot Paving	\$50,000	\$50,000	\$0	0%	\$300,000
MacArthur Sq. Repairs	\$1,110,000	\$2,082,500	(\$972,500)	(47%)	\$5,294,000
MacArthur Sq. Elec Upgrade	\$1,300,000	\$67,000	\$1,233,000	1,840%	\$1,300,000
MacArthur Square Facade	\$775,000	\$0	\$775,000		\$775,000
ADA Compliance	\$100,000	\$0	\$100,000		\$390,000
Single Space Credit Card Mechanisms	\$0	\$1,225,000	(\$1,225,000)	(100%)	\$0
Lincoln Distribution Building Renovation	\$0	\$0	\$0	0%	\$4,818,254
2nd & Plankinton Structure	\$0	\$0	\$0	0%	\$1,152,000
1000 N Water Street	\$0	\$0	\$0	0%	\$1,883,000
Milwaukee/Michigan Structure	\$0	\$0	\$0	0%	\$2,695,000
Total	\$3,385,000	\$3,424,500	(\$39,500)	(1%)	\$18,882,254

phase of the Tow Lot. Since 2014, \$475,000 has been budgeted for this account. Expenditures in 2016 were \$22,800. There were no expenditures from this account in 2017.

ADA Compliance, \$100,000

This project will address ADA deficiencies identified by the Department of Justice and which are required per the settlement agreement. The scope of repairs includes the adjustment of slopes and travel paths, updated signage, restriping for van accessible parking, and the creation of van accessible parking at the MacArthur Square parking structure. This is not expected to be an on-going capital program.

Parking Facilities Maintenance, \$50,000

This on-going program is used to provide necessary repairs of structural, mechanical and electrical deficiencies of a non-emergency nature. Funding is also used to correct unplanned deficiencies identified by violation reports issued by building code inspectors that are time-sensitive in nature. Typical funding is approximately \$200,000 each year. No funding was provided in 2018 for this program. Expenditures in 2017 were \$76,189.

Repave Tow Lot and Surface Lots, \$50,000

This capital account was created in 2014 to repave the Tow Lot and over 40 other surface parking lots that the City owns.

Funding in 2019 will install permeable pavement in 4 high-use parking lots. Funding in 2016 was used for the final

MacArthur Square Parking Structure

There are several capital accounts which fund maintenance and repairs at the MacArthur Square parking structure. Total capital funding proposed for 2019 is \$3,180,000

Repairs, \$1,110,000

Funding was provided in 2016 to make concrete repairs and paint the east and west sides of the lower level. Funding in 2017 was provided to begin the replacement of the Pioneer Village slab. In June 2017, the City and the County entered into an intergovernmental cooperation agreement to facilitate repairs. The agreement is available in Common Council File Number 170244. In addition to the funding proposed for 2019, the department anticipates needing \$3.3 million over the next 6 years for various repairs and maintenance. That estimate does not include the upgrade of the structure's electrical system, which is expected to cost \$1.3 million.

Façade, \$775,000

This project will repair the spalling and cracking of the façade on the MacArthur Square parking structure. It will also address the water drainage issue which was a major contributor to the damage.

Electrical Upgrade, \$1,300,000

The electrical system at the MacArthur Square parking structure is past its useful life. It requires significant, disruptive maintenance and is expensive to operate. Funding in 2018 provided for system design. Funding in 2019 will install the new electrical system. No additional funding is anticipated after 2019. Expenditures in 2017 were \$167,680.

The purchase of sophisticated license plate reader (LPR) systems, which are made up of high-speed cameras that capture a photograph of each license plate combined with software that analyzes the photo to identify the license plate number, could have implications for privacy and First Amendment rights.

Many systems are configured to store the photograph and the license plate number, as well as the date, time and location. Key concerns are unauthorized access to data, undefined data-retention periods and widespread data-sharing. The broader policy question of increased parking enforcement and issues of fairness should be addressed.

Unfunded Capital Requests

Lincoln Distribution Building Renovation

The department requested \$100,000 for 2018 to begin the relocation of the tire shop, parking dispatch and parking enforcement operations to a different facility. No funding was provided in 2018 for this project. For 2019, the department requested \$4.5 million to renovate the Lincoln Distribution building. The 6-year request for the project is \$4.8 million. The project was first requested in 2014. **No capital funding was provided for this project in 2019.**

Other Capital Programs

Single-space Credit Card Meter Mechanisms

2017 was the third year of funding for a single-space credit card parking meter installation project. The project will take place in the downtown area and the Third Ward where there are fewer than 6 contiguous parking spaces and parking rates are at least \$1 per hour. Since 2015, \$2.3 million has been budgeted for this project. The department issued an RFP in January 2017 for single space smart meters. The existing single space meters were last replaced in 1997 and had a useful life of 15 years. The project is on-going. No new funding has been requested. Expenditures in 2017 were \$62,059.

1000 N. Water Street Parking Structure Repairs

The department anticipates needing just over \$1.9 million over the next 6 years for various repairs and maintenance. Work is tentatively scheduled for 2020, 2021, 2022 and 2024. Expenditures in 2017 were \$60,577.

Milwaukee/Michigan Parking Structure Repairs

The department anticipates needing \$2.7 million over the next 6 years for various repairs and maintenance. Work is tentatively scheduled each year from 2021 through 2024. Expenditures in 2017 were \$382,377.

2nd & Plankinton Structure Repairs

The department anticipates needing approximately \$1.2 million over the next 6 years for various repairs and maintenance. Work is tentatively scheduled for 2020, 2021, 2023 and 2024. Expenditures in 2017 were \$383,530.

Replace Revenue and Access Control Equipment

The department requested \$2 million for 2018 to begin replacing parking structure revenue and access control equipment. Most of the equipment was installed in 2004 and had a useful life of 9-11 years. Funding in 2016 was provided to hire a consultant to write the specifications for the project. New features could include on-screen customer assistance, license plate recognition, sensors and cameras, barcode readers and mobile technology integration. The software will also allow for analytic data processing. No funding was provided in 2018 for this project. The department did not submit a request for funding in 2019.

Fourth & Highland Parking Structure Repairs

This parking structure has been demolished in conjunction with the new arena project.

19 DPW- Milwaukee Water Works

\$31,375,000

Proposed Capital Funding

\$32,435,000

Requested Capital Funding

\$1,395,000

Decrease from 2018 Budget

-4.1%

Percent Change from 2018 Budget

\$219,725,000

Six-Year Capital Request

Capital Programs and Projects

Distribution System	\$25,750,000
Developer Agreement	\$5,000
Assessable Water Main	\$5,000
Linnwood Building Improvements	\$800,000
Linnwood Treatment Improvements	\$1,350,000
Howard Building Improvements	\$350,000
Howard Treatment Improvements	\$700,000
Pump Facilities Improvements	\$1,850,000
Storage Facilities Improvements	\$50,000
Meter Shop Improvements	\$425,000
Capital Projects Contingencies	\$100,000
Total	\$31,385,000

Unfunded Capital Requests

There are no unfunded capital requests.

Ongoing and Recent Capital Projects

Backup Power Generation - This project is complete

Anticipated Capital Requests

Using information from recent projects, the department will develop a new capital request for 2020 and beyond that addresses water main replacements with lead service lines.

The Milwaukee Water Works' (MWW) capital plan addresses Public Service Commission (PSC) concerns about water main replacement. MWW will replace 18 miles of water mains in 2019. MWW is evaluating the best way to address the replacement of lead service lines while maintaining the required level of water main replacement. Water usage continues to decline at a rate of approximately 2.5% per year. The 2019 Proposed Budget provides \$30.1 million of bonding authority for Water Works projects.

Capital Program Detail – DPW Water

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Water Main Program	\$25,760,000	\$24,820,000	\$940,000	4%	\$175,860,000
Linnwood Building Improvements	\$800,000	\$275,000	\$525,000	191%	\$1,800,000
Linnwood Treatment Improvements	\$1,350,000	\$1,550,000	(\$200,000)	(13%)	\$9,300,000
Howard Building Improvements	\$350,000	\$375,000	(\$25,000)	(7%)	\$750,000
Howard Treatment Improvements	\$700,000	\$800,000	(\$100,000)	(13%)	\$5,750,000
Pump Facilities Improvements	\$1,850,000	\$2,350,000	(\$500,000)	(21%)	\$23,100,000
Storage Facilities Improvements	\$50,000	\$2,500,000	(\$2,450,000)	(98%)	\$2,050,000
Meter Shop Improvements	\$425,000	\$10,000	\$415,000	4,150%	\$515,000
Capital Project Contingencies	\$100,000	\$100,000	\$0	0%	\$600,000
Total	\$31,385,000	\$32,780,000	(\$1,395,000)	(4%)	\$219,725,000

Water Main Program, \$25,760,000

Proposed funding in 2019 will replace 18 miles of water main as required by the PSC. The plan for meeting the PSC’s replacement requirements was submitted in September, 2014.

With the exception of the years 2011-2013, when funding was severely cut back due to revenue constraints, funding has been steadily increasing since at least 2000.

Funding in 2019 includes the design for the Waukesha transmission main and the design and construction of the Franklin

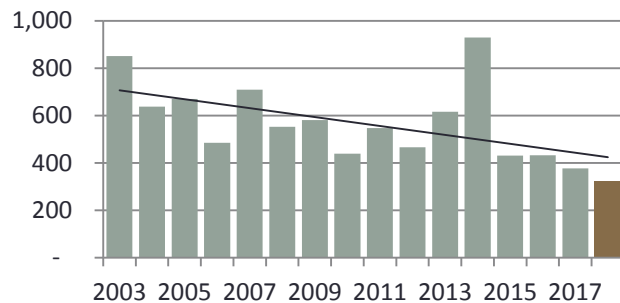
transmission main.

MWW continues to expend the majority of its water main replacement funding on water mains that were constructed between 1946 and 1963. These water mains represent the majority of water main breaks in the system.

The number of water main breaks has returned to a more typical level after a spike in 2014, which was driven by an exceptionally cold winter and a leak at the Texas Avenue pumping station. The total water main breaks in 2018 is projected to be lower than in 2017. Although annual main breaks can be highly variable, the number of main breaks per 100 miles of water main has been trending downward for at least 20 years.

Annual Water Main Breaks

(as of June 30, 2018)

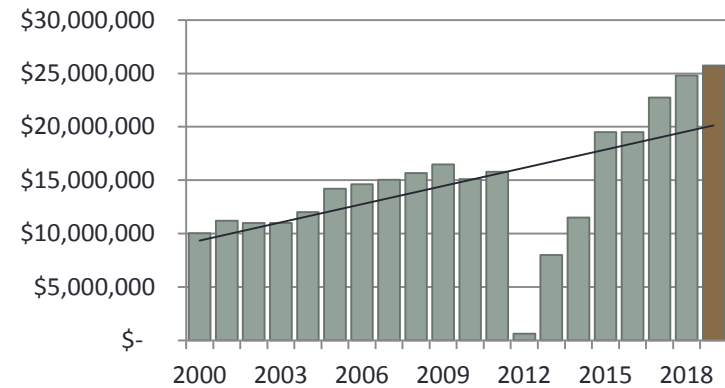


Linnwood Plant Building Improvements, \$800,000

Since 2001, this program has received \$11 million in funding. Funding has been highly variable. Projects planned for 2019 include the replacement of a sanitary sewer line, design work for a window replacement project, HVAC upgrades in the administration building, analysis of potential sustainability projects, as well as bathroom renovation and floor and ceiling replacement at the Water Quality lab.

The department anticipates requesting additional funding in 2020, 2022, and 2024. The 6-year capital request for this program is \$1.8 million. Expenditures in 2015, 2016 and 2017 were \$470,000, \$130,340, and \$951,456, respectively.

Water Mains - Budgeted Funding



The ability of the Water Works to effectively maintain its infrastructure, which includes water mains, treatment plants and pumping facilities, is directly tied to the development of a rate structure that will generate enough revenue to allow investment in the utility’s assets. It is also tied to the utility’s ability to successfully get its rate structure approved by the Public Service Commission.

Linnwood Plant Treatment Improvements, \$1,350,000

Since 2001, \$13.15 million has been budgeted for this program. Projects planned for 2019 include the continuation of the motor control replacement project and the replacement of the filter influent and surface wash pneumatic control valves.

The department anticipates requesting additional funding each year from 2020 through 2024. The 6-year capital request for this program is \$9.3 million. Expenditures in 2015, 2016 and 2017 were \$54,900, \$757,993, and \$117,445, respectively.

Howard Plant Building Improvements, \$350,000

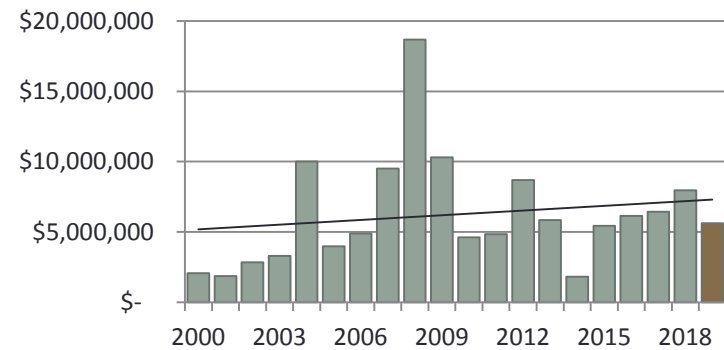
Since 2001, this program has received \$4.62 million in funding. Funding in 2019 will be used to upgrade the chemical feed room ventilation system and for the analysis of potential sustainability projects. The department anticipates requesting additional funding in 2020 and 2022. The 6-year capital request for this program is \$750,000. Expenditures in 2015, 2016 and 2017 were \$756,900, \$218,000, and \$203,789, respectively.

Howard Plant Treatment Improvements, \$700,000

Howard Avenue is a newer treatment plant and has not needed extensive upgrades in recent years. Annual funding for this program typically has not exceeded \$500,000. Since 2001, this program has received \$5.35 million in funding. Projects planned for 2019 include the replacement of 2 load centers and associated motor control centers and a roof replacement project on the ozone contactor building.

The department anticipates requesting additional funding almost every year from 2020 through 2024. The 6-year capital request for this program is \$5.75 million. Expenditures in 2016 and 2017 were \$27,000 and \$787,520, respectively.

Non-Water Main Improvements Budgeted Funding



The PSC’s recent requirement that MWW install a minimum amount of water main each year presents financing challenges. Increasing the replacement of water mains to the level required by the PSC will be challenging for MWW both operationally and financially.

Pump Facilities Improvements, \$1,850,000

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 \$25.75 million in funding. Annual funding is highly variable.

Funding in 2019 will provide for pump and valve upgrades at Riverside station, the installation of flow and pressure monitoring devices, and design activities for the Waukesha booster station. Construction of the booster station is anticipated in 2020 and 2021.

The department anticipates requesting additional funding each year from 2020 through 2024. The 6-year capital request is \$23.1 million. Expenditures in 2015, 2016 and 2017 were \$2.4 million, \$311,361, and \$182,086, respectively.

Storage Facilities Improvements, \$50,000

This program provides funding for the evaluation, elimination or enhancement of the system’s water storage capacity. Since 2001, this program has received \$21.50 million in funding. Funding in 2019 will be used for the inspection for Florist Tank #2 as required by the Department of Natural Resources.

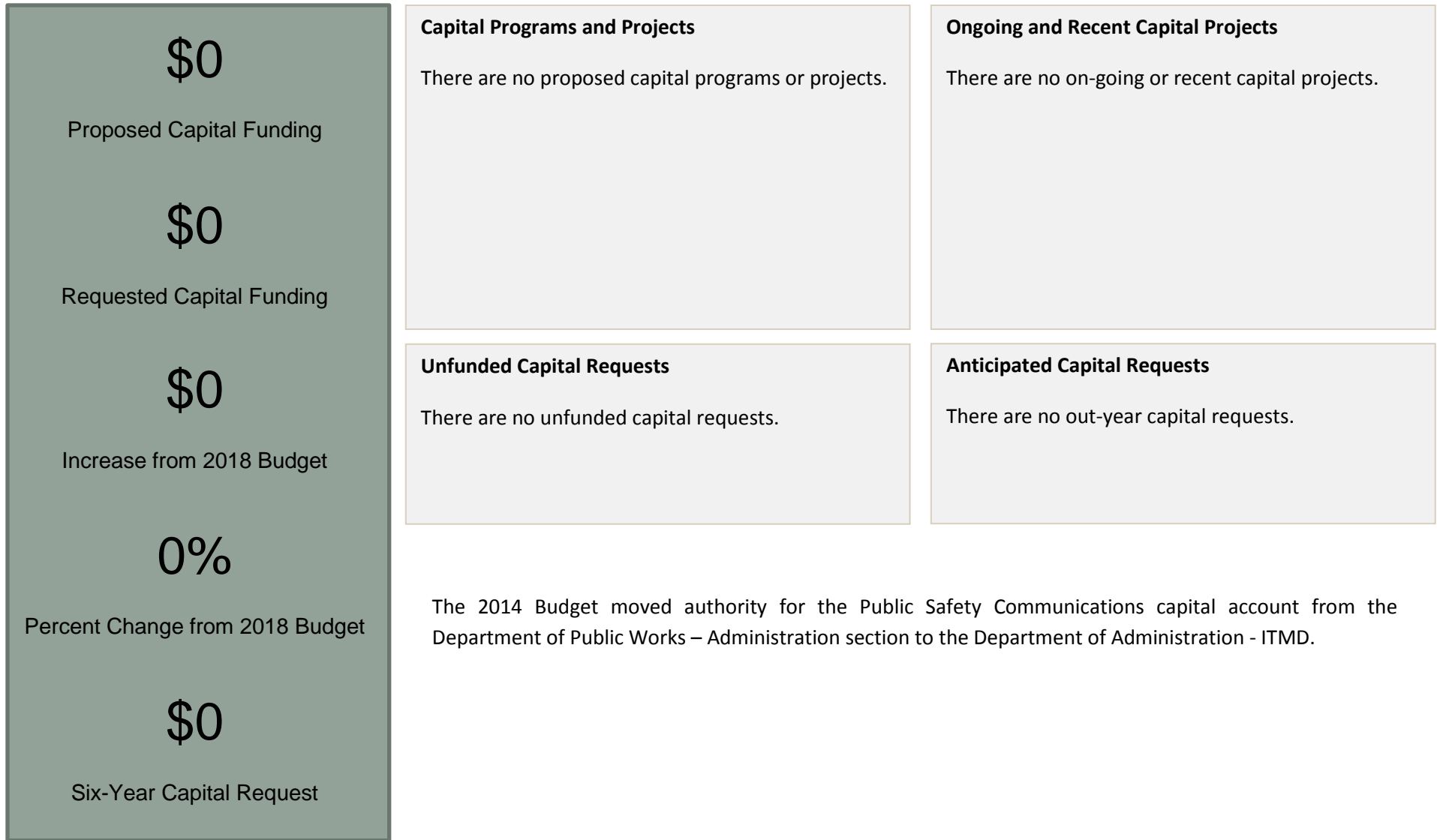
The department anticipates requesting additional funding each year from 2020 through 2024 to make improvements at storage facilities. The 6-

year capital request is \$2.1 million. Expenditures in 2015, 2016 and 2017 were \$2.9 million, \$954,402, and \$462,882, respectively.

Meter Shop Improvements, \$425,000

This program provides funding for improvements to the operations associated with the Milwaukee Water Works Business Section's Water Meter Services. This program first received funding in 2004. Since that time, \$3 million has been budgeted. The recent requests for this program have been intermittent. In 2019, the department plans to replace the perimeter security fence and gate. The department anticipates requesting additional funding each year from 2020 through 2024. The 6-year capital request is \$515,000. Expenditures in 2015, 2016 and 2017 were \$130,500, \$30,962, and \$461,496, respectively.

20 DPW- Administration



21 DPW- Sanitation

\$75,000

Proposed Capital Funding

\$3,485,000

Requested Capital Funding

\$75,000

Increase from 2018 Budget

Percent Change from 2018 Budget

\$6,910,000

Six-Year Capital Request

Capital Programs and Projects

MRF Seawall	\$75,000
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Ongoing and Recent Capital Projects

Purchase and Install Brine Makers
Material Recovery Facility – 1313 W. Mount Vernon

Unfunded Capital Requests

Central Salt Dome	\$800,000
Illegal Dumping Cameras	\$50,000
Snow and Ice Equipment	\$60,000
Calumet Facility	\$2,500,000

Anticipated Capital Requests

The total 6-year capital request is \$6.9 million.

See page 85 for a list of requests for DPW Operations.

The department requested funding for several new capital projects including a new salt dome, cameras to address illegal dumping, the replacement of chemical tanks for ice control, an engineering study to address deficiencies in the seawall at the MRF and the construction of a new facility for Forestry operations at 7301 W. Calumet Road. Only the seawall project was funded.

The Material Recovery Facility on 13th and Mt. Vernon is operated under an intergovernmental cooperation agreement between the City of Milwaukee and Waukesha County. The agreement requires the establishment of an equipment repair fund. No capital funding was provided in 2019.

MRF Seawall, \$75,000

A condition assessment in 2008 identified deficiencies in the seawall along the Menomonee River between 16th Street and Ember Lane. The 2019 Proposed Budget funds an engineering study to determine the scope of the required work. Additional capital funding is expected to be required in future years to make repairs to the seawall.

Industrial Road Transfer Station & Self-Help

Direct Supply has an option on the property where the Industrial Road transfer station and Self-Help yard are located. If Direct Supply exercises the option to expand its operation, the City will have 2 years to relocate the facility. The option expires December 13, 2019.

The preliminary cost estimate to relocate the facility is \$13.5 million. The City will be responsible for 50% of the cost. (See CC File 060420) No funding has been budgeted for construction or design of a new Sanitation facility.

In April 2016, a Development Incentive Zone was established that includes the DPW Industrial Road facilities. (See CC File 151670)

In July 2016, the Common Council approved a resolution vacating a portion of N. Industrial Road. (See CC File 160287)

Unfunded Capital Requests

Central Salt Dome

The department requested \$800,000 to replace the existing salt dome at 1600 N. 14th Street with a new, larger dome. It is expected to be a two year project with a total cost of \$1.6 million. The project first identified in the department's capital request in 2014.

No capital funding is proposed for this project in 2019.

Illegal Dumping Cameras

The department requested \$50,000 to purchase and install 7 pole mounted, remote cameras to monitor vacant lots for illegal dumping. Funding would purchase hardware, install and wire the cameras, and pay for back-end data storage and an end-user system.

No capital funding is proposed for this project in 2019.

Snow and Ice Equipment

The department requested \$60,000 to replace 2 chemical storage tanks, purchase and install a new truck-fill brine pumping unit and provide for electrical and plumbing modifications necessary for brine production.

No capital funding is proposed for this project in 2019.

Calumet Facility

The department requested \$2,500,000 to relocate some Forestry operations from 6732 N. Industrial Road to a new facility at 7301 W Calumet Road. Additional space is needed for topsoil reclamation, chipping, and for the storage of wood chips, logs, trailers and shanties. **No capital funding is proposed for this project in 2019.**

Other Capital Projects

Purchase and Install Brine Makers

In 2014, the department began a project to install 3 brine makers at Sanitation yards for use in snow and ice operations. Brine will be transported and stored in holding tanks installed at each of the 6 Sanitation yards. The project has received \$375,000 of capital funding. All three brine makers are installed and expected to be operational for the 2018/2019 winter season.

The Cheese Brine Pilot conducted during the winter of 2013-2014 demonstrated that pre-wetting salt with liquid brine is beneficial and should result in an overall reduction in salt usage. Salt that has been pre-wet with brine activates faster, remains in the driving lane better than dry salt and keeps the pavement clear longer. Annual savings related to salt usage are difficult to quantify and may be highly variable. The department continues to investigate opportunities to reduce salt usage, including the addition of various agricultural products to the brine. The brine makers will be able to accommodate such additives. Information about the Cheese Brine Pilot and alternative deicers can be found in Common Council Files 140917 and 130661, respectively.

Environmental Services Facility Modifications

The 2019 Proposed Budget includes no funding for the repair and maintenance of the facilities at the yards used by the Department of Public Works' Operations Division. Since 2001, \$7.35 million in funding has been budgeted. No capital funding has been provided in this account since 2014 when \$100,000 was allocated to conduct a facility use study.

22 DPW- Fleet

\$6,100,000

Proposed Capital Funding

\$15,191,000

Requested Capital Funding

\$200,000

Decrease from 2018 Budget

-3%

Percent Change from 2018 Budget

\$88,941,000

Six-Year Capital Request

Capital Programs and Projects

Major Capital Equipment	\$6,100,000
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Ongoing and Recent Capital Projects

The replacement of large equipment is the primary capital related activity for DPW Fleet

Unfunded Capital Requests

Tire Shop Relocation	\$750,000
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Anticipated Capital Requests

The total 6-year capital request is \$88.9 million.

See page 85 for a list of requests for DPW Operations.

Major Capital Equipment, \$6,100,000

This program provides for equipment whose cost exceeds \$50,000 and has a life expectancy of at least 10 years - focusing on equipment replacement for garbage and recycling collection, snow and ice control, and pick-up and dump trucks for use as pool equipment. Actual equipment purchases may be different depending on fleet performance. Average annual funding for this program since 2002 is \$6 million.

The optimal average age based on the average useful life of equipment is 6 years. The average age of capital equipment is 12.3 years. In 2009, the average age was 9.5 years. If funding continues at this level, the fleet will continue to age. Based on the proposed level of funding, the department estimates that next year the average age of its capital equipment fleet will be 12.7 years. The age of the fleet is of concern

Description of unit	Requested Units	Proposed Units
Backhoe/Loader	1	1
Pavement Planer	1	1
Sweeper	2	2
Tractors		
Front End Wheel Loader	1	1
Light Multi-Purpose	2	2
Skid-Steer, 64 HP, 200 LB	2	2
Trucks		
Aerial, 36 Foot, Step Van Body	1	1
Aerial, 50 Foot, Chip Box	1	1
Dump, 2 Yard w/ Crane	2	2
Dump, 2 Yard w/ Compressor	1	1
Dump, 5 Yard Crew Cab	1	1
Dump, 5 Yard w/Underbody Plow	7	7
Dump, 16 Yard Tri-Axle	2	2
Packer, 25 Yard, Rear load/Recycle	6	5
Platform Compressor	2	2
Roll-Off	1	1
Wrecker, Roll-Back, Tandem Axle	1	1
Total Number of Units	34	33

subject to stringent CNG tank inspections and subsequent maintenance. The department continues to monitor costs and evaluate the overall performance of the CNG vehicles.

A CMAQ grant was received in 2014 for a CNG dispensing project which would make the CNG pumps at Ruby Garage available 24/7. The project was completed in 2017.

because older vehicles cost more to operate. They typically require more extensive repairs, experience more down time and are less fuel-efficient than newer vehicles.

Based on the proposed level of funding, the department estimates that next year the average age of its capital equipment fleet will be 12.7 years. The age of the fleet is of concern because older vehicles cost more to operate. They typically require more extensive repairs, experience more down time and are less fuel-efficient than newer vehicles.

Compressed Natural Gas (CNG)

DPW is continuing to transition its garbage and recycling packers to compressed natural gas engines. DPW has over 60 CNG-powered packers in use as well as 3 cars and 5 vans. The department has used grants to fund the marginal cost of the CNG engines.

In 2014, DPW projected that each CNG packer would save approximately \$6,500 in fuel costs annually. Price changes for both CNG and diesel have narrowed the cost difference. Projected fuel savings for 2019 are \$2,000 for each CNG packer. If the City has to pay the full cost of a CNG packer (no grant funding), the payback period on fuel related savings would be just under 8 years.

The fuel savings are somewhat offset by higher maintenance costs associated with CNG vehicles. The vehicles are

Routing software is being used to optimize garbage and recycling routes. Route changes could affect the number of packers in the City's fleet.

23 DPW- Forestry

\$2,835,000

Proposed Capital Funding

\$4,800,000

Requested Capital Funding

\$540,000

Decrease from 2018 Budget

-16%

Percent Change from 2018 Budget

\$28,570,000

Six-Year Capital Request

Capital Programs and Projects

Boulevard Irrigation and Landscaping	\$200,000
Tree Planting & Production	\$1,250,000
Stump Removal	\$360,000
EAB Readiness & Response	\$950,000
Hazardous Tree Removal Program	<u>\$75,000</u>
Total	\$2,835,000

Ongoing and Recent Capital Projects

All of the capital funding for Forestry is related to on-going programs.

Unfunded Capital Requests

Tree Pruning	\$1,200,000
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Anticipated Capital Requests

The total 6-year capital request is \$28.6 million.

See page 85 for a list of requests for DPW Operations.

Many of the programs in Forestry are funded by the Sewer Maintenance Fund (SMF).

One of the key issues facing the City with respect to its urban forest is the emerald ash borer. The presence of the emerald ash borer has been confirmed in Milwaukee. If left unmanaged, emerald ash borer will likely kill thousands of trees each year. Forestry has developed and implemented a proactive treatment strategy which is discussed further in the Emerald Ash Borer Readiness and Response section.

The 2019 Proposed Budget increases the pruning cycle to 10 years. The department requested \$1.2 million in capital funding to use contractors to prune trees. The request was not funded.

Capital Program Detail – DPW Operations (Sanitation, Fleet, Forestry)

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
MRF Seawall	\$75,000	\$0	\$75,000		\$2,700,000
Illegal Dumping Cameras	\$0	\$0	\$0	0%	\$50,000
Central Salt Dome	\$0	\$0	\$0	0%	\$1,600,000
Snot & Ice Control Equipment	\$0	\$0	\$0	0%	\$60,000
Calumet Road Facility	\$0	\$0	\$0	0%	\$2,500,000
Industrial Road Relocation	\$0	\$0	\$0	0%	\$0
Sub Total – Sanitation	\$75,000	\$0	\$75,000		\$6,910,000
Major Capital Equipment	\$6,100,000	\$6,300,000	(\$200,000)	(3%)	\$88,191,000
Sub Total - Fleet	\$6,100,000	\$6,300,000	(\$200,000)	(3%)	\$88,191,000
Concealed Irrigation & General Landscaping	\$200,000	\$350,000	(\$150,000)	(43%)	\$2,640,000
Tree Planting and Production	\$1,250,000	\$1,450,000	(\$200,000)	(14%)	\$9,600,000
Emerald Ash Borer Readiness & Response	\$950,000	\$1,000,000	(\$50,000)	(5%)	\$6,000,000
Stump Removal	\$360,000	\$500,000	(\$140,000)	(28%)	\$2,160,000
Hazardous Tree Removal	\$75,000	\$75,000	\$0	0%	\$970,000
Tree Pruning	\$0	\$0			\$7,200,000
Sub Total – Forestry	\$2,835,000	\$3,375,000	(\$540,000)	(16%)	\$28,570,000
Total – DPW Operations	\$9,010,000	\$9,675,000	(\$665,000)	(7%)	\$124,421,000

Tree Planting and Production, \$1,250,000

This program funds the production and replacement of trees removed in street construction projects, replacement of dead or diseased trees, and the planting of new trees on boulevards. Since 2010, this program has been funded by the Storm Water Management fee. The transfer from the Sewer Maintenance Fund is also used to fund other tree-related activities in Forestry's operating budget.

DPW requested funding for 4,628 trees. The 2019 Proposed Budget provides \$1,250,000 for this program, a decrease of \$200,000 (14%) from the requested amount.

Stump Removal, \$360,000

Historically, the stump removal backlog averages around 400 stumps each year. Beginning in 2010, staffing reductions and vacancies contributed to a significant increase in the backlog. The department estimates that it can remove approximately 2,300 stumps each year. The department generates approximately 3,600 new stumps each year. The 2019 Proposed Budget includes \$360,000 for

stumping activities, \$140,000 less than in 2018. This program is funded by the Storm Water Management Fee.

Concealed Irrigation and General Landscaping, \$200,000

This program replaces infrastructure related to irrigation and landscaped boulevard medians in conjunction with the City's paving program and other construction activities such as the installation of bio-swales. This program was funded as requested. This program is funded by the Storm Water Management Fee in 2019.

Emerald Ash Borer (EAB) Readiness and Response, \$950,000

This program is funded by the Storm Water Management Fee.

There are approximately 570,000 ash trees within the City limits. Approximately 30,500 are street trees in the public right-of-way. Since 2009, nearly \$9.4 million has been allocated to inoculate ash trees against the emerald ash borer. One third of the City's ash trees will be inoculated each year as the City transitions to more disease- resistant species.

Emerald Ash Borer continues to spread in Southeast Wisconsin. An active infestation on private property within the City limits was confirmed by the Wisconsin Department of Agriculture, Trade and Consumer Protection in July, 2012. EAB infestations have been identified in several areas across the City. No EAB activity has been detected in treated ash street trees. Forestry has surveyed private trees in the vicinity of known EAB infestations and has notified property owners of trees confirmed or symptomatic for EAB. It is hoped that Milwaukee's aggressive inoculation program will provide benefits to the larger ash tree population in the region by slowing the spread of the beetle. This is especially important when considering the potential for devastating canopy losses on private property and along Milwaukee's waterways.

Tree Planting Request Summary by Request Year

	2019	2018	2017	2016	2015	2014	2013	2012	2011
Dead or Diseased	4,142	3,794	3,843	4,763	4,472	3,934	3,108	3,845	3,244
Related to Paving	486	490	562	610	669	277	506	417	211
Ash Tree Transition Plan ²					9,00 ²				
Sustainable Boulevard Plan					--	--	--	700 ¹	2,450
Total Requested Trees	4,628	4,284	4,405	5,373	6,041	4,211	3,704	4,962	5,905

¹ Not funded in the Budget.

Infested trees quickly lose structural integrity and pose a significant risk of personal injury or property damage, necessitating prompt removal. An ordinance change in 2013 allows hazardous tree removal charges to be considered a special assessment. This gives property owners the option of paying the bill in full or spreading any unpaid balance across 6 subsequent property tax bills. Property owners for whom the unexpected removal of ash trees is a financial hardship will benefit from this provision. The contractors who remove the hazardous trees under the new ordinance are paid with funds from the Hazardous Tree Removal capital account.

The foreclosure crisis has increased the number of properties that the City now owns and maintains. The department's inoculation program does not include trees on lots that the City acquires through the *in rem* process.

Hazardous Tree Removal, \$75,000

The 2014 Budget created this capital account. Its purpose is to provide a funding source for the 2013 ordinance change which allows property owners to spread the cost of removing hazardous trees on their properties over 10 years on their property tax bills. The ordinance was generally modeled after paving and sidewalk assessments. However, in the case of hazardous tree removals, the property owner must decide before the work is done if he or she will defer payment. If payment deferral is selected, there is no penalty for early repayment.

As emerald ash borer continues to spread throughout the City, this account is expected to need additional funding. A survey done in the winter of 2015-2016 found that 18% of the $\frac{1}{4}$ sections throughout the City have signs of EAB activity.

14,600 residential properties in Milwaukee have been identified as having one or more ash trees. The department typically cites just over 400 properties annually for all types of hazardous trees. In 2017, 263 properties were cited for EAB related hazards. City contractors abated 151 of the cited properties. 43% of the properties abated by city contracts elected to use the deferred payment option. The average per property cost for tree removal is \$666, although, the cost may vary considerably depending on the size, quantity and location of infested trees.

Citations are expected to increase to almost 5,000 in 2020 before returning to more historic levels. The department currently has the capacity to oversee hazard tree code enforcement activities on approximately 650 properties annually. Funding in this account will also be used to ensure appropriate inspection and monitoring capacity.

Although the City has an aggressive inoculation program in place to protect ash trees in the City right of way, these trees represent only a small portion of the ash trees within the City limits. Because ash trees have high water needs, they tend to be found in parkways and along waterways. Hyperspectral imagery used by the department has identified over 38,000 properties in the City with ash tree canopy.

The location of parcels with ash trees is available on MapMilwaukee.

24 Library

\$2,150,000

Proposed Capital Funding

\$2,450,000

Requested Capital Funding

\$2,545,000

Decrease from 2018 Budget

-54.2%

Percent Change from 2018 Budget

\$14,695,000

Six-Year Capital Request

Capital Programs and Projects

Central Library Improvements	\$750,000
Branch Library - New Construction	<u>\$1,400,000</u>
Total	\$2,150,000

Ongoing and Recent Capital Projects

Villard Square	opened in 2011
East Library	opened in 2014
Express @ Silver Spring	opened in 2014
Tippecanoe Renovation	2015-2016
Mitchell	opened in Oct. 2017

Unfunded Capital Requests

Neighborhood Library Improvements	\$300,000
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Anticipated Capital Requests

The total 6-year request is \$14.7 million.

The library system has significant amounts of deferred maintenance at neighborhood libraries, 4 of which had been rated by MPL as being in “poor” or “very poor” condition. Three branches are considered to be in “moderate” condition. The branches in good condition are Bay View, Washington Park, Villard Square, East Library, the new Mitchell Street Library and Tippecanoe.

Much of the deferred maintenance will be addressed by the construction of new mixed-use libraries to replace the Mill Road, Capitol and M.L. King libraries. The Good Hope Library, which will replace the Mill Road Library is expected to be completed by August, 2019. (see CC File 180497)

Capital Program Detail - Library

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Central Library Improvements Fund	\$750,000	\$745,000	\$5,000	1%	\$5,245,000
Branch Library – New Construction	\$1,400,000	\$3,950,000	(\$2,550,00)	(65%)	\$6,600,000
Neighborhood Library Improvements Fund	\$0	\$0	\$0	0%	\$2,850,000
Total	\$2,150,000	\$4,695,000	(\$2,545,000)	(54%)	\$14,695,000

Central Library Improvements Fund, \$750,000

Since 2000, the City has invested over \$21.4 million in capital improvements at the Central Library (including the RFID project).

Improvements for the Central Library have been budgeted in a general Central Library Improvements account since 2010. The general account funds 3 programs. The **Central Library Interior segment** provides funding for the restoration, preservation

and renovation of the interior. Work includes repairs to mosaic tile and scagliola in the rotunda, renovation, upgrades and modernization, as well as general repair and maintenance. The **Central Library Exterior segment** provides funding for the maintenance and repair of exterior elements, including limestone block and balusters, Chicago brick, marble block, windows, lighting and roofs. The **Central Library Mechanical Improvements segment** provides funding for equipment and systems (HVAC, electrical, building controls, fire safety, security and elevators).

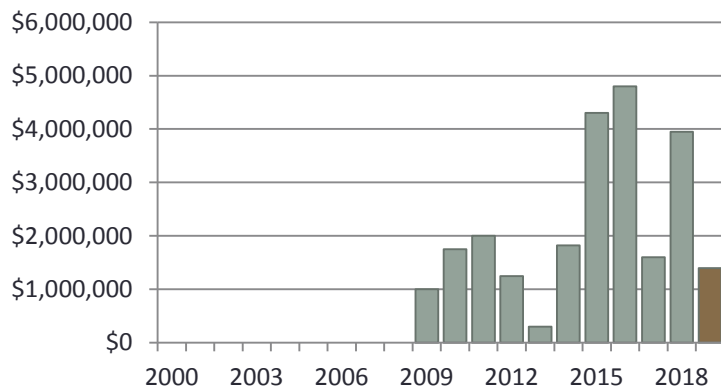
Funding in 2019 will continue the replacement of air handling units will also provide for other on-going projects including mosaic tile and scagliola repair.

The department anticipates requesting additional funding each year from 2020 through 2024. The 6-year capital request is \$5.2 million. Expenditures in 2015, 2016 and 2017 were \$2.1 million, \$705,000, and \$959,000, respectively.

Branch Library, New construction, \$1,400,000

In 2010, the Library Board recommended that a new configuration of library facilities be planned, built and opened over the next 10 years. The Library’s configuration at the time consisted of the Central Library and 12 neighborhood (branch) libraries. The proposed configuration included

Library Construction - Budgeted Funding



different types of libraries including area, neighborhood, mixed-use, express center and vending.

The City is moving forward with a facilities initiative that maintains branch libraries. It is a multi-year plan that has been funded in various capital accounts, including Villard Square, the Library Facilities Initiative, Branch Library New Construction and the Neighborhood Library Improvements Fund. The City has successfully partnered on 3 mixed-use libraries, Villard Square, East Library and Mitchell Street, which replaced the Forest Home library. The Mill Road Library will be replaced with a facility at 7717 W. Good Hope Road. Locations have not been chosen for the Martin Luther King and Capitol Drive Libraries. The department does not anticipate requesting additional construction funds after 2020.

The 2019 Proposed Budget continues funding for a project manager to oversee the development of the new libraries. The position will be 90% capital-funded. The department anticipates requesting an additional \$5.2 million for 2020. The 6-year capital request is \$6.6 million. Expenditures for the construction of new libraries in 2015, 2016 and 2017 were \$1.2 million and \$511,000, and \$5.5 million, respectively.

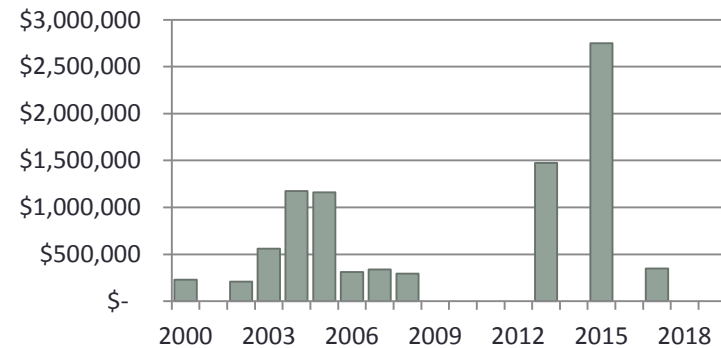
Unfunded Requests

Neighborhood Library Improvements Fund

With the exception of funding for the renovation of Tippecanoe, this capital account has been largely unfunded since 2009. The most critical pieces of deferred maintenance at branch libraries will be addressed by the development of mixed-use branch libraries to replace Mill Road, Capitol, and M.L. King libraries. However, the remaining branch libraries continue to age and will require funding to replace HVAC and building control systems as well as interior improvements.

The Library requested \$300,000 for 2019. The department anticipates requesting additional funding each year from 2020 through 2024. The 6-year capital request is \$2.85 million. Expenditures from this account in 2015, 2016, and 2017 were \$3.2 million, \$173,000 and \$112,300, respectively.

**Neighborhood Library Improvements
Budgeted Funding**



25 Assessor

\$0
Proposed Capital Funding

\$0
Requested Capital Funding

\$0
Decrease from 2018 Budget

0%
Percent Change from 2018 Budget

\$0
Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

The replacement of property assessment software is a multi-year project first funded in 2015. The project has received a total of \$1.5 million in capital funding.

Unfunded Capital Requests

There are no unfunded capital requests.

Anticipated Capital Requests

There are no out-year capital requests.

The City Assessor used an in-house computer system which was designed in the 1980s. Like the system used by the Treasurer, maintenance required a skillset that was increasingly difficult to find. The new system will provide efficiencies in the Assessor’s office, increase functionality and provide greater accessibility to other City departments, including the Treasurer, the Department of Public Works, and the Department of Neighborhood Services.

The project is currently under way. However, the timing of implementation is constrained by the business cycle of the Assessor’s Office. Fall is the best time of year to do data migration. Expenditures for the project from 2015 through 2017 were \$722,500.

Although the project is not expected to need additional funding, DOA-TITMD anticipates requesting \$700,000 of capital funding over the next several years to further modernize the Assessor’s operations and reporting.

27 Department of City Development

\$55,890,000

Proposed Capital Funding

\$50,464,000

Requested Capital Funding

\$2,470,000

Increase from 2018 Budget

4.6%

Percent Change from 2018 Budget

\$224,200,000

Six-Year Capital Request

Capital Programs and Projects

Tax Incremental Districts	\$50,770,000
Advanced Planning Fund	\$150,000
Housing Infrastructure Preservation	\$100,000
<i>in rem</i> Property	\$1,770,000
Commercial <i>in rem</i> Property	\$200,000
STRONG Homes Loan Program	\$1,400,000
Commercial Investment Program	\$1,000,000
Brownfields	<u>\$500,000</u>
Total	\$55,890,000

Ongoing and Recent Capital Projects

Century City Site Improvements	(2017)
Art & Resource Buildings	(2016)
Vacant Lot Loan Program	(2016)
Rental Housing Rehab Program	(2015)
Healthy Neighborhoods	

Unfunded Capital Requests

Business Improvement Districts	\$150,000
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Anticipated Capital Requests

The 6 year request is \$224.2 million.

The annual capital budget for DCD is highly variable primarily because of changes in borrowing authorizations for tax incremental districts (TID). A significant portion of the non-TID-related capital funding supports the Strong Neighborhoods Plan.

Capital Program Detail – Dept. of City Development

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Tax Incremental Districts	\$50,770,000	\$49,470,000	\$1,300,000	2.6%	\$239,600,000
Advanced Planning Fund	\$150,000	\$150,000	\$0	0%	\$900,000
Housing Infrastructure Preservation Fund	\$100,000	\$250,000	(\$150,000)	(60%)	\$1,850,000
In Rem Property Program	\$1,770,000	\$600,000	\$1,170,000	195%	\$2,400,000
Commercial In Rem Property Program	\$200,000	\$200,000	\$0	0%	\$1,450,000
STRONG Homes Loan Program	\$1,400,000	\$1,500,000	(\$100,000)	(6.7%)	\$6,400,000
Commercial Investment Program	\$1,000,000	\$1,000,000	\$0	0%	\$5,750,000
Brownfield Program	\$500,000	\$250,000	\$250,000	100%	\$2,700,000
Business Improvement Districts	\$0	\$0	\$0	0%	\$450,000
Total	\$55,890,000	\$53,240,000	\$2,470,000	4.6%	\$224,200,000

Advanced Planning Fund, \$150,000

This program provides funding for various DCD studies, including market analyses for local business corridors, feasibility studies for new developments, land use planning studies, comprehensive plan updates and redevelopment plans for specific neighborhoods.

Funding has been relatively stable since 2000, averaging nearly \$160,000 per year. This program is funded with cash. The department anticipates requesting additional funding each year. Expenditures in 2016 and 2017 were \$163,400 and \$204,600, respectively.

Tax Incremental Districts (TID), \$50,770,000

This program allows the City to create and fund new tax incremental districts or additional projects in existing districts.

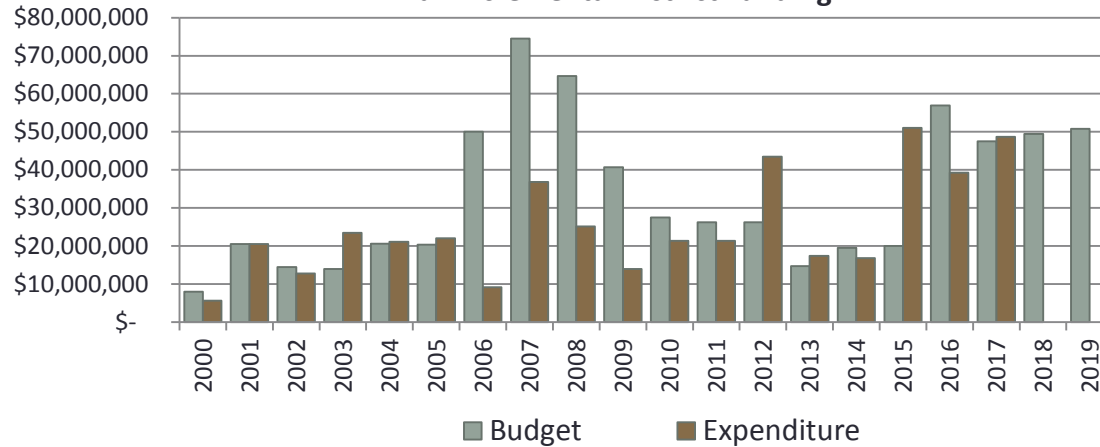
Since 2000, \$631.4 million has been budgeted for tax incremental districts. Funding has been highly variable, ranging from \$8 million to \$74.5 million. Expenditures through the end of 2017 have totaled \$449.9 million, for an average of \$24.9 million per year.

No new districts have been formed in 2018.

Recent Tax Incremental Districts

171210	#93	7 th & National	2017
170787	#92	Sherman Phoenix	2017
170504	#91	Park Place	2017
170425	#90	15 th & North	2017
160397	#89	Garfield & North	2016
160297	#88	4 th & Wisconsin	2016
160112	#87	Welford Sanders Loft	2016
151788	#86	Germania Building	2016

Tax Incremental District Funding



Housing Infrastructure Preservation Fund (HIP), \$100,000

This fund was established by the Common Council in 2010 to provide funds for restoring, rehabilitating or mothballing City-owned properties that have been deemed historic or too valuable to the character of the surrounding neighborhood to demolish, but are unlikely to be restored by private purchasers. The fund can also be used for mixed-use properties. (Common Council File 140397)

The Housing Infrastructure Preservation is program was funded as requested. Since 2010, this account has received \$4.55 million. Expenditures through 2017 totaled \$3.9 million. Through September 10, 2018, 50 properties have been preserved. Thirty three properties have been sold. Four properties are under construction.

- 2430 North 2nd Street
- 3005 West Kilbourn Avenue
- 4369 North 26th Street
- 4481 North 25th Street

In Rem Property Program, \$1,770,000

This program was created in 2011 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. As of September 2018, the City owned approximately 800 improved properties, down from 1,100 the previous year

Houses authorized to receive more than \$100,000 in HIP Funds	
Address	CC File
2430 N. 2 nd Street	170505
2330 W. McKinley Blvd	160300
2402 N. Sherman Blvd	150250
964-66 N. 35 th Street	140872
2425 W. McKinley Blvd	140219

Strong Neighborhoods Plan Capital Funding Summary

Dept.	Account	2017	2018	2019
DNS	Code Compliance Loans	\$800,000	\$800,000	\$800,000
DNS	Concentrated Blight Elimination	\$2,100,000	\$1,200,000	\$1,000,000
DCD	<i>In rem</i> Property	\$1,550,000	\$600,000	\$1,700,000
DCD	STRONG Loans	\$1,167,000	\$1,150,000	\$1,400,000
DCD	Housing Infrastructure Preservation	\$450,000	\$250,000	\$100,000
DCD	Commercial <i>in rem</i>	\$250,000	\$200,000	\$200,000
DPW	Vacant Lot Beautification	\$0	\$0	\$0
		\$6,317,000	\$4,050,000	\$5,200,000

To support the Strong Neighborhoods Plan, the 2014 Budget altered the focus of the *in rem* Property Program to fund 3 primary activities: support for the City's lease-to-own program, homebuyer assistance loans and rental rehabilitation loans. In 2016, funding for Strong Home Loans was moved to a separate capital account. Programs supported by the *In Rem* Property Program account include the Challenge Grant, the ACTS Housing Partnership, the Lease to Own (T3OP) program, Home Buyer's Assistance, and the RICH program.

In 2019, the *in rem* Property Program will be funded with revenue from tax incremental districts. Since 2011, a total of \$9 million has been provided. Expenditures through the end of 2017 were \$5.6 million.

Strong Homes Loan Program, \$1,400,000

The Strong Homes Loan Program provides assistance to owner-occupants of 1-4 family properties throughout the City on a first-come, first-served basis to promote the retention of homeownership. Strong Loans help fill gaps which aren't being addressed because of the limitations of existing programs, such as income restrictions, rehabilitation requirements, and geographic restrictions. In 2019, this program will be funded with revenue from tax incremental districts.

This program was funded as requested. The 6-year capital request is \$6.4 million. This account was created in 2016. Prior to 2016, the program was funded through the *in rem* Property capital account. Expenditures in 2017 were \$1.16 million.

Commercial *in rem* Property Program, \$200,000

This capital account was created in 2015. This account will fund marketing efforts for City owned commercial properties. Funding will be used to pay for marketing as well as repairs and renovation loans. As of August 30, 2018, the City owned approximately 110 foreclosed, improved commercial properties. Over half of the properties have been acquired since 2015. Commercial properties represent nearly 15% of the City’s improved property inventory. Twelve percent of the commercial properties are occupied and nearly one third are being considered for demolition.

This program was funded as requested. The 6-year capital request is \$1.45 million. There were no expenditures from this account in 2015 or 2017. Expenditures in 2016 were \$190,000.

Commercial Investment Program, \$1,000,000

(Formerly the Façade Program) This is an on-going program created by the 2012 Budget. Since 2012, this program has received \$4.2 million in funding. Prior to 2012, façade projects were funded by the Development Fund capital account. This program will fund a variety of programs including façade and signage grants, white box grants and Retail Investment Fund (RIF) grants. The White Box grant program was previously funded by the Development Fund.

This program was funded as requested. The 6-year capital request is \$5.75 million. Expenditures in 2015, 2016 and 2017 were \$800,500, \$1.4 million, and \$1.1 million, respectively.

Brownfield Program, \$500,000

This is an on-going program created by the 2012 Budget to provide matching funds for grants awarded for the remediation of contaminated sites that are privately owned. Prior to 2012, funding for these types of projects came from the Development Fund capital account.

This program was funded as requested. The 6-year capital request is \$2.7 million. Expenditures in 2015, 2016 and 2017 were \$270,400, \$718,000, and \$165,000, respectively.

Since 2011, the Special Joint Committee on the Redevelopment of Abandoned and Foreclosed Homes has provided reports and other information to the Common Council. Reports are available in Common Council Files.

2018	171233
2017	161359
2016	151362

Unfunded Capital Requests

Business Improvement Districts (BID),

The department requested \$150,000 for this capital account which is used to fund loans to BIDs for streetscaping and other infrastructure projects. The funds are normally matched with other funding sources. Loans made from this fund are repaid through annual BID assessments. Actual expenditures from this account since 2007 have been highly variable. There were no expenditures from this account in 2015. Expenditures in 2016 and 2017 were \$278,000 and \$653,000, respectively. **No capital funding is proposed for this program in 2019.**

Other Programs

Healthy Neighborhoods Initiative (HNI)

This program provided matching funds for privately-raised funds used to make small-scale improvements in designated Healthy Neighborhoods. The purpose of the HNI is to encourage homeowner investment and aesthetic improvements in strong urban neighborhoods. The goal is to achieve positive outcomes in four areas: image, market, physical condition and neighborhood management.

The Healthy Neighborhoods Initiative was launched in 2007. It is supported by the Greater Milwaukee Foundation and the City. This program is no longer funded through the capital budget, a special fund in the O&M budget was created in 2016.

Century City Site Improvements,

This was a new capital account for 2017. The account was funded with \$400,000. The Mayor announced that Talgo will be returning to Century City to rebuild rail cars for the Los Angeles County Metropolitan Transportation Authority. The department did not request additional funds for 2018 or 2019. Expenditures in 2017 were \$310,000.

29 Health Department

\$760,000

Proposed Capital Funding

\$

Requested Capital Funding

\$100,000

Increase from 2018 Budget

15.2%

Percent Change from 2018 Budget

\$

Six-Year Capital Request

Capital Programs and Projects

Health Facilities Capital Projects	\$155,000
Lead Paint Prevention & Abatement	\$340,000
Lab Equipment	\$265,000

Ongoing and Recent Capital Projects

Unfunded Capital Requests

There are no unfunded capital requests.

Anticipated Capital Requests

No 6 year request was submitted.

Health Facilities Capital Project, \$155,000

This on-going capital program funds building maintenance at the City’s health clinics. From 2010 through 2016 the department has expended \$1.5 million on its buildings. No capital funds were used for building maintenance in 2017. Since 2015, the department has received about 70% of the funding it has requested.

Lab Equipment, \$265,000

This account provides for the replacement of equipment in the lab located in the Zeidler Municipal Building. This was a new capital account in 2017. Prior to 2017, grant funding had been available to assist with lab equipment purchases.

Lead Paint Prevention and Abatement, \$340,000

This capital account was created in 2016 to fund additional lead abatement in City homes. Funding is unchanged from 2018. Expenditures from this account in 2017 were \$38,862.

30 Treasurer

\$0
Proposed Capital Funding

\$0
Requested Capital Funding

\$0
Increase from 2018 Budget

0%
Percent Change from 2018 Budget

\$0
Six-Year Capital Request

Capital Programs and Projects
There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects
A multi-year project to replace the tax collection software is currently underway. The project is funded in and being administered by DOA-ITMD.

Unfunded Capital Requests
There are no unfunded capital requests.

Anticipated Capital Requests
There are no out-year capital requests.

The 2019 Proposed Budget includes no funding in the Treasurer’s Office for capital projects. However, funding was provided in 2015 and 2016, (\$1.2 million and \$1.15 million, respectively) in the Dept. of Administration – ITMD to replace the Treasurer’s tax collection system. The project replaced a tax-collection system was designed in 1982 using the Cobol computing language. It had become increasingly difficult to recruit new personnel with the skillset required to support the system. Vendor support for the base operating system ended on December 31, 2014.

Expenditures for the new Tyler Technologies Munis Tax System in 2016 and 2017 were \$573,800 and \$1,402,723, respectively.

31 Comptroller

\$0

Proposed Capital Funding

\$0

Requested Capital Funding

\$0

Increase from 2018 Budget

0%

Percent Change from 2018 Budget

\$0

Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

There are no on-going or recent capital projects.

Unfunded Capital Requests

There are no unfunded capital requests.

Anticipated Capital Requests

There are no out-year capital requests.

32 City Attorney

\$0

Proposed Capital Funding

\$3,881,000

Requested Capital Funding

\$0

Increase from 2018 Budget

0%

Percent Change from 2018 Budget

\$3,881,000

Six-Year Capital Request

Capital Programs and Projects

There are no proposed capital programs or projects.

Ongoing and Recent Capital Projects

Funding was provided in 2014 to update the mechanical and electrical systems of the 8th floor

Unfunded Capital Requests

City Hall 8th Floor Remodeling. \$3,881,000

Anticipated Capital Requests

Funding to complete the renovation of 8th floor of City Hall will need to include additional funds for mechanical systems because the funding for that phase of the project will lapse at the end of 2018.

In 2006, the City Attorney’s Office was moved from the 8th floor of City Hall to accommodate the City Hall Restoration project. The City Attorney currently occupies space on the 7th and 10th floors of the Zeidler Municipal Building (ZMB).

The current location is insufficient in terms of size and design. 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 funding provided in the 2014 Budget (\$1,758,000) to upgrade the mechanical systems on the 8th floor of City Hall will lapse at end of 2018. The 2014 Budget also provided \$150,000 to move the Fire and Police Commission to the space that is currently occupied by the City Attorney on the 10th Floor of the ZMB. If the City Attorney project does not move forward, an alternate location for the Fire and Police Commission will need to be identified.

Common Council File Number 160628 was introduced September 1, 2016 to use contingent borrowing to fund the project. The matter was placed on file without discussion in October 2017.

33 City Clerk

\$150,000

Proposed Capital Funding

\$2,917,000

Requested Capital Funding

\$150,000

Increase from 2018 Budget

Percent Change from 2018 Budget

\$2,917,000

Six-Year Capital Request

Capital Programs and Projects

Replacement of Chamber TV Lights	\$72,000
Rm 205 Reception Area Renovation.	\$78,000

Ongoing and Recent Capital Projects

LRB Research Office Upgrade (funded in 2017)
 Channel 25 Digital Conversion (funded 2014-2016)

Unfunded Capital Requests

City Hall, Rm 205 Renovation	\$2,767,000
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Anticipated Capital Requests

Except for the Capital Improvements Committee, which is funded as a special capital project, there are no out-year capital requests.

The 2019 Proposed Budget includes funding for 2 new capital projects; the replacement of TV lights in the Common Council chambers and the reconfiguration of the reception area of Room 205.

No funding was included for the offices in Room 205.

Capital Program Detail – City Clerk

Program	2019 Proposed	2018 Budget	Increase (decrease)	% Chng.	6-year Request
Rm 205 Reception Area Renovation	\$78,000	\$0	\$78,000		\$78,000
Council Chambers TV Light Replacement	\$72,000	\$0	\$72,000		\$72,000
Remodel CH Room 205	\$0	\$0	\$0		\$2,767,000
Total	\$150,000	\$0	\$150,000		\$2,917,000

Council Chambers TV Light Replacement, \$72,000

This is a new capital project for 2019 to replace outdated lighting in the Common Council Chambers. Converting the existing parabolic aluminized reflector (PAR) bulbs with LED lights will reduce energy consumption by over 80% and reduce heat damage on the ceiling.

Room 205 Reception Area Reconfiguration, \$78,000

This is a new capital project for 2019 to reconfigure the reception area of City Hall Room 205. The project will increase operational efficiencies and address security concerns.

Unfunded Projects

City Hall Room 205 Renovation

The department requested \$2.8 million to update the electrical and HVAC systems in Room 205 of City Hall. It would also reconfigure office and conference room space and enhance security for reception personnel. The HVAC and electrical systems in Room 205 have not been updated in nearly 40 years and are not in compliance with current building and fire codes. This project was first requested for inclusion in the 2014 Budget.

Other Capital Projects

Legislative Reference Bureau (LRB) Office Upgrade

This one-year project to upgrade City Hall Room 307 was first requested for inclusion in the 2011 Budget. The project received \$438,000 in the 2017 budget. Expenditures in 2017 were \$3,132. LRB staff relocated to the 8th floor of City Hall in June, 2018. Construction is expected to be complete in early 2019..

