



Department of Administration
Budget and Management

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February 15, 2012

File Ref: SF Police

To: Members
Steering & Rules Committee

From: Mark Nicolini *MN*
Budget and Management Director

Re: File 111337

File 111337 contains a substitute resolution directing the Department of Public Works and the Department of City Development/Redevelopment Authority of the City of Milwaukee to jointly develop and issue a Request for Proposal relating to the development/construction of a new Police Administration/Municipal Court Building on property currently owned by the Redevelopment Authority of the City of Milwaukee ("RACM") at the southeast corner of North 27th Street and West Wisconsin Avenue and the development/construction of space for a new 1st District Police Station on Wisconsin Avenue between 6th Street and the Milwaukee River.

The Administration has supported the funding of a multi-year \$58.6 million project to refurbish and improve the 40 year old Police Administration Building. Authority has already been provided for Phase 1 of the project. Phase 1 is directed primarily to install key mechanical and HVAC components such as exterior mechanical shafts and ventilation ducts which will allow for replacement of existing shafts in subsequent project phases. Phase 1 also requires asbestos abatement to allow for the new exterior air shafts and some abatement pertaining to the 8th floor mechanical room. The project plan calls for refurbishing and remodeling one floor of the building per year subsequent to Phase 1. The proposed time frame for the project is nine years.

The Administration proposed additional authority of \$5.5 million in the 2012 budget for the refurbishment and remodeling of the fifth floor. However, this authority was removed from the Proposed Budget by Council amendment. Because of the uncertainty regarding the future of the project, the Police Department has deferred contracting for Phase 1, although design work has been completed.

The Administration and Police Department have reviewed the option of the construction of a new Police Administration Building. This option was not chosen for several reasons, including:

- Projected cost differential of at least \$30 million, not including substantial costs involved in dealing with the existing Police Administration Building were it to be decommissioned;
- The present location's advantages of close proximity to many other key criminal justice facilities;

- The need to expedite the replacement of the mechanical shafts due to existing limitations and inadequate functionality;
- The tactical advantage of being able to spread the costs of refurbishment and related introduction of additional debt service over a number of years, thereby managing the impact of the project on the debt service tax levy.

The Administration respects the interest in an alternative project approach, but would advise the Committee not to approve this resolution for the following reasons:

1. The city generally avoids lease/purchase agreements because the life cycle cost typically exceeds that of a city constructed/owned facility. The Budget Office projects that the significantly higher cost of new construction (relative to the refurbishment approach) would translate into higher life cycle costs than the projected cost of the Administration's proposal.
2. The Police Department is facing serious operational issues which would not be addressed while new construction takes place. Phase 1, which is ready to be implemented and could be completed within 9-10 months from the start of construction, would establish the infrastructure for a new air distribution system and implement new high rise safety components. A list of current facility concerns is attached for your information.
3. The resolution's timelines for the new construction approach may not be achievable. In any event, even if construction were completed by the end of 2014, the department would be facing its existing operational concerns for at least a year longer than under the refurbishment proposal. In addition, it appears more than 30 days may be needed in order to prepare a Request for Proposal of this magnitude.

The city has invested \$55.1 million into Tax Incremental Districts located relatively near both the existing Police Administration Building as well as the site directed by this resolution.

Finally, the Administration believes that consideration of a relocation of the District 1 operation to a location more proximate to the Grand Avenue retail center has merit. This approach would reduce the estimated costs of Police Administration refurbishment by approximately \$380,000. This could offset a meaningful portion of costs associated with relocation.

MN:dmr

Attachment

Common/police/2012/I-SR-111337-PAB

PAB OPERATIONAL AND SPECIALIZED BUILDING ISSUES

Operational Issues

1. The current HVAC system is at capacity. We cannot do any additional renovation similar to what was done on the 6th floor without upgrading the ductwork.
2. The building has significant energy losses. The current windows leak and continually frost up in cold weather. The building envelope's thermal value is poor.
3. We cannot work above the ceilings without the potential for disturbing asbestos.
4. The entire building, with the exception of areas that have recently been abated, contains spray on asbestos fireproofing and a significant amount of asbestos floor tile.
5. The building currently does not meet current life safety codes with respect to high-rise safety issues such as pressurization of elevator shafts and stairways or a Fire Command Center, Fire Alarm System with two-way voice capabilities, a building wide sprinkler system (this has been started on the 6th floor), or a separate generator for life safety systems.
6. Plumbing systems are rotten and waste lines have failed and dumped sanitary waste into work locations and onto desks.
7. Building electrical capacity is maxed out in various areas of the building making it impossible to adjust to changing needs.
8. Lack of sufficient public restrooms on the second floor to separate the public from police personnel
9. The steam distribution system and controls are poor and valves are failing
10. Current adjacencies of space does not allow for efficient flow of information.
11. The current building is tight on space allocation for the departments.
12. Lack of storage space for compliance with City record retention policies.

Specialized Building Issues

1. The building is used by other agencies than just the MPD.
2. There are a number of highly restricted areas such as the drug vault, blood evidence room, Fusion Center, Identification Lab, evidence storage, prisoner processing, jail cells, High Tech Crimes (child porn, etc),
3. Current layout of the building does not provide adequate areas for interviewing victims of crime.
4. Flow of personnel throughout the building as related to security issues and floors that should be secured and not accessible to the public.
5. Adjacency to the Safety Building, which facilitates the efficient transfer of prisoners.