

**LRB – FISCAL REVIEW SECTION ANALYSIS**

**PUBLIC WORKS COMMITTEE**

**ITEM 9, FILE 050984**

**NOVEMBER 22, 2005**

**ANGELYN WARD**

File #050984 is a resolution approving Amendment and Extension of Lease Agreement with Edward E. Gillen Co. by the Port of Milwaukee.

**Background and Discussion**

1. This resolution approves the lease agreement with Edward E. Gillen Co. for use of .921 acres at 1801 S. Carferry Drive on the Port's South Harbor Tract.
2. Edward E. Gillen Company is a marine contractor which offers ship and barge repair, design of dock walls, breakwalls, pile foundations, pier protection, foundation drilling, engineering, construction, marine equipment and other marine services.
3. The initial lease dated December 20, 1999, due to expire December 31, 2004, was extended by one year, from January 1, 2005 through December 31, 2005. The Port of Milwaukee and Edward E. Gillen Co have agreed to further extend the terms of the lease agreement for two additional years, from January 1, 2006 through December 31, 2007.
4. The fiscal note indicates that rent revenue for 2006 is approximately \$22,280. For 2007, the rental will be adjusted and escalated according to increase of the seasonally adjusted Producer Price Index published by the United States Bureau of Labor Statistics. Dockage revenue is estimated at \$600 per month.
5. The Board of Harbor Commissioners approved the lease agreement at their November 4, 2005 meeting.

**Fiscal Impact**

1. The two year lease agreement between Edward E. Gillen Co. and the Port of Milwaukee, anticipates \$22,280 of revenue in 2006, with the 2007 rent adjusted according to the Producer Price Index. Dockage revenue is estimated at \$600 per month.

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LRB – Fiscal Review Section  
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