

## LRB – FISCAL REVIEW SECTION ANALYSIS

**PUBLIC WORKS COMMITTEE**

**ITEM 7, FILE 050986**

**NOVEMBER 22, 2005**

**ANGELYN WARD**

File #050986 is a resolution approving the Lease Agreement with Advance Boiler and Tank Co., LLC by the Port of Milwaukee.

### **Background and Discussion**

1. This resolution approves the lease agreement with Advance Boiler and Tank Co., LLC for use of 2.5 acres of bare ground at 1711 S. Carferry Drive on the Port's South Harbor Tract.
2. Advance Boiler and Tank Co., LLC provides service to power generation, water treatment, commercial, industrial and utility industries. The property will be used for the establishment, operation and maintenance of component assembly operation related to electric power generation plants, with the modules transported to plant sites by barge or other vessel.
3. The existing lease expires December 31, 2005. Advance Boiler and Tank Co. requested the extension for two additional years, from January 1, 2006 through December 31, 2007.
4. The fiscal note indicates that rent revenue is \$62,500, which is \$5,208.83 per month, calculated on a basis of \$25,000 per acre annually. Anticipated annual revenue for dockage is \$1,000, at \$10 per day per barge for 100 days and \$1,200 for wharfage at \$1 per ton for 1,200 tons.
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 Advance Boiler and Tank Co., LLC and the Port of Milwaukee, anticipates \$62,500 in annual revenue, \$1,000 in dockage fees and \$1,200 in wharfage fees annually.

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LRB – Fiscal Review Section  
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