

1 By Supervisor Coggs
2
3

4 **A RESOLUTION**

5 Requesting the City of Milwaukee, Transit Stop Technical Sub-Committee, to
6 review the transit stop located on the southeast corner of the intersection at 17th
7 and Walnut streets for possible relocation.
8

9 WHEREAS, the City of Milwaukee's, Transit Stop Technical Sub-
10 Committee's creating authority is section 320-28 of the Milwaukee Code of
11 Ordinances; and
12

13 WHEREAS, the purpose of the Transit Stop Technical Subcommittee is
14 "to approve locations for the receiving and discharging of passengers by
15 common carriers"; and
16

17 WHEREAS, residents adjacent to the aforementioned transit stop have
18 complained in the past of passengers littering, loitering and even urinating on
19 their property; and
20

21 WHEREAS, the Transit Stop Technical Sub-Committee has reviewed this
22 stop as recently as March 2009 and rejected a request for relocation; and
23

24 WHEREAS, residential complaints continue to arise from neighbors and
25 other community organizations based on passengers waiting to board buses,
26 now, therefore
27

28 BE IT RESOLVED, that the Milwaukee County Boards of Supervisors
29 requests the City of Milwaukee, Transit Stop Technical Sub-Committee, to review
30 the transit stop located on the southeast corner of the intersection at 17th and
31 Walnut Streets for possible relocation; and
32

33 BE IT FURTHER RESOLVED, the Transit Stop Technical Sub-Committee
34 report its findings and recommendations no later than December 31, 2010 to
35 Milwaukee County Transit System (MCTS) officials for possible action.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 10-11-10

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Requesting the City of Milwaukee, Transit Stop Technical Sub-Committee, to review the transit stop located on the southeast corner of the intersection at 17th and Walnut streets for possible relocation.

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
 - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
 - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
 - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
-
- A. This resolution requests the City of Milwaukee, Transit Stop Technical Sub-Committee, to review the transit stop located on the southeast corner of the intersection at 17th and Walnut streets for possible relocation.
 - B. N/A
 - C. N/A
 - D. No assumptions made.

Department/Prepared By

Authorized Signature



Did DAS-Fiscal Staff Review? Yes No

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: September 28, 2010

TO: Supervisor Lee Holloway, Chairman, County Board of Supervisors
Supervisor Michael Mayo, Sr., Chairman, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director, Transportation & Public Works
Anita Gulotta-Connelly, Managing Director, MCTS

SUBJECT: Proposed Service Modification - Route 23 (Fond du Lac Avenue)

POLICY

Proposed additions, deletions and modifications to transit routes and services are subject to County Board approval prior to implementation. Requests for such changes are researched and reported to the County Board by Transit System staff.

BACKGROUND

Route 23 (Fond du Lac Avenue) provides frequent every day service primarily along Fond du Lac Avenue and connects the northwest side of Milwaukee County to downtown Milwaukee (see map 1). There is also limited weekday service to the Park Place and Bradley Woods business parks via an extension that is integrated into the route's schedule. Route 23 service to these areas began in 2004 after the elimination of Routes 101 (Silver Mill – Park Place Shuttle) and Route 102 (West Loop Shuttle). Service to Park Place operates 6 am - 9 am and 3 pm - 6 pm and generates 50 rides/day. Service to Bradley Woods operates 6 am - 9 am, 3 pm - 6 pm, and 6 pm - 11 pm and also carries 50 rides/day.

Requests for Service

MCTS was recently contacted by Actuant Electrical and Junior Achievement with requests for service to their new locations in and near the Park Place business park. Actuant relocated to N85 W12545 Westbrook Crossing and Junior Achievement is projected to open their new facility on Liberty Drive in April 2011 (see map 2).

After evaluating service and ridership levels and exploring various options, MCTS Planning staff believes these requests can be accommodated at no additional operating cost to Milwaukee County and with only a minimal impact on current passengers.

Proposed Service Modification

MCTS proposes to create a new shuttle route that would serve both business parks and expand service to include Actuant Electrical and Junior Achievement (see map 2). Route 223 (Park Place – Bradley Woods Shuttle) would operate approximately during the same time period as current service and have timed-transfers with both branches of Route 23.

Some lightly used segments along the extension of Route 23 would be eliminated, although customers would still be within a short walking distance of their former bus stop. It is estimated this would affect 20 rides/day.

In addition, Route 23 would be improved through a short extension of the 60th – Mill branch from 107th & Fond du Lac to 107th & Park Place. In addition, a layover at 85th & Mill would be moved to 107th & Park Place. These modifications would simplify the route and make it easier to understand. There would not be any decrease in service levels on Route 23.

These modifications are possible by reallocating time in Route 23's schedule. There would not be any difference in the number of bus hours on the current route compared to the revised Route 23 and new Route 223. As a result, there would not be any increase in operating costs to Milwaukee County.

MCTS estimates the new service to Actuant Electrical and Junior Achievement will generate 50 rides/day. These estimates were based on information from both organizations. MCTS estimates that additional rides will be gained by improving the frequency of service to Park Place on Route 23. After considering the overall changes to service span and frequency, MCTS estimates a net increase of 66 rides/day.

The main benefits of these changes are as follows:

- The requests for service from both Actuant Electrical and Junior Achievement would be met.
- Route 223 would provide service to the Park Place and Bradley Woods business parks at a level that is more appropriate for the demand. The route would also provide a new transfer from Route 76 at 91st Street & Brown Deer Road.
- Route 23 would continue to operate at the same frequency of service. Service would also be simplified and easier to understand. For example, all trips on the Mill Road branch would layover at a single location instead of four different locations depending on the time of day.
- Both business parks and Actuant Electrical would be connected to both branches of Route 23 and Route 76 via Route 223.
- Customers walking along 91st between Brown Deer and Heather would now have an option to use Route 223.

- A Woodman's Grocery store scheduled to open this fall at 124th & Bradley would be served by Route 223.

The drawbacks of these changes are as follows:

- Route 23 passengers that currently have a one seat ride to the business parks would have to transfer to Route 223. This change would be ameliorated by creating a timed transfer between both routes.
- There would be a reduction in the number of trips to both business parks. This is estimated to result in a ridership loss of 8 rides/day. Service would remain available to all work shifts for employees. Those who continue to utilize the bus may experience some inconvenience with the change in frequency of service.

RECOMMENDATION

On the basis of the analysis presented above, it is recommended that Route 23 be restructured and Route 223 be created to provide limited weekday service to the Park Place and Bradley Woods business parks. These changes would take effect January 2, 2011.

FISCAL NOTE

This service change will not result in an increase in transit operating costs.

Prepared by: Anita Gulotta-Connelly, Managing Director, MCTS

Approved by:

Jack Takerian, Director
Transportation & Public Works

Anita Gulotta-Connelly
Managing Director, MCTS

cc: Tom Nardelli, Chief of Staff, Milwaukee County Executive's Office
Cynthia Archer, Director, Department of Administrative Services
Steve Kreklow, Fiscal and Budget Administrator, Department of Administrative Services
Josh Fudge, Fiscal and Budget Analyst, Department of Administrative Services

(Item) From the Director of the Department of Transportation & Public Works and the Managing Director of the Milwaukee County Transit System, recommending that Route 23 be restructured and that Route 223 be created to provide limited weekday service to the Park Place and Bradley Woods business parks, effective January 2, 2011.

RESOLUTION

WHEREAS, MCTS Route 23 (Fond du Lac Avenue) provides frequent every day service primarily along Fond du Lac Avenue and connects the northwest side of Milwaukee County to downtown Milwaukee, with limited weekday service to the Park Place and Bradley Woods business parks via an extension that is integrated into the route’s schedule; and

WHEREAS, Route 23 service to these areas began in 2004 after the elimination of Routes 101 (Silver Mill-Park Place Shuttle) and Route 102 (West Loop Shuttle); and

WHEREAS, service to Park Place operates 6 am - 9 am and 3 pm - 6 pm and generates 50 rides/day and service to Bradley Woods operates 6 am - 9 am, 3 pm - 6 pm, and 6 pm - 11 pm and also carries 50 rides/day; and

WHEREAS, MCTS proposes to create a new shuttle Route 223 that would serve both business parks and expand service, would operate approximately during the same time period as current service and have timed-transfers with both branches of Route 23; and

WHEREAS, these modifications are possible by reallocating time in Route 23’s schedule with no difference in the number of bus hours on the current route and no increase in operating costs to Milwaukee County; and

WHEREAS, additional benefits of these changes are as follows: The requests for service from both Actuant Electrical and Junior Achievement would be met; Route 223 would provide service to the Park Place and Bradley Woods business parks at a level that is more appropriate for the demand; the route would also provide a new transfer from Route 76 at 91st Street & Brown Deer Road; Route 23 would continue to operate at the same frequency of service; and service would also be simplified and easier to understand; and

44 WHEREAS, MCTS estimates the new service to Actuant Electrical and
45 Junior Achievement will generate 50 rides/day and that additional rides will
46 be gained by improving the frequency of service to Park Place on Route 23;
47 now, therefore

48
49 BE IT RESOLVED, that Route 23 be restructured and that Route 223
50 be created to provide limited weekday service to the Park Place and Bradley
51 Woods business parks effective January 2, 2011.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 9/28/2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Proposed Service Modification - Route 23 (Fond du Lac Avenue)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

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	Revenue		
	Net Cost		
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- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Route 23 would be restructured and Route 223 would be created to provide limited weekday service to the Park Place and Bradley Woods business parks. These changes would take effect January 2, 2011. The new shuttle Route 223 (Park Place - Bradley Woods Shuttle) would serve both business parks and expand service to include Actuant Electrical and Junior Achievement, would operate during the same time period as current service and have timed-transfers with both branches of Route 23. The requests for service from both Actuant Electrical and Junior Achievement would be met. Route 223 would provide service to the Park Place and Bradley Woods business parks at a level that is more appropriate for the demand. The route would also provide a new transfer from Route 76 at 91st Street & Brown Deer Road. Route 23 would continue to operate at the same frequency of service. Service would also be simplified and easier to understand.

These modifications are possible by reallocating time in Route 23's schedule. There would not be any difference in the number of bus hours on the current route compared to the revised Route 23 and new Route 223. As a result, there would not be any increase in operating costs to Milwaukee County.

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B. The proposed change does not generate additional costs, nor does it produce a cost savings.

C. There are no fiscal impacts of this change.

D. Assumptions regarding this proposed change are standard transit planning evaluations of ridership, running-time, and potential revenues.

Department/Prepared By Anita Gulotta-Connelly, Managing Director, MCTS

Authorized Signature _____

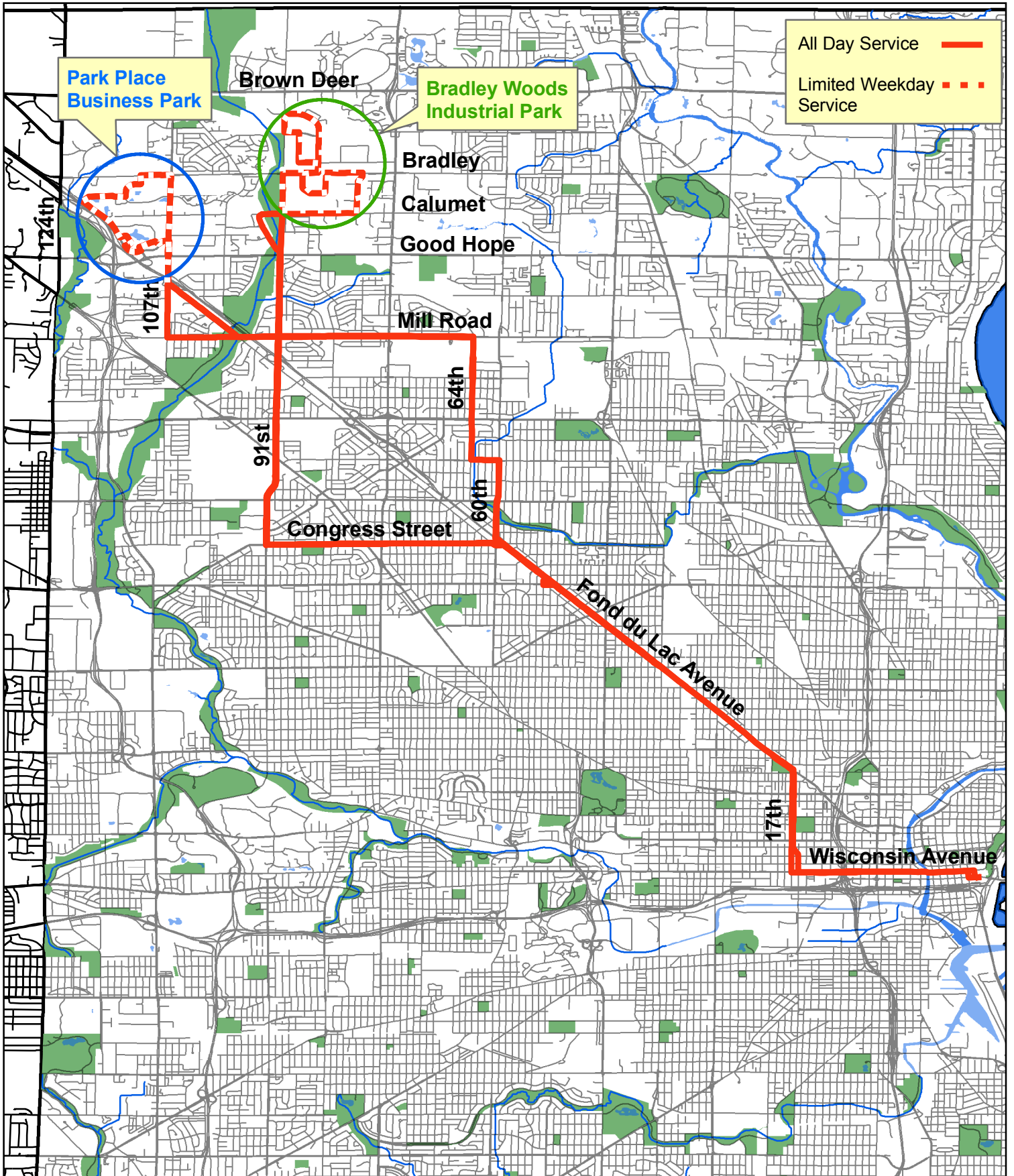
Did DAS-Fiscal Staff Review?

Yes

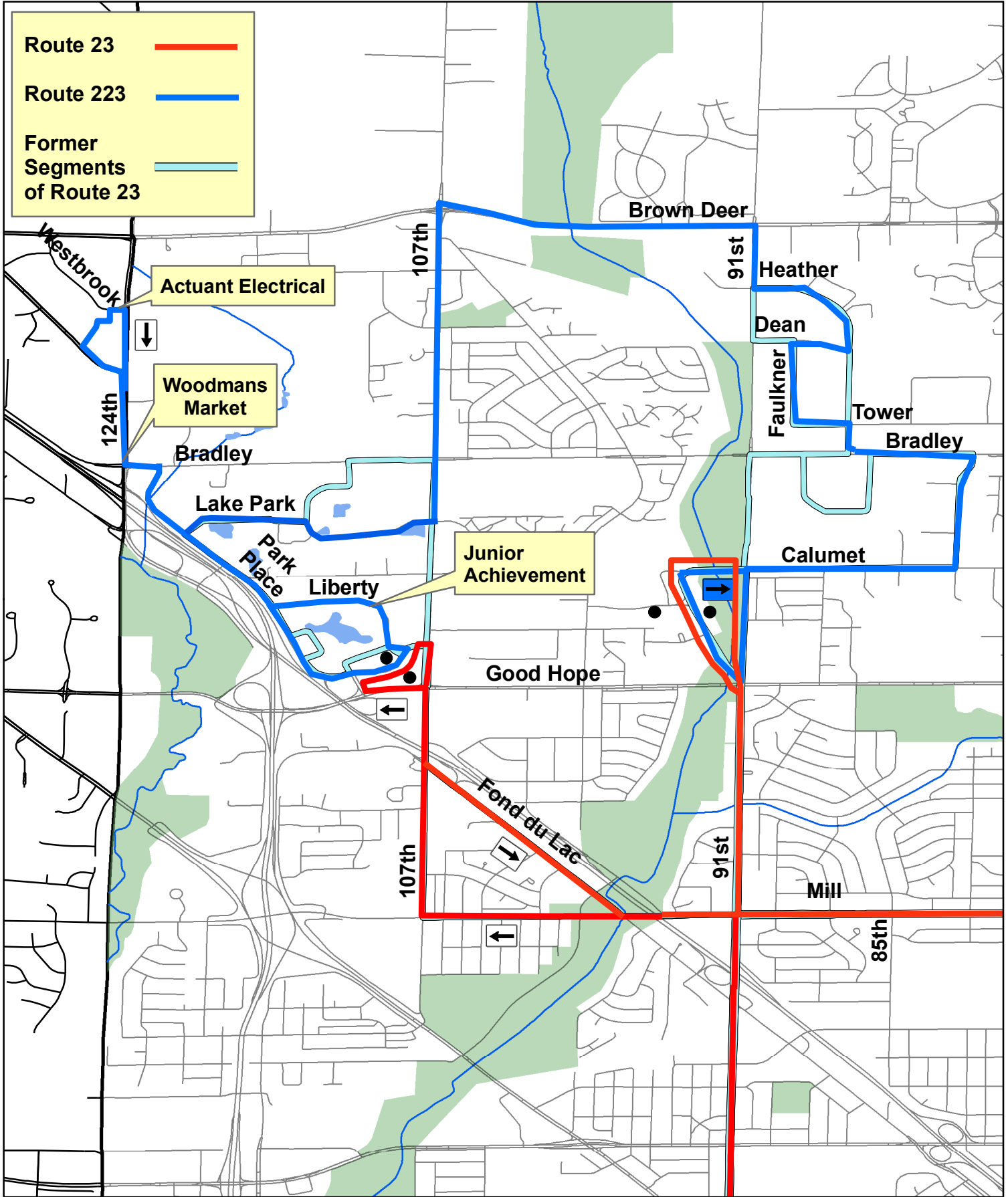
No

Reviewed With:

Route 23 - Fond du Lac Avenue Park Place and Bradley Woods Service



Route 23 and New Route 223 Service to Park Place and Bradley Woods



**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

4

DATE: October 5, 2010
TO: Supervisor Michael Mayo, Chairman - Transportation, Public Works & Transit Committee
FROM: Jack Takerian, Director of Transportation and Public Works
SUBJECT: Summary of Fund Transfers for Consideration at the Finance and Audit Committee
October 2010 - **Informational Report**

The following is a summary of the Appropriation Fund Transfers the Department of Transportation and Public Works has submitted as of this date for consideration at the October 28, 2010 meeting of the Finance and Audit Committee.

Description	Amount
<u>A & E</u>	
1. Transfer to increase expenditure authority for the acquisition of computer maintenance software.	\$56,000
2. Fund transfer to create expenditure authority at the Zoo for replacement of the Peck Center flooring.	\$415,000
3. Fund transfer to recognize \$15, 000 in CDBG funds and transfer \$25,000 from capital project Dineen Park Boathouse HVAC project to capital project, Dineen Park Community Room renovation.	\$40,000
4. A no cost fund transfer to modify the scope of work for replacement of the main roof and restoration of the parapet wall on the Milwaukee County Historical Society building as part of the existing Capital Project renovation, Phase IV.	\$0
<u>Airport</u>	
1. Fund transfer to properly study the effects of ground level noise on citizens living around the airport facility.	\$175,100
2. Fund transfer to request the reallocation of funds provided for the modification of two gates for use by Frontier Airlines and install a new jet bridge to replace an existing jet bridge that has limited mobility.	\$2,000, 000
<u>Highway</u>	
1. Fund transfer to cover projected deficit in contractual services.	\$40,000

Jack Takerian, Director
Department of Transportation and Public Works
JT:mmb
cc: Supervisor Lee Holloway, County Board Chairperson

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

DATE: September 30, 2010

TO: Supervisor Michael Mayo, Chairman, Committee on Transportation, Public Works and Transit
Supervisor Elizabeth Coggs, Chairman, Committee on Finance and Audit

FROM: Steven Kreklow, Fiscal and Budget Administrator

**SUBJECT: UPDATE ON DUE DILIGENCE REPORT REGARDING PHASE 2
GUARANTEED ENERGY SAVINGS PERFORMANCE CONTRACTING WITH
JOHNSON CONTROLS**

Issue

During the April 2010 County Board cycle the Department of Administrative Services submitted due diligence reports regarding the second phase of performance contracting. A separate report was completed for the proposal submitted by Johnson Controls.

The County Board requested further analysis on the Johnson Controls proposal relating to the replacement of steam heating system currently used at various County Grounds facilities with natural gas boilers at each location. The motion approved by the Board requested DAS staff to complete the following analysis:

- Identify other alternatives to steam on this project
- Discuss potential for long term rate agreements for steam pricing
- Provide a side by side comparison of the yearly savings and initial costs
- Provide information on the average life of the different infrastructures (steam versus natural gas) and the projected maintenance costs for each

Background

Johnson Controls proposal included a variety of energy conservation measures at the Children's Court Center, Fleet Garage, Sheriff's Building (Watertown Plank Road) and Parks Administration Building.

The highest cost component of the proposal is to install stand-alone chiller and boiler plants at the Children's Court Center and stand-alone boiler plants at the Fleet Garage and Parks Administration Building to provide air, heat and hot water. Construction of these natural gas powered facilities would replace the use of the WE Energies steam system. The current steam system is primarily maintained by WE Energies, with the County being responsible for some maintenance of equipment within the buildings. The replacement systems consist of a natural gas stand-alone system that would be solely maintained by the County. Johnson Controls projects savings would be achieved since the cost of steam is currently much higher than the cost of natural gas and not necessarily because the current steam system is inefficient. As a result, this proposed energy conservation measures is different than others implemented previously because the projected savings are based on the relative cost of different types of energy and not the usage. While the annual quantity of energy consumed is guaranteed by the ESCO, the annual dollar cost savings is not.

The proposal also includes operational improvements and digital upgrades to the air handling units, facility performance indexing, lighting upgrades, improvements to the restroom facilities and kitchens to lower water usage, and installing vending misers on the vending machines at the Children's Court Center.

At the Fleet Garage and Sheriff's Building, improvements would be made to the building automation system, digital programmable thermostats will be installed to allow different temperatures for occupied and unoccupied hours, lighting upgrades, improvements to the restroom facilities and kitchens to lower water usage, and installing vending misers on the vending machines. The Parks Administration Building would also have vending misers installed on their vending machines.

ALTERNATIVES TO STEAM

At the Transportation and Public Works Committee meeting a representative for Johnson Controls stated that in the rare instance that natural gas rates exceed steam, the system could be replaced with a propane gas system. DAS consulted with the Department of Transportation and Public Works regarding the use of a propane gas system and found it not to be operationally feasible. No other feasible alternatives appear to be available at this time.

LONG TERM RATE AGREEMENTS

The original due diligence report performed by staff discussed the potential for negotiating an agreement with WE Energies for reduced rates for steam used at the County Grounds. The Director of the Department of Transportation and Public Works and DAS staff contacted WE Energies regarding the potential for a reduced rate for steam. While downtown County facilities are serviced by a different power plant and currently pay a much lower rate for steam than the County Grounds, WE Energies stated they could not provide a reduced rate or a long-term rate agreement for steam used at the County Grounds. WE Energies indicated this would be a violation of the discrimination regulations under Chapter 196 of the Wisconsin State Statutes. If they provided a discount to Milwaukee County, then the other private geographic members' costs would have to increase to capture all of the costs of providing the utility.

Staff from DAS and DTPW also met with Focus on Energy to receive additional information on the Johnson Controls proposal. Representatives from Focus on Energy stated that if the County decided to switch to natural gas there is the potential to negotiate long-term rate agreements. Focus on Energy has worked with other municipalities and school districts on negotiating rate agreements. Typical rate agreements last for one year, but could potentially be negotiated for several years. Since natural gas prices may drop there is a risk to the County that the agreement rate would be higher than the market rate.

WE Energies notified the County that steam prices are expected to rise by 7 percent in 2011. The Federal Department of Energy Information Administration predicts natural gas rates will rise 8.5 percent from 2010 to 2011. Based on the most recent information, it appears that natural gas prices will continue to be lower than steam prices in the near future. However there remains a long-term risk that natural gas rates will one day exceed steam rates.

The current rate for natural gas is \$5.50 per mmbtu (million metric british thermal unit) and the current steam rate is \$23 per thousand pounds of steam. Since natural gas and steam are measured in different units they needed to be converted in order to estimate how much natural gas prices would need to rise in order to match the current rate of steam. The natural gas prices would need to increase from \$5.50 per mmbtu to \$16.35 per mmbtu before they equal the current steam rate of \$23 per thousand pounds. The current natural gas prices would need to triple in order to equal the price that the County is paying for steam at these facilities. While this is a significant increase there are unpredictable events that could cause such a rise in the gas prices. For example in 2005 during the time of Hurricane Katrina natural gas prices went up as high as \$13.91 per mmbtu. Historically the natural gas prices may spike during these events, but typically prices fall back down within a few months. In October 2005 the natural gas prices were \$13.91 per mmbtu, and by February of 2006 had fallen to \$8.40 per mmbtu.

MAINTENANCE

In the April report from DAS Fiscal, the maintenance costs of the steam system were detailed. The County is responsible for maintenance on the piping that is within the buildings and anything exterior to the building is WE Energies responsibility. The April report used the Children’s Court Center as an example. The Children’s Court Center has two steam converters that cost \$40,000 to replace with a useful life of 15 to 20 years. The initial installation cost for the stand alone chiller and boilers is \$1,334,141. The natural gas system has a useful life of 25 to 30 years.

DTPW staff estimated the difference in maintenance costs between a steam and natural gas system. Facilities staff used City Campus as an example, which is using a natural gas system, to estimate the maintenance costs. If the County switches to a natural gas system DTPW staff estimates the yearly maintenance costs will increase by approximately \$60,250. The estimated annual increase in maintenance costs has been included within the annual costs projected by Johnson Controls in the chart above.

ANNUAL SAVINGS

The Transportation and Public Works Committee requested information on the projected yearly savings compared to the yearly costs. Each Energy Service Company (ESCO) provides this information in a pro forma that they submit as part of the due diligence process. The chart below is from the Johnson Controls pro forma, and includes costs and savings associated with all the improvements that they are proposing for the Children’s Court Complex, Fleet Garage and Parks Administration Building. The pro forma submitted by Johnson Controls was updated to reflect the actual debt payments and maintenance costs. The original pro forma extended the payments over 12 years. However, the debt payments are for a 10-year term. In addition, maintenance costs were adjusted by 3 percent for inflation.

Year	Annual Energy Savings	Annual Costs¹	Annual Savings Net Costs	Projected Annual Increase in Maintenance Costs	Savings Net Maintenance Costs
2011	\$442,985	\$497,331	(\$54,346)	\$60,250	(\$114,596)
2012	\$456,275	\$497,331	(\$41,056)	\$62,058	(\$103,114)
2013	\$469,963	\$497,331	(\$27,368)	\$63,919	(\$91,287)
2014	\$484,062	\$497,331	(\$13,269)	\$65,837	(\$79,106)
2015	\$498,584	\$497,331	\$1,253	\$67,812	(\$66,559)
2016	\$508,898	\$497,331	\$11,567	\$69,846	(\$58,279)
2017	\$524,165	\$497,331	\$26,834	\$71,942	(\$45,108)
2018	\$539,890	\$497,331	\$42,559	\$74,100	(\$31,541)
2019	\$556,087	\$497,331	\$58,756	\$76,323	(\$17,567)
2020	\$572,087	\$497,331	\$74,756	\$78,613	(\$3,857)
2021	\$589,952		\$589,952	\$80,971	\$508,981
2022	\$607,651		\$607,651	\$83,400	\$524,251

1. Annual Costs include costs for service agreements and loan payments to finance the improvements

The savings are based on an assumption that utility rates will increase by 3 percent each year, which was a standard assumption in the proposals by Johnson Controls, Ameresco and Honeywell. The annual costs

for the first five years include the service agreement. These costs were included in the lease and therefore, will have to be paid over the 10-year term.

The savings calculated are based on the assumption that there will continue to be a substantial difference in rates between natural gas and steam. Since only usage is guaranteed, if the difference between steam and natural gas prices decreases, the County will see lower savings than the pro forma indicates. However, if the price difference between steam and natural gas continues to increase the County would see higher than anticipated savings.

Conclusion

Based on the updated pro forma, the Department would realize projected savings in year 11 after the debt has been retired. The Department pays for the costs of the initiative through reductions in energy costs. However, the updated pro forma illustrates that the Department would experience deficits over the first 10 years.

DAS is recommending pursuing the initiative since projected savings would be realized after the debt is retired. However, DAS is also recommending that the more appropriate vehicle for financing this initiative is the capital improvements budget. Financing for the initiative mirrors the County's financing of its capital improvements program rather than performance contracting. The current financing plan for the capital improvements budget limits additional bonding until 2013. Therefore, this initiative would not be pursued until that time.

If the DAS recommendation is approved other projects would need to be substituted for the JCI initiative. Attached is a list of projects that have been evaluated by the ESCO's and could potentially be substituted. Other facilities that have not yet been evaluated could also be looked at for Phase 2 of performance contracting.

Steven Kreklow, Fiscal and Budget Administrator

Attachment

cc: County Executive Scott Walker
Chairman Lee Holloway, Milwaukee County Board of Supervisors
Cynthia Archer, Director, Department of Administrative Services
Jack Takerian, Director, Department of Transportation and Public Works
Greg High, Director, Architecture and Engineering Division
Tom Nardelli, County Executive's Office
Steve Cady, County Board Fiscal and Budget Analyst

Honeywell

MILWAUKEE COUNTY ESPC PHASE 2											
Preliminary Estimated Cost & Savings											
	Estimated Electric Savings			Est. Steam Savings		Est. Wtr/Swr Savings		TOTAL SAVINGS	Est. FE Incentive	Est. Cost	Simple Payback
	kWh	kW	Savings	Mlbs	Savings	CCF	Savings				
COURTHOUSE											
VFD's on (4) AHU's	508,946		\$30,292					\$30,292	\$0	\$244,144	8.1
Upgrade DDC Control System	1,417,063		\$76,500	2,532	\$26,104			\$102,604	\$0	\$293,611	2.9
Steam Trap Testing/Repair			\$0	2,000	\$20,620			\$20,620	\$0	\$119,679	5.8
Retrofit Chilled Wtr Pumping	129,600	20.0	\$7,834					\$7,834	\$0	\$84,573	10.8
Building Envelope Improvements			\$0	130	\$1,340			\$1,340	\$0	\$11,776	8.8
Water Conservation			\$0			5,979	\$19,013	\$19,013	\$0	\$171,730	9.0
PC Power Management	188,160		\$10,076					\$10,076	\$0	\$30,025	3.0
Install New Windows(6 Light Courts)	19,872	19.9	\$2,702	3,731	\$38,471			\$41,174	\$0	\$2,010,600	48.8
CRIMINAL JUSTICE FACILITY											
Nightslck & Occupancy Control	198,195		\$10,613	2,090	\$21,650			\$32,163	\$0	\$55,850	1.7
Install Ventilation Control in Saily Port	20,611		\$1,124	567	\$5,846			\$6,970	\$0	\$39,893	5.7
Building Envelope Improvements			\$0	140	\$1,443			\$1,443	\$0	\$13,241	9.2
Steam Trap Testing/Repair			\$0	750	\$7,733			\$7,733	\$0	\$47,871	6.2
Water Conservation			\$0			7,505	\$23,866	\$23,866	\$0	\$171,539	7.2
Auto Control For Inmate Areas			\$0			10,764	\$34,230	\$34,230	\$0	\$873,175	25.5
DMV CAMPUS OFFICE COMPLEX											
Lighting Retrofit	356,000	88.8	\$35,056					\$35,056	\$0	\$333,664	9.5
HVAC Improvements	719,100	45.0	\$45,568	3,900	\$40,209			\$85,777	\$0	\$917,536	10.7
- Control System Improvements											
- Heat Recovery System											
- VAV Retrofits											
- VFD's on pumps & Fans											
- Occupancy control											
- Steam trap repair											
Building Envelope Improvements				180	\$1,856			\$1,856	\$0	\$18,890	10.2
Water Conservation						1,495	\$4,753	\$4,753	\$0	\$42,933	9.0
PC Power Management	37,632		\$2,015					\$2,015	\$0	\$6,005	3.0
TOTALS	3,594,180	39.9	\$221,783	16,021	\$165,172	25,743	\$81,862	\$468,817	0	5,486,736	11.7
Existing Usage	27,921,553		\$1,856,973	97,615	\$822,470	68,222	\$209,157	\$2,888,599			
% Savings	12.9%		11.9%	16.4%	20.1%	37.7%	39.1%	16.2%			

ALL ECMs and FIMs PROPOSED PROJECT

ALL FIGURES SHOWN BELOW ARE PRELIMINARY IN NATURE FOR DISCUSSION PURPOSES ONLY
CONFIDENTIAL AND PROPRIETARY INFORMATION OF AMERESCO, INC.

ECM	Description	Total Energy Savings \$	Maintenance Savings \$	Total Savings \$	Price	Energy Stamp Payback (yrs)	Total Simple Payback (yrs)	Potential Rebate (Focus on Energy)	Carbon Reduction (metric tons)
King Park									
1	Install VFDs and High Efficiency Motors on Hot Water Pumps	1,723	0	1,723	53,744	31.2	31	\$ 550	12
2	High Efficiency Motors	353	0	353	8,519	24.1	24	\$ 133	3
3	Install Vend Misor on vending machines	594	0	594	4,772	8.0	8	\$ 361	4
4**	Boiler Upgrade/Replacement	6,715	0	6,715	750,454	111.8	112	\$ 3,624	32
5**	Remove DX Units - Replace with Dry Chiller System, Replace Multizone	7,554	20,000	27,554	518,430	68.6	19	\$ -	55
6**	Replace AHUs and ACCUs with Like Units	0	0	0	0	0.0	0	\$ -	0
7	Insulate Boiler Room Ceiling (if not upgrading boilers) - comfort issue, n	0	0	0	0	0.0	0	\$ -	0
8	Install Remote Monitoring	0	0	0	26,694	0.0	0	\$ -	0
	Sub-Total	\$16,940	\$20,000	\$36,940	\$1,362,614	80.4	36.9	\$ 4,669	106
Kosciuszko Community Center									
1**	Pond Ground Loop Geothermal, w/VFDs on HW and CW Pumps	36,426	0	36,426	938,624	25.8	26	\$ 21,000	216
2	Install Vend Misor on vending machines	185	0	185	1,590	8.6	9	\$ 120	1
3	Replace Existing Air-Cooled Condensing Units	0	0	0	0	0.0	0	\$ -	0
4**	Replace VAV Boxes and Terminal Units	1,890	0	1,890	252,535	133.7	134	\$ -	15
5	Install Remote Monitoring	0	0	0	26,694	0.0	0	\$ -	0
	Sub-Total	\$38,500	\$0	\$38,500	\$1,219,444	31.7	31.7	\$ 21,120	233
Washington Park									
1	Upgrade Controls - Scheduling, Remote Monitoring	4,454	0	4,454	42,597	9.6	10	\$ -	25
2	Install High Efficiency Motors	259	0	259	4,260	16.4	16	\$ 40	2
3	Add ERV to AHU	1,769	0	1,769	48,550	27.4	27	\$ 2,500	8
4**	Replace Existing AHU with VAV, Install Boilers and Install VFDs on HW	3,664	0	3,664	301,181	82.2	82	\$ 1,971	18
	Sub-Total	\$10,147	\$0	\$10,147	\$396,588	39.1	39.1	\$ 4,511	53
Wilson Park (Ice Arena)									
1	Lighting Retrofit (Lobby Area and Restrooms)	6,526	0	6,526	99,416	13.9	14	\$ 1,724	60
2	DDC Controls Upgrade and Remote Monitoring	3,789	0	3,789	135,817	35.8	36	\$ -	23
3	Replace 4-15HP AHU Motors with High Efficiency Motors	1,005	0	1,005	28,398	28.3	28	\$ 240	9
4	Install Vend Misor on vending machines	627	0	627	5,567	8.9	9	\$ 240	5
5**	Replace Boilers, Install VFD on HW Pumps	21,488	0	21,488	563,281	26.2	26	\$ 12,834	113
	Sub-Total	\$33,435	\$0	\$33,435	\$823,480	24.6	24.6	\$ 15,038	210
Noyes Pool									
1	Install High Efficiency Motors	838	0	838	10,649	12.7	13	\$ 60	7
2	Install Pool Cover	21,864	0	21,864	123,869	5.7	6	\$ 12,244	112
3	Install Vend Misor on vending machines	198	0	198	1,590	8.0	8	\$ 120	2
4	Replace Existing AHUs and RTAC	1,181	0	1,181	422,505	357.7	358	\$ -	10
	Sub-Total	\$24,081	\$0	\$24,081	\$558,614	23.2	23.2	\$ 12,424	131
Polaski Pool									
1	Install High Efficiency Motors	820	0	820	10,649	13.0	13	\$ 60	7
2	Install Pool Cover	21,864	0	21,864	123,869	5.7	6	\$ 12,244	112
3	Install Vend Misor on vending machines	194	0	194	1,590	8.2	8	\$ 120	2
4**	Replace Existing Boilers	13,473	0	13,473	168,915	12.5	13	\$ 7,290	64
5	Replace Existing AHUs and RTAC	1,181	0	1,181	422,505	357.7	358	\$ -	10
	Sub-Total	\$37,532	\$0	\$37,532	\$727,528	19.4	19.4	\$ 19,714	195
PHASE II BUILDINGS									
Sports Complex									
1	Lighting Retrofit	25,060	0	25,060	192,764	7.7	8	\$ 19,394	172
2	DDC Controls Upgrade	12,044	0	12,044	162,089	13.5	13	\$ -	75
3	Seal Envelope	2,107	0	2,107	37,415	17.8	18	\$ -	11
4	Replace HVAC Equipment - 9 units with New Packaged Units	9,824	0	9,824	1,056,188	107.5	108	\$ -	58
	Sub-Total	\$49,035	\$0	\$49,035	\$1,448,456	29.5	29.5	\$ 19,394	316
Boys/Girls Club									
1	Lighting Retrofit	13,363	0	13,363	87,945	6.6	7	\$ 3,725	110
2	DDC Controls Upgrade	5,215	0	5,215	154,385	29.6	30	\$ -	36
3	Seal Envelope	862	0	862	37,415	43.4	43	\$ -	5
4	Install Central Chilled Water System, Replace AHUs	9,812	0	9,812	752,209	76.7	77	\$ -	78
5**	Replace Boilers, Install VFDs and High Efficiency Motors on HW Pumps	5,200	0	5,200	177,632	34.2	34	\$ 3,330	28
6	Replace AHUs and ACCU DX Units with Like Units	0	0	0	0	0.0	0	\$ -	0
	Sub-Total	\$34,453	\$0	\$34,453	\$1,209,585	35.1	35.1	\$ 7,055	256
Transit Fleet Maintenance									
1	Lighting Retrofit	33,839	0	33,839	544,396	16.1	16	\$ 42,379	324
2	DDC Controls Upgrade	0	0	0	26,694	0.0	0	\$ -	0
3	Seal Envelope - Exterior and Overhead Doors	3,949	0	3,949	75,256	19.1	19	\$ -	20
4	Replace Reznor Units with Waste Oil Unit Heaters	38,131	0	38,131	143,585	3.8	4	\$ -	191
5	Repair Compressed Air System Distribution System	33,773	0	33,773	89,455	2.6	3	\$ -	306
	Sub-Total	\$109,692	\$0	\$109,692	\$879,386	8.0	8.0	\$ 42,379	840
Transit Admin Bldg									
1	Lighting Upgrade	9,092	0	9,092	166,302	18.3	18	\$ 10,225	82
2	DDC Controls Upgrade	14,868	0	14,868	213,899	14.4	14	\$ -	133
3	Seal Envelope	1,231	0	1,231	26,126	21.2	21	\$ -	11
4	Replace Air Cooled Condensing Units/Condensing Units	8,958	0	8,958	131,970	14.7	15	\$ -	81
5	Replace AHUs (scheduled for 2009)	717	0	717	501,987	700.0	700	\$ -	6
	Sub-Total	\$34,867	\$0	\$34,867	\$1,040,285	29.8	29.8	\$ 10,225	316
Marcus Center Performing Arts									
1	Upgrade Lighting	50,803	0	50,803	611,249	12.0	12	\$ 31,038	444
2	Add ERV to AHU	7,874	0	7,874	1,723,452	218.9	219	\$ 125,000	314
3**	Install New AHU/VAV System with DDC Control Upgrade	37,208	0	37,208	4,970,899	133.6	134	\$ -	277
4	Install Multi AC System for Dressing/Green Rooms, Lounges	0	0	0	203,326	0.0	0	\$ -	0
	Sub-Total	\$95,884	\$0	\$95,884	\$7,508,927	78.3	78.3	\$ 156,038	1,035
Charles Alfts Museum									
1	Lighting Upgrade	4,561	0	4,561	35,673	7.8	8	\$ 692	29
2	DDC Controls Upgrade	1,698	0	1,698	43,733	25.8	26	\$ -	9
	Sub-Total	\$6,259.30	\$0.00	\$6,259.30	\$79,406.61	12.7	12.7	\$ 692	38
Villa Terrace Museum									
1	Lighting Upgrade	3,659	0	3,659	73,933	20.2	20	\$ 1,099	23
	Sub-Total	\$3,658.73	\$0.00	\$3,658.73	\$73,933.33	20.2	20.2	\$ 1,099	23
Grand Total		\$494,483	\$20,000	\$514,483	\$17,328,246	35.0	33.1	\$ 314,638	2,825
		WITH FOCUS ON ENERGY REBATE/INCENTIVE		\$17,013,888					
Total Phase I Buildings Revisited		\$160,634		\$180,634	\$ 5,088,268		32	\$ 77,477	893
Total Phase II Buildings		\$333,849		\$333,849	\$ 12,239,978		37	\$ 236,881	2,825

**Denotes ECMs/FIMs that Require Asbestos Removal/Abatement

ALL ECMs and FIMs PROPOSED PROJECT

All ECMs And FIMs Are Included Except That Mutually Exclusive ECMs/FIMs In The List Are Not Included. Also, Some O&M Savings Are Included. Potential Rebates Are Presented Included (shown as option)

Includes all lighting for Phase I and Phase II
Includes controls upgrade for Phase II and Phase I Buildings

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

6

DATE: October 1, 2010

TO: Lee Holloway, Chairperson, Milwaukee County Board of Supervisors
Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director of Transportation and Public Works

SUBJECT : **AMEND AIRPORT AGREEMENT NO. CN-1906 WITH SSP AMERICA, INC.
TO ADD FOOD AND BEVERAGE CONCESSION SPACE AT GENERAL
MITCHELL INTERNATIONAL AIRPORT**

POLICY

County Board approval is required to amend concession agreements at General Mitchell International Airport (GMIA). At its September 15, 2010 meeting, The Transportation, Public Works & Transit Committee laid this item over for additional information.

BACKGROUND

At its May 22, 2008 meeting the Milwaukee County Board of Supervisors authorized Milwaukee County to enter into agreements with Host International, Inc. (Host), and SSP America, Inc. (SSP), for the operation of food and beverage concessions at GMIA under Official Notice No. 6292. Milwaukee County awarded Package A contained in Official Notice No. 6292 to Host and Packages B – E to SSP. The new agreements were to be consistent with the draft agreement contained in Official Notice No. 6292.

Host has constructed Quiznos and Famous Famiglia quick serve facilities in the Concession Mall and refurbished its Starbucks location. Host also has constructed a Chili's Restaurant and French Meadow Bakery quick serve on Concourse C and a Johnny Rockets quick serve and a Usinger's Deli on Concourse D. Host is currently constructing its new facilities on Concourse E. Host's agreement required Host to construct new bar and full service restaurant facilities in the Concession Mall and refurbish a bar/quick serve facility on Concourse D. Host has not submitted plans for these facilities to date.

SSP has constructed Alterra Coffee/Snack facilities in the Concession Mall and on Concourse C and D. SSP has also constructed a Nonna Bartolotta restaurant on Concourse D. SSP is currently constructing a new burger facility in the Concession Mall. SSP's agreement also requires it to construct a quick serve facility in the Concession Mall near the entrance to Concourse E. This location was the former smoking room. Official Notice No. 6292 requested a quick serve concept at this location. Concourse E is the smallest concourse, and it has the fewest enplanements and the least amount of traffic in the Concession Mall. The quick serve location is not clearly visible to non-Concourse E passengers due to a wall and an elevator shaft. The County Board approved SSP's request to locate the SSP's quick serve burger facility to the center of the Concession Mall (Journal, March 18, 2010, File No. 07-283(a)(k)), and develop a snack concept near the Concourse E location. SSP has advised Airport staff that SSP would like to delay construction of facility in this location until after the escalator project in this area is completed.

Due to the significant increase in enplanements Airport staff believed that more food and beverage facilities on the concourses were needed to meet passenger demand. Airport staff retained Unison Consulting (Unison) to evaluate the food and beverage needs on the concourses. Through its analysis, Unison determined that additional food and beverage services are needed on all three concourses due to AirTran's expansion on Concourse C, Frontier's increased regional service on lower level Concourse D, and the Delta/Northwest merger on Concourse E.

Request for Proposal Locations and Specifications

Airport staff requested proposals from Host and SSP for the following locations:

1. Concourse C - Branded Quick Service Food and Beverages, consisting of approximately 1,862 square feet, intended for quick-service food and beverages. The menu should focus on one specific food theme – American, ethnic, local favorite, or similar popular style - that offers a variety of freshly prepared items and covers all day parts. Alcoholic beverages may be offered. The proposed concept and brand should be complementary to other food service options already in place on the concourse. The County strongly encourages the inclusion of well-known national and local concepts.
2. Concourse D Lower Level- Coffee/Snacks/Food To Go, consisting of approximately 180 square feet intended for the sale, at a minimum, of freshly prepared coffee and other hot beverages and a selection of pastries, sandwiches, salads fruit, snacks, non-alcoholic beverages and other food and beverage items as proposed by the respondent and accepted by the County. Food items should be appropriately packaged for passengers who want to take them onto the plane.
3. Concourse E - Coffee Bar/Bistro located in the atrium of Concourse E, consisting of approximately 700 square feet, intended for the sale of branded specialty coffee – either locally or nationally known – that offers freshly brewed coffee, tea and a variety of freshly prepared coffee- and tea-based drinks. In addition specialty coffee and tea, the menu may include a variety of freshly baked goods such as cookies, pastries, rolls, bagels, scones and muffins; sandwiches, salads and soups; snacks and desserts; non-alcoholic beverages; and other food and beverage items. Food items should be appropriately packaged for passengers who want to take them onto the plane.

Both Host and SSP were required to state in their proposals how they were going to attain the 25% Airport Concessions Disadvantaged Business Enterprise (ACDBE) goal that is contained in their existing Agreements in the new locations.

The Request for Proposal is attached to this report.

The Table below summarizes the Host and SSP proposals.

LOCATION #1 - QUICK SERVICE F&B - CONCOURSE C		
	SSP	Host
Store Concept	Pizzeria Piccola & Auntie Anne's	California Pizza Kitchen w/ full bar
Local?	Yes (Pizzeria)	No
Menu	Paninis, salads, pizzas, breakfast; pretzels	Pizza, salads, sandwiches, soups, paninis, dessert, breakfast
Capital Investment	\$650,000	\$982,000
MAG	\$140,000	\$301,000
Percentage Rent (set)	F&B: 12.0%; Alcohol: 16.0%	F&B: 12.0%; Alcohol: 16.0%
Projected Sales (first full year)	\$2,140,190	\$2,340,000
ACDBE	27.2% (sublet this space to ACDBE partner)	Plan to sublease some space to Contingent Workforce Solutions (in progress)

LOCATION #2 - COFFEE/SNACKS/FOOD TO GO - CONCOURSE D LOWER		
	SSP	Host
Store Concept	Quincy Avenue Food Market	Great American Bagel Bakery (can be substituted with French Meadow grab-n-go)
Local?	Yes - offerings from a variety of WI companies; "Made in Milwaukee" in tag line	Headquartered in Westmont, IL
Menu	Alterra coffee, Bartolotta's sandwiches & salads	Bagels, sandwiches, breakfast sandwiches, salads, desserts
Capital Investment	\$90,000	\$209,300
MAG	\$10,000	\$56,000
Percentage Rent (set)	F&B: 12.0%; Alcohol: 16.0%	F&B: 12.0%; Alcohol: 16.0%
Projected Sales (first full year)	\$389,844	\$520,000
ACDBE	27.2%	Plan to sublease some space to Contingent Workforce Solutions (in progress)

LOCATION #3 - COFFEE BAR/BISTRO - CONCOURSE E		
	SSP	Host
Store Concept	Camden Food Company	Starbucks
Local?	No, but menu can be "tailored to the Milwaukee market".	No
Menu	Bakery, sandwiches, Alterra coffee and tea	Bakery, sandwiches, salads, parfaits, beverages
Capital Investment	\$350,000	\$467,500
MAG	\$50,000	\$101,000
Percentage Rent (set)	F&B: 12.0%; Alcohol: 16.0%	F&B: 12.0%; Alcohol: 16.0%
Projected Sales (first full year)	\$890,140	\$832,000
ACDBE	27.2%	Plan to sublease some space to Contingent Workforce Solutions (in progress)

An evaluation committee consisting of Airport Division staff and Unison Consulting staff reviewed and evaluated the proposals submitted by Host and SSP America. Committee members used the following criteria in the evaluation of proposals:

1. Food and Beverage Concept and Theme Development (50 points)
 - a. Milwaukee concepts, brands, and themes
 - b. Quality and variety of offerings
 - c. Breadth and depth of offerings
 - d. Innovation and creativity in execution of overall theme
 - e. Visual presentation of concept

2. Design and Quality of Improvements (15 points)
 - a. Creative and innovative design
 - b. Design themes and quality of finishes
 - c. Compliance with Tenant Design Criteria
 - d. Quality and innovation of graphics

4. Financial Considerations (15 points)
 - a. Financial return to the County
 - b. Reasonableness of financial projections and rent to the County
 - c. If applicable, reasonableness of subtenant rent and related fees payable to the Proposer

SSP proposed a Pizzeria Piccolo (local Bartolotta concept with pizza, paninis, salads, breakfast) and an Auntie Anne's (national concept - pretzels) in Concourse C, a Quincy Avenue Food Market (Bartolotta sandwiches, Alterra coffee, Door County chips) in Concourse D, and a Camden Food Company (national brand tailored to local products – bakery, sandwiches, coffee tea) in the Concourse E rotunda. SSP's proposal anticipates a 27.2% ACDBE participation in the new locations. SSP's ACDBE participation for these locations will be the current ACDBE partner, FDJ Institutional and Domwin Joint Venture (both are joint ventures of JDF Enterprises and V&J Airport Food Services, LLC), and a proposed new joint venture with a member of the Bartolotta family (application not yet submitted).

Host proposed a California Pizza Kitchen (national concept with pizza salads sandwiches, soups paninis, dessert, breakfast) with a full bar in Concourse C, a Great American Bagel or a French Meadow grab-n-go (County's choice with bagels, sandwiches, breakfast sandwiches, salads, desserts) in Concourse D, and a Starbucks (bakery, sandwiches, salads, parfaits, beverages) in the Concourse E rotunda. Host's proposal plans to sublease some space to Contingent Workforce Solutions (in progress) to meet its ACDBE participation in the new locations. As of the proposal due date, Host had zero ACDBE participation in its concessions. Host's former ACDBE sublease tenant terminated his relationship with Host on December 31, 2009.

In reviewing the proposals, committee members deliberated the following:

1. Host has no agreement with an ACDBE. SSP has an executed agreement with an ACDBE partner.
2. Host's ratio of minimum annual guarantee (MAG) to sales are high and may be unreasonable, especially on Concourse D. SSP and Host's sales projections on Concourse C and E were similar. SSP's sales projection on Concourse D appear to be more reasonable. SSP's MAGs are lower than Host's MAGs. Both companies pay the greater of MAG or percentage sales.
3. Host's Concourse D location is overdeveloped for the location and sales potential. SSP's Concourse D location appears to be developed reasonably and in concert with the passenger numbers and peaks and valleys of the regional jet traffic.
4. Host's proposal contained no local presentation, concepts, or brands. SSP's proposal contained a mix of national and local with more local.
5. Host's Concourse E Starbuck's concept contains few and limited food offerings that would not best serve passengers, since the primary passenger complaints on Concourse E are about the lack a variety of food offerings. SSP's Camden Food concept contains more offerings and variety.
6. The concepts offered for Concourse C by both companies are similar in menu. The SSP proposal contains a light snack food element in the Auntie Anne

concept in addition to the local Pizzeria Piccola quick serve. The Host California Pizza Kitchen features waitress service (instead of the requested quick serve contained in the RFP) and a full bar, similar to the Host Chili's facility on C Concourse.

7. Awarding the space on Concourse D to SSP would present two operations by Host, and two operations by SSP. Awarding the space on Concourse E to SSP would give Host and SSP each one operation. Staff believes this competition on the concourses is important for airport passengers.
8. Committee members also discussed the performance of both companies in accordance with the **RFP Terms** #2 (see attached Request for Proposal dated June 4, 2010, page 5) that contains sufficient reason for the rejection of a proposal, regardless of Proposer's qualifications in respect to the Evaluation Criteria. Committee members discussed the inordinate number of customer complaints about Host, i.e., poor or insufficient food offerings, incorrect food orders, discourteous and/or rude staff, overcharging for beverages, etc. It was noted that customer complaints about SSP are few.

The Committee unanimously recommended that the three (3) locations be awarded to SSP America. The Committee scores are as follows:

	<u>Host</u>	<u>SSP</u>
Location 1	245	315
Location 2	202	243
Location 3	167	245
Total	614	803

RECOMMENDATIONS

Airport staff recommends that Airport Agreement No. CN-1906 between Milwaukee County and SSP America, Inc. be amended as follows.

1. Add approximately 1,862 square feet of space in Concourse C, approximately 180 square feet of space in lower level Concourse D, and approximately 700 square feet of space in the atrium of Concourse E for the development of additional food and beverage services at GMIA.
2. SSP America's investment in the GMIA facilities will increase \$1,090,000 from \$3,950,502 to \$5,040,502.
3. SSP America's Minimum Annual Guarantee will increase \$200,000 per year from \$691,000 to \$891,000, effective November 1, 2011.

Chairman Holloway

October 1, 2010

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FISCAL NOTE

SSP will pay the greater of a Minimum Annual Guarantee (MAG) for the additional food and beverage locations is of \$200,000.00, or 12% of gross sales for food and 16% of gross sales for alcohol.

Prepared by: Kathy Nelson, Airport Properties Manager

Approved by:

C. Barry Bateman
Airport Director

Jack Takerian
Director of Transportation and
Public Works

June 4, 2010

VIA ELECTRONIC MAIL

**Re: Request for Proposals to Lease, Develop, and Operate
Additional Food and Beverage Concessions at General
Mitchell International Airport ("RFP")**

Dear :

Milwaukee County ("the County") is requesting proposals from Host International, Inc., and SSP America, Inc., to lease, develop, and operate additional food and beverage locations at General Mitchell International Airport ("GMIA" or "the Airport") as stated in this RFP. These locations have been identified in light of recent growth in air service and passenger activity at GMIA, leading to an increased demand for food and beverages at the Airport. Any additional space granted to the Selected Respondent(s) will be incorporated into its existing lease through an amendment. The County anticipates that only the Leased Premises, Minimum Annual Guaranteed Rent ("MAG"), and minimum required capital investment will be modified as a consequence of this RFP. In particular, the expiration date and Percentage Fee rates will not be altered.

Offered Locations:

This RFP offers three separate concession opportunities as shown on the attached floor plans:

Location #1 **Branded Quick Service Food and Beverages** located on Concourse C. This space occupies approximately 1,862 square feet. The offered location is intended for quick-service food and beverages. The menu should focus on one specific food theme - American, ethnic, local favorite, or similar popular style - that offers a variety of freshly prepared items and covers all day parts. Alcoholic beverages may be offered. The proposed concept and brand should be complementary to other food service options already in place on the concourse. The County strongly encourages the inclusion of well-known national and local concepts.

Location #2 **Coffee/Snacks/Food To Go** located on the lower level of Concourse D. This space occupies approximately 180 square feet on the lower level of Concourse D adjacent to commuter gates. This location is intended for the sale, at a minimum, of freshly prepared coffee and other hot beverages and a selection of pastries, sandwiches, salads fruit, snacks, non-alcoholic beverages and other food and beverage items as proposed by the respondent and accepted by the County. Food items should be appropriately packaged for passengers who want to take them onto the plane.

Respondents are invited to propose café seating as part of the store concept and design (subject to approval by the County). In addition, Respondents may propose alternative locations on the lower level of Concourse D for the facility for consideration by the County. Any such alternative is subject to approval by the County.

Location #3 **Coffee Bar/Bistro** located in the atrium of Concourse E. This space occupies approximately 700 square feet. This location is intended for the sale of branded specialty coffee - either locally or nationally known - that offers freshly brewed coffee, tea and a variety of freshly prepared coffee- and tea-based drinks. In addition specialty coffee and tea, the menu may include a variety of freshly baked goods such as cookies, pastries, rolls, bagels, scones and muffins; sandwiches, salads and soups; snacks and desserts; non-alcoholic beverages; and other food and beverage items as proposed by the respondent and accepted by the County. Alcoholic beverages may **not** be sold. Food items should be appropriately packaged for passengers who want to take them onto the plane.

Respondent must propose a menu to serve all day parts. Respondents are invited to propose café seating within the Leased Premises as part of the store concept and design (subject to approval by the County).

Proposal Requirements

Proposals must be submitted in a three-ring binder and must include the following tabulated sections:

1. **Transmittal Letter:** Respondent must include a transmittal letter that identifies Respondent and states Respondent's commitment, if awarded the offered spaces, to execute an amendment to its current contract incorporating the terms of this RFP and its proposal in response to this RFP. The transmittal letter must be signed by a responsible officer of the Respondent.
2. **Store Concept, Design and Capital Investment:** Respondent should submit the following information in sufficient detail to clearly define the proposed food service concept for each location: a) facility branding, concept and theme; b) proposed menu and approximate pricing; c) facility floor plan; d) renderings, sketches or photographs to illustrate the proposed facility design; and e) proposed capital investment. All designs must conform to the Airport's design standards as set forth in the Tenant Design Criteria.
3. **Proposed Compensation to the County:** Provide the proposed additional Minimum Annual Guaranteed Fee (MAG) for each location that will be paid during the first Contract Year in which each of the new facilities will be open. The MAG for each location will commence as of the opening of the location, but not later than 120 days following delivery of the Premises. For subsequent Contract Years of the Term, the MAG shall be adjusted in accordance with Respondent's current contract.
4. **Projected Sales:** Provide a good faith estimate of the expected annual gross sales to be derived from each of the proposed facilities over the remainder of the Term. Major assumptions used in developing the sales projections should also be clearly stated.
5. **ACDBE:** Please provide a statement or plan on how respondent will comply with the ACDBE goal continued in its current contract for these new locations.

Proposals must be received by the undersigned at the administrative offices of GMIA no later than the normal close of business on **Thursday, July 15, 2010**. Proposals must be marked on the envelope as follows:

"Proposal to Lease, Develop, and Operate Food and Beverage Concessions at General Mitchell International Airport"

Please submit six copies of your proposal. Proposals that are submitted by fax will not be accepted and late submissions will not be considered.

Evaluation Criteria:

All proposals will be reviewed and evaluated by an evaluation committee; the committee will provide its recommendation(s) to the Milwaukee County Board for award of the offered concession locations. The following criteria will be considered in the evaluation of proposals:

1. Food and Beverage Concept and Theme Development
 - a. Milwaukee concepts, brands, and themes
 - b. Quality and variety of offerings
 - c. Breadth and depth of offerings
 - d. Innovation and creativity in execution of overall theme
 - e. Visual presentation of concept
2. Design and Quality of Improvements
 - a. Creative and innovative design
 - b. Design themes and quality of finishes
 - c. Compliance with Tenant Design Criteria
 - d. Quality and innovation of graphics
3. Financial Considerations
 - a. Financial return to the County
 - b. Reasonableness of financial projections and rent to the County

RFP Terms:

This RFP is subject to the following terms and conditions:

1. County's Reservation of Rights. The County reserves the right to reject any or all proposals and to invite new proposals, or to take such other courses of action as County deems appropriate at County's sole and absolute discretion. County reserves the right to:
 - a. Waive any informality in any proposal or proposing procedure.
 - b. Reject any or all proposals.
 - c. Reject any portion(s) of a proposal.
 - d. Reissue the RFP with or without modification.
 - e. Specify approximate quantities and locations in the RFP.
 - f. Modify the locations and sizes of the offered space.
 - g. Select multiple proposals.
 - h. Negotiate all proposal elements.
 - i. Any other reason the County determines serves its best interests.

2. The County intends to award the concession locations offered by this RFP to the qualified and responsible Respondent who provides the best overall proposal. The County is not required to select the proposal with the highest proposed Minimum Annual Guaranteed rental or the highest projected compensation to the County. Any one or more of the following, among others, may be considered sufficient reason for the rejection of a proposal, regardless of Proposer's qualifications in respect to the Evaluation Criteria listed above:
 - a. Evidence of collusion among Respondents.
 - b. Non-responsibility, as determined by the County in its sole judgment, as shown by past work, references or other relevant factors.
 - c. Default on any obligation to the County including debt contract, as surety or otherwise.
 - d. Submission of a proposal that is incomplete, conditional, ambiguous, obscure, or that contains alterations or irregularities of any kind.

2. All expenses incurred by the Respondent in preparation of its proposal (including costs associated with interviews) will be borne solely by the Respondent. The County is not responsible for any costs associated with any proposal submission.

3. The County will not be responsible for any fees, expenses or commissions for brokers or their agents. Communications by or

between employees of, or consultants to the County, and any potential or actual Respondent broker or agent, are not to be construed as an agreement to pay, nor will the County pay any such fees, expenses or commissions. Respondent must hold the County harmless from any claims, demands, actions or judgments in connection with such broker fees, expenses or commissions.

4. Except as otherwise provided herein, all Respondents will refrain, under penalty of disqualification, from direct or indirect contact for the purpose of influencing the selection or creating bias in the selection process with any person who may play a part in the selection process, including the evaluation team in accordance with the Milwaukee County Code of General Ordinances.

5. Code of Ethics. Ch. 9, Section 9.05 (amended March 17, 2004) of the General Ordinances of Milwaukee County states:

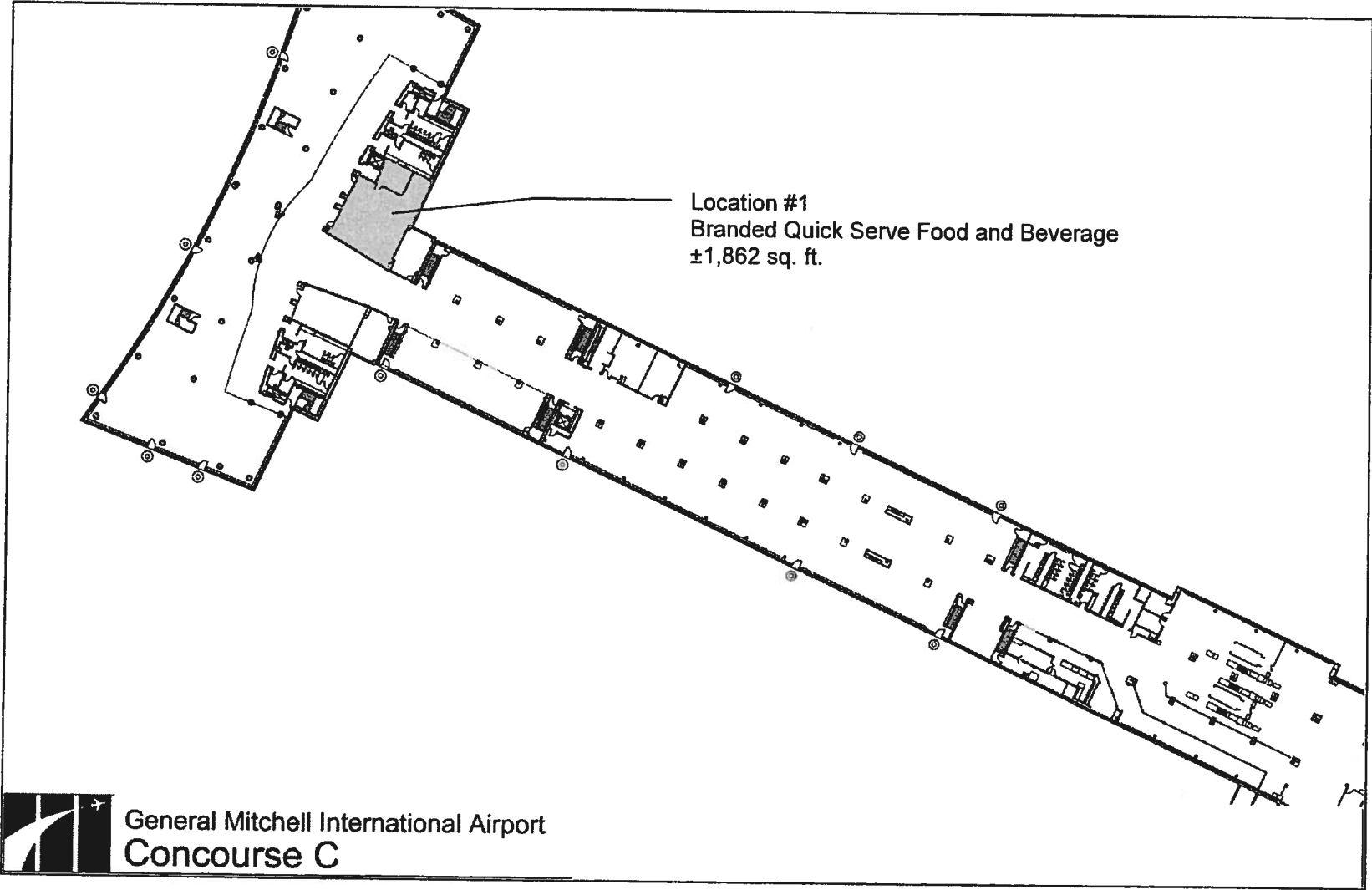
"(2) (1) No person(s) with a personal financial interest in the approval or denial of a contract being considered by a County department or with an agency funded and regulated by a County department, may make a campaign contribution to any County official who has approval authority over that contract during its consideration. Contract consideration shall begin when a contract is submitted directly to a County department or to an agency until the contract has reached final disposition, including adoption, county executive action, proceedings on veto (if necessary), or departmental approval. This provision does not apply to those items covered by Section 9.15 unless an acceptance by an elected official would conflict with this section."

6. Any award of space at the Airport as a consequence of this RFP is subject to the approval of the Milwaukee County Board of Supervisors, which approval is at the Board's sole discretion.

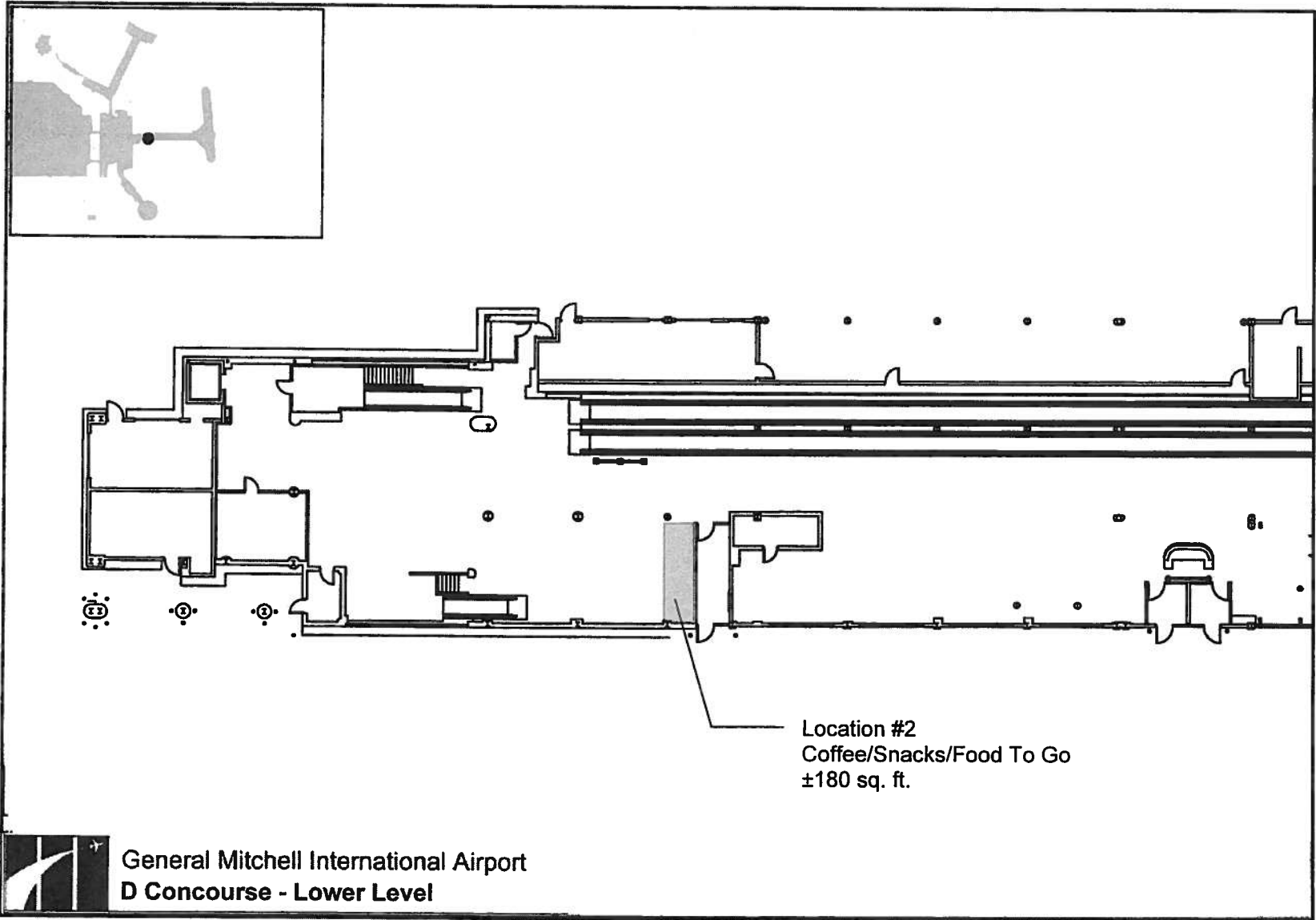
We look forward to your proposal. Please contact me if you have any questions or need additional information.

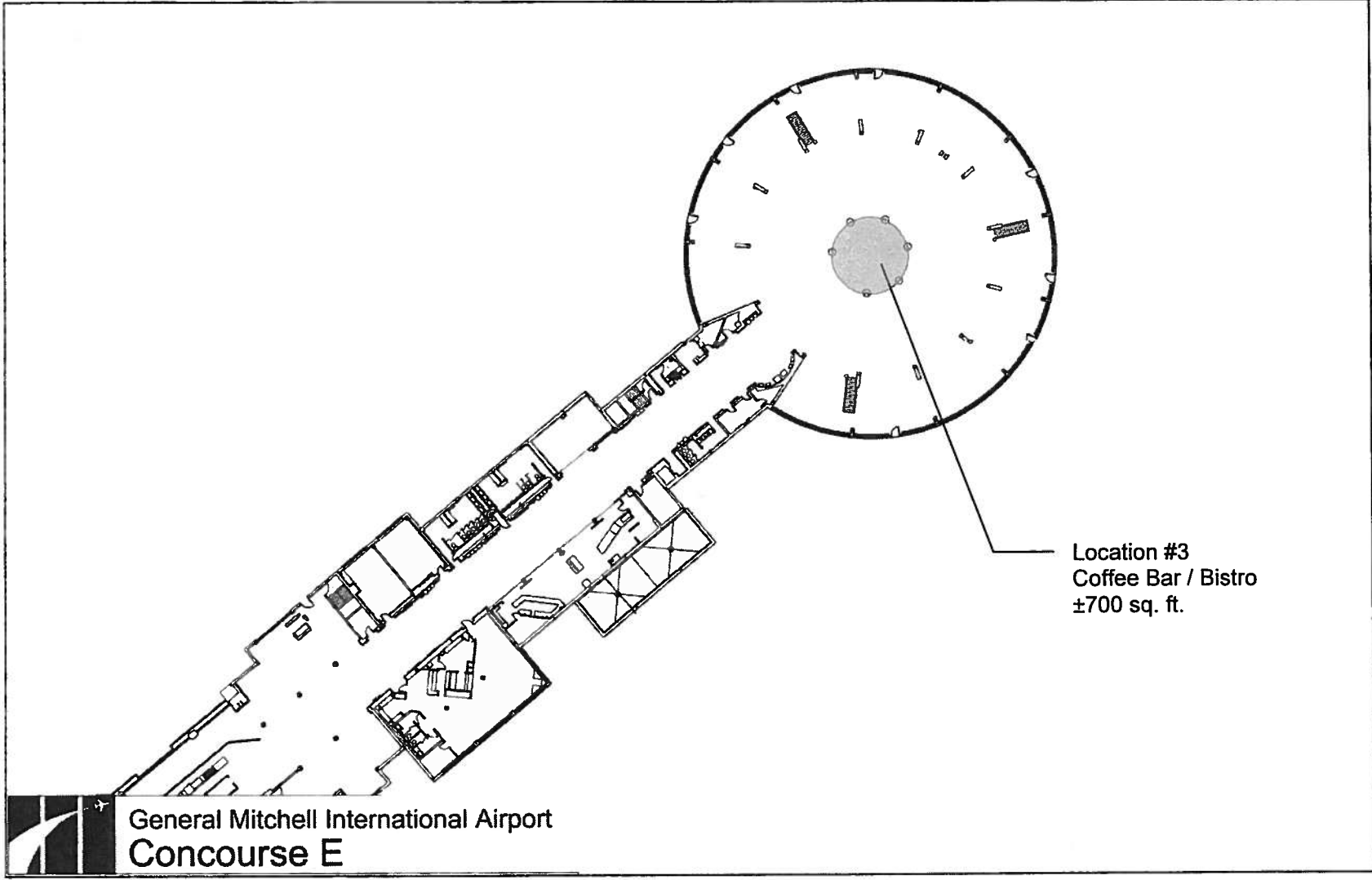
Regards,

Kathy Nelson
Airport Properties Manager



General Mitchell International Airport
Concourse C





General Mitchell International Airport
Concourse E

(ITEM) From the Director of Transportation and Public Works, recommending that Milwaukee County amend Airport Agreement No. CN- 1906 between Milwaukee County and SSP America, Inc. for the provision of food and beverage services at General Mitchell International Airport (GMIA) by recommending adoption of the following:

A RESOLUTION

WHEREAS, on November 30, 2009 Milwaukee County entered into Airport Agreement No. CN-1906 with SSP America, Inc. for the right to operate a food and beverage concession in the terminal building at GMIA; and

WHEREAS, the Agreement was for a term of eleven (11) years beginning on November 1, 2008, and ending on October 31, 2019; and

WHEREAS; a significant increase in enplanements required additional food and beverage facilities on the concourses to meet passenger demand; and

WHEREAS, Airport staff requested proposals from the incumbent food and beverage concessionaires, Host International, Inc., and SSP America, Inc. for one location on Concourse C, one location on lower level Concourse D, and the Concourse E rotunda; and

WHEREAS, a review committee unanimously recommended that the new locations be awarded to SSP America; and

WHEREAS, the Transportation, Public Works and Transit Committee, at its meeting on September 15, 2010, recommended approval (vote) for Milwaukee County to amend Airport Agreement No. CN-1906 with SSP America, Inc. to add additional food and beverage locations to the agreement at GMIA, now, therefore,

BE IT RESOLVED that the Director of Public Works and Transportation and the County Clerk are hereby authorized to amend Airport Agreement No. CN-1906 between Milwaukee County and SSP America as follows:

1. Add approximately 1,862 square feet of space in Concourse C, approximately 180 square feet of space in lower level Concourse D, and approximately 700 square feet of space in the atrium of Concourse E for the development of additional food and beverage services at GMIA.
2. SSP America’s investment in the GMIA facilities will increase \$1,090,000 from \$3,950,502 to \$5,040,502.
3. SSP America’s Minimum Annual Guarantee will increase \$200,000 per year from \$691,000 to \$891,000, effective November 1, 2011.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: October 1, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: AMEND AIRPORT AGREEMENT NO. CN-1906 WITH SSP AMERICA, INC. TO ADD FOOD AND BEVERAGE CONCESSION SPACE AT GENERAL MITCHELL INTERNATIONAL AIR

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of Contingent Funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	\$33,000 \$200,000
	Revenue	0	\$33,000- \$200,000
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

*

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Airport revenue is estimated to increase \$33,000 from November 1, 2011 to December 31, 2011, and \$200,000 per calendar year beginning January 1, 2012.

Department/Prepared by: Kathy Nelson

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Reviewed by:

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

7

DATE: September 28, 2010

TO: Supervisor Lee Holloway, Chairperson, County Board of Supervisors
Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit
Committee

FROM: Jack Takerian, Director of Transportation and Public Works

SUBJECT: **AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT
TO PROVIDE CONSULTING SERVICES CONCERNING NEWS AND GIFT AND
SPECIALTY RETAIL CONCESSION AT GENERAL MITCHELL INTERNATIONAL
AIRPORT (GMIA)**

POLICY

County Board Approval is required to award Professional Service Contracts greater than \$50,000 at GMIA.

BACKGROUND

On March 1, 2004 Milwaukee County entered into Airport Agreement No. CN-1412 with Paradies-Mark II, LLC for the right to develop and operate news and gift and specialty retail in the GMIA terminal building. The Agreement was for term of seven (7) years commencing March 1, 2005 and ending February 28, 2012. On June 15, 2004 Milwaukee County entered into Airport Agreement No. CN-1413 with Renaissance Book Shop, GMF, Inc. for the operation of a used book store at GMIA. The Agreement was for term of seven (7) years commencing October 1, 2004 and ending September 30, 2011.

Airport staff solicited proposals for a News/Gift and Specialty Retail Concessions Consultant to advise Milwaukee County on the management structure and product offerings of the news/gift and specialty retail concessions that would best serve GMIA and the traveling public. The consultant's scope of work would include surveying Airport patrons to determine passenger merchandise preferences, provide direction and assistance to Airport Staff in the development of the Request for Proposal documents and in the solicitation of proposals from news/gift and retail providers, and in the award of new contracts.

Two proposals were received by the due date of September 23, 2010, from the following:

SH&E
Unison Consulting, Inc.

An evaluation committee comprised of four Airport staff reviewed the responses from the two proposers and ranked them numerically based upon the following categories: Work Plan/Methodology and Passenger Survey; Experience; Fees and Billings; and Presentation/Proposal Clarity. The proposal submitted by Unison Consulting, Inc. received the highest score.

RECOMMENDATIONS

Airport staff recommends that Milwaukee County enter into an agreement with Unison Consulting, Inc. for the provision of consulting services to advise Milwaukee County on the management structure and product offerings of the news/gift and specialty retail concession that would best serve GMIA and the traveling public, and assist Airport Staff in the development of the Request for Proposal documents, in the solicitation of proposals from news/gift and retail providers, and in the award of new contracts. Consulting services will be conducted over a two-year period subject to the terms and conditions specified in the Airport's Request for Proposal, at the hourly rates and fees contained in its proposal.

Unison Consulting is a Milwaukee County certified Disadvantaged Business Enterprise (DBE) firm.

FISCAL NOTE

An appropriation is contained in the Airport's 2010 operating budget to for the costs of the professional services agreement. There is no tax levy impact.

Prepared by: Kathy Nelson, Airport Properties Manager

Approved by:

C. Barry Bateman
Airport Director

Jack Takerian
Director of Transportation and Public Works

(ITEM) From the Director of Transportation and Public Works, recommending that Milwaukee County enter into a professional services agreement with Unison Consulting, Inc. to review and make recommendations on the news, gift, and specialty retail program at General Mitchell International Airport (GMIA) by recommending adoption of the following:

A RESOLUTION

WHEREAS, the news, gift and specialty retail agreements at GMIA are concluding their seven year terms in 2011 and 2012; and

WHEREAS, Airport staff solicited proposals for a News/Gift and Specialty Retail Concessions Consultant to advise Milwaukee County on the management structure and product offerings of the news/gift and specialty retail concessions that would best serve GMIA and the traveling public; and

WHEREAS; two proposals were received by the due date of September 23, 2010; and

WHEREAS, an evaluation committee reviewed the responses from the two proposers and ranked them numerically based upon the following categories: Work Plan/Methodology and Passenger Survey; Experience; Fees and Billings; and Presentation/Proposal Clarity; and

WHEREAS, the proposal submitted by Unison Consulting, Inc. received the highest score; and

WHEREAS, the Transportation, Public Works and Transit Committee, at its meeting on October 20, 2010, recommended approval (vote) for Milwaukee County to enter into a professional services agreement with Unison Consulting, Inc., for the provision of consulting services to advise Milwaukee County on the management structure and product offerings of the news/gift and specialty retail concession that would best serve GMIA and the traveling public, and assist Airport Staff in the development of the Request for Proposal documents, in the solicitation of proposals from news/gift and retail providers, and in the award of new, now, therefore,

BE IT RESOLVED that the Airport Director is hereby authorized to enter into a professional services agreement with Unison Consulting, Inc., for the provision of consulting services to advise Milwaukee County on the management structure and product offerings of the news/gift and specialty retail concession that would best serve GMIA and the traveling public, and assist Airport Staff in the development of the Request for Proposal documents, in the solicitation of proposals from news/gift and retail providers, and in the award of new contracts

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 28, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: PROFESSIONAL SERVICES AGREEMENT TO PROVIDE CONSULTING SERVICES CONCERNING NEWS AND GIFT AND SPECIALTY RETAIL CONCESSION AT GENERAL MITCHELL INTERNATIONAL AIRPORT (GMIA)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of Contingent Funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$131,980	0
	Revenue	\$131,980	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

*

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

An appropriation of \$150,000 for this professional services agreement is in the 2010 budget. These funds will be encumbered and spent over a two year period as services are provided.

Department/Prepared by: Kathy Nelson

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Reviewed by:

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

8

DATE: September 16, 2010

TO: Supervisor Lee Holloway, Chairman, County Board of Supervisors
Supervisor Michael Mayo, Sr., Chairman, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director of Transportation & Public Works

SUBJECT: **AIRPORT AIR SERVICE DEVELOPMENT & CONSULTING and MARKET RESEARCH**

POLICY

Entering into a professional services contract requires County Board approval.

BACKGROUND

For approximately the last 25 years, General Mitchell International Airport (GMIA) has retained an air service consulting firm for ongoing work on air service development and market research for General Mitchell International Airport.

The consultant supports GMIA Marketing staff in their efforts to provide a robust level of reasonably-priced air service for travelers in the region. The Airport's intent in contracting for this work is to provide a high level of air service through the addition of seats, flights and/or new routes by new or current carriers.

Agency Review Process

Proposals were recently solicited for a consultant to perform air service development and market research beginning in November 2010.

The Request for Proposals was posted on the Business Opportunities link on the Airport Website. Advertisements offering the request for proposals (RFP) were placed in either the online or print editions of:

Airports Council Int'l
American Association of Airport Executives
Business Journal of Greater Milwaukee
Daily Reporter
Milwaukee Community Journal
Milwaukee Journal Sentinel
Milwaukee Times
Spanish Journal

Proposals were received from two consultants. The proposal of one consultant was rejected because its proposed DBE subcontractor was not certified by Milwaukee County's Community Business Development Partners (CBDP) Certification Section, as required by the RFP. The RFP set a goal of 17% DBE participation.

As only one proposal was valid, no selection committee was appointed. Marketing & Public Relations Manager Pat Rowe reviewed the valid proposal, and found it responsive to the criteria outlined in the RFP.

RECOMMENDATION

Airport staff recommends entering into a professional services agreement with Campbell-Hill Aviation Group, LLC. The program proposed by Campbell-Hill includes a plan for air service development & consulting and market research that would benefit the Airport in its efforts to provide a robust level of reasonably-priced air service for travelers in the region. Abrazo Multicultural Marketing & Communications, Milwaukee, WI, is Campbell-Hill's DBE partner in this venture, and is a certified DBE firm by Milwaukee County's office of Community Business Development Partners. Campbell-Hill is the current air service consultant and has been providing excellent research.

The agreement will commence November 15, 2010 and run for a three-year period, with the option to renew for three additional one-year periods. The amount of the contract is \$80,000 annually.

Airport staff recommends that the selection of Campbell-Hill Aviation Group, LLC be approved and further recommends that the Airport Director be authorized to execute a professional services agreement between Milwaukee County and Campbell-Hill Aviation Group, LLC to provide the Airport air service development & consulting and market research services.

FISCAL NOTE

Funding for this service is budgeted in the Airport's professional services account. There is no fiscal effect on the tax levy of Milwaukee County.

Prepared by: Patricia Rowe, Marketing & Public Relations Manager

Approved by:

Jack Takerian, Director
Transportation & Public Works

C. Barry Bateman
Airport Director

(ITEM) From Director of Transportation & Public Works, requesting that Milwaukee County execute a three-year agreement, with three additional one-year options for renewal, with Campbell-Hill Aviation Group, LLC for air service development & consulting and market research services for General Mitchell International Airport, by recommending adoption of the following resolution:

A RESOLUTION

WHEREAS, for approximately the last 25 years, General Mitchell International Airport has retained the services of an air service development & consulting agency; and

WHEREAS, proposals were solicited under Official Notice No. 6509 for air service development & consulting and market research services for General Mitchell International Airport; and

WHEREAS, two proposals were received, and one was rejected because its proposed DBE subcontractor was not certified by Milwaukee County's Community Business Development Partners (CBDP) Certification Section, as required by the RFP and one was evaluated using the criteria for evaluation as provided in the Consultant Selection Criteria section of the RFP; and

WHEREAS, the recommendation is that Campbell-Hill Aviation Group, LLC best meets the criteria outlined in the request for proposals; and

WHEREAS, after due consideration, the Transportation and Public Works Committee concurs with airport staff's recommendation that Milwaukee County and Campbell-Hill Aviation Group, LLC execute an agreement for the provision of air service development & consulting and market research services for General Mitchell International Airport; now, therefore,

BE IT RESOLVED, that the Director of Transportation & Public Works and the Airport Director are hereby authorized to execute an agreement between Milwaukee County and Campbell-Hill Aviation Group, LLC to provide air service development & consulting and market research services for General Mitchell International Airport for a 3-year term, commencing November 15, 2010, with three one-year options for renewal, but not beyond November 15, 2016.

FISCAL NOTE: Funding for this service is budgeted in the Airport's advertising account. There is no fiscal effect on the tax levy of Milwaukee County.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 16, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: AIRPORT AIR SERVICE DEVELOPMENT & CONSULTING and MARKET RESEARCH

FISCAL EFFECT:

- | | |
|---|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of Contingent Funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Funding for this service is budgeted in the Airport's professional services account. There is no fiscal effect on the tax levy of Milwaukee County.

Department/Prepared by: Patricia Rowe, Marketing & Public Relations Manager

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No

Reviewed by:

H:\Private\Clerk Typist\Aa01\TPW&T 10\FISCAL NOTE - Air Service Developmt Consultant.doc

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE: September 29, 2010

TO: Supervisor Lee Holloway, Chairperson, County Board of Supervisors
Supervisor Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director of Transportation and Public Works

SUBJECT: **PROFESSIONAL SERVICES CONTRACT BETWEEN MILWAUKEE COUNTY AND HARRIS, MILLER, MILLER & HANSON, INC. (HMMH)**

POLICY

County Board approval is required for certain Professional Service Contracts.

BACKGROUND

The Noise Compatibility Plan (NCP) submitted for General Mitchell International Airport included three categories of recommendation elements: Noise Abatement Elements, Land Use Management Elements and Program Management and Administrative Elements.

Implementation of FAA approved Noise Abatement Element (NAE) Recommendation 5 will require hiring a consultant to study Ground-Based Noise Reduction methods. The study is a result of recommendations made in the Federal Aviation Regulation Part 150 Noise Compatibility Program approved by the FAA in June 2009. The study will consist of identifying available options including noise barriers that could minimize ground noise intrusion, especially in areas north of the Airport.

A Request for Proposals Statement (RFP) was issued and proposal statements in response to Official Notice 6499 were received from six (6) consultants.

Proposal/Qualification Statements were evaluated by a consultant selection team consisting of:

- Airport Engineer
- Airport Noise Program Manager
- Airport Environmental Manager
- Airport Marketing & Public Relations Manager

Airport staff followed the FAA required qualifications based selection procedures to select the best qualified firm. The selection team evaluated and scored each of the submitted Proposal Statements based on the qualifications and experience of the consultant team (lead consultant +

sub-consultants), the experience and background of the identified primary personnel, the overall team organization, and the general responsiveness to the RFP.

Interviews of the top two consultants were conducted on June 10, 2010.

The consultant selection team found Harris Miller Miller & Hanson, Inc. (HMMH) to be the top ranked firm. HMMH is a consulting firm specializing in aviation noise evaluation and reduction. Founded in 1981, HMMH has successfully completed federally funded airport noise abatement programs at more than a dozen airports.

The HMMH consultant team has substantial experience at airports across the country including Port Columbus, Philadelphia, Chicago, Los Angeles, and the previous Milwaukee noise study. The HMMH consultant team consists of:

- R.W. Armstrong, a consulting firm, with extensive expertise in noise barrier design.
- Sanchez Industrial Design, Inc., a certified disadvantaged business enterprise (DBE) consulting firm with expertise in noise monitoring and noise analysis, Geographic Informational Systems, with previous experience at GMIA.
- Engineering Concepts, a Waukesha based full service engineering firm that will address mechanical engineering design services.
- PA Consulting, a Madison, WI based social science research and community data collection consultant, with previous experience at GMIA.

DBE Utilization

The recommended consultant, HMMH, has committed to a 17% DBE involvement on the project including the utilization of Sanchez Industrial Design, Inc. The selected consultant is required to submit a M/WBE Utilization Plan for DBD Division approval. The approved plan will be included in the agreement.

RECOMMENDATION

The consultant selection team recommends approval of the top ranked firm, HMMH, for a professional services agreement to conduct a Noise Barrier Study related to implementation of the Part 150 Noise Compatibility Program (“Program”), Noise Abatement Elements, pending negotiation of the final scope of services and the Actual Cost, Not-to-Exceed Professional Service Contract fee.

Upon approval of this selection, and in compliance with County and Federal consultant selection procedures, the scope of services and contract fee negotiations will be negotiated.

FISCAL NOTE

The approval of the hiring of a consultant to study and recommend available options to mitigate ground noise intrusion, especially to the residential area immediately to the north of the Airport will have no fiscal effect on the tax levy of Milwaukee County. FAA approval of the individual Study elements makes them eligible for Federal Funding. Subject to FAA authorization and appropriations, noise projects will be eligible for 80% Federal funding, and 10% State funding with the Airport providing the 10% local funding share through its Passenger Facility Charge (PFC) program. No property tax levy funding is required.

Prepared by: Kim M. Berry, A.A.E., Airport Noise Program Manager

Approved by:

Jack Takerian, Director
Transportation & Public Works

C. Barry Bateman, Airport Director

(Item) From the Director of Transportation & Public Works requesting authorization to retain Harris, Miller, Miller & Hanson Inc. (HMMH) as consultant for implementation of the FAR Part 150 Noise Study Update Noise Abatement Element (NAE) Recommendation Five (5). The Director further requests authorization to begin contract negotiations with HMMH.

RESOLUTION

WHEREAS, Implementation of the FAA approved FAR Part 150 Noise Study Update Noise Abatement Element (NAE) Recommendation Five (5) will require hiring a consultant to study and recommend available options; and

WHEREAS, On June 26, 2009 in response to the County's submittal, the FAA announced that it has approved ten of the sixteen proposed noise mitigation measures recommended in General Mitchell International Airport's FAR Part 150 Noise Study Update; and

WHEREAS, Element Five of the Noise Abatement Element (NAE) Recommendations was partially approved; and

WHEREAS, A Request for Proposals Statement (RFP) was issued, February 2, 2010; and

WHEREAS, Proposal/Qualification Statements were evaluated by a consultant selection team consisting of:

- Airport Engineer
- Airport Environmental Manager
- Airport Noise Program Manager
- Airport Marketing & Public Relations Manager

; and

WHEREAS, Airport staff followed the FAA required qualifications based selection procedures to select the best qualified firm; and

WHEREAS, The consultant selection team found Harris, Miller, Miller & Hanson, Inc. (HMMH) to be the top ranked firm. HMMH is an acoustical consulting firm specializing in evaluating and reducing aviation noise. Founded in 1981, HMMH has successfully completed federally funded airport noise abatement programs at more than a

45 dozen airports; and

46
47 WHEREAS, The recommended consultant, HMMH, has committed to a 17% DBE
48 involvement on the project; and

49
50 WHEREAS, The consultant selection team recommends approval of the top ranked
51 firm, HMMH, for a professional services agreement to conduct a study to study and
52 recommend ground based noise mitigation solutions at General Mitchell International
53 Airport (GMIA) related to implementation of the Part 150 Noise Compatibility Program
54 (NCP), Noise Abatement Elements (NAE), pending negotiation of the final scope of services
55 and the Actual Cost, Not-to-Exceed Professional Service Contract fee; and

56
57 BE IT RESOLVED, that the Airport Director is hereby authorized to retain Harris,
58 Miller, Miller & Hanson Inc. (HMMH) as program management consultant for
59 implementation of the FAR Part 150 Noise Study Update Noise Abatement Element
60 Recommendations ; and

61
62 BE IT FURTHER RESOLVED, that the Airport Director is hereby authorized to
63 negotiate a professional services contract with Harris, Miller, Miller & Hanson Inc.
64 (HMMH), Inc.

65
66
67 H:\Private\Clerk Typist\Aa01\TPW&T 10\RESOLUTION - HMMH Professional Services Agreement.doc

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 29, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: PROFESSIONAL SERVICES CONTRACT BETWEEN MILWAUKEE COUNTY AND HARRIS MILLER MILLER & HANSON, INC. (HMMH)

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of Contingent Funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The approval of the hiring a consultant to manage implementation of the FAR Part 150 Noise Study Update Noise Abatement Element 5 Recommendation will have no fiscal effect on the tax levy of Milwaukee County. FAA approval of the individual Study elements makes them eligible for Federal Funding. Subject to FAA authorization and appropriations, noise projects will be eligible for 80% Federal funding, and 10% State funding with the Airport providing the 10% local funding share through its Passenger Facility Charge (PFC) program.

Department/Prepared by: Kim M. Berry, AAE, Airport Noise Program Manager

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No
Reviewed by:

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

10

DATE: September 27, 2010

TO: Lee Holloway, Chairperson, Milwaukee County Board of Supervisors
Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit
Committee

FROM: Jack Takerian, Director of Transportation and Public Works

SUBJECT: **NEW AGREEMENT WITH USO OF WISCONSIN, INC. FOR THE LEASE OF SPACE
AT GENERAL MITCHELL INTERNATIONAL AIRPORT (GMIA)**

POLICY

County Board approval is required to enter into certain agreements at General Mitchell International Airport (GMIA).

BACKGROUND

USO of Wisconsin, Inc. is requesting to lease approximately 484 square feet of space upper level Concourse space across from Gate D-30 to use for United States Armed Forces personnel while they are waiting for a flight out of GMIA. USO personnel will provide staff assistance to military service men and women to make travel connections, check email, and provide a quiet space for refreshment and relaxation while traveling.

The space across from Gate D-30 is former Gate hold room space that is currently not being utilized due to the lower level space configuration that allows aircraft boarding from the Concourse lower level. The USO will construct a wall and a doorway in the space, and will provide all furnishings at the USO's expense.

RECOMMENDATION

Airport staff recommends that Milwaukee County enter into an agreement with USO of Wisconsin, Inc. for the lease of approximately 484 square feet of upper level Concourse space across from Gate D-30 at GMIA under standard terms and conditions for similar space inclusive of the following.

1. The agreement shall be on a year-to-year basis, commencing November 1, 2010.
2. Rental for the approximately 484 square feet of space shall be at the nominal rate \$1.00 per annum.
3. The USO will be responsible for installing all improvements in the leased area, at its cost subject to Airport Director approval.
4. The agreement shall contain the current standard insurance and environmental language for similar space rentals.

FISCAL NOTE

Airport building rental revenues will increase by approximately \$1.00 per year.

Prepared by: Kathy Nelson, Airport Properties Manager

Approved by:

C. Barry Bateman
Airport Director

Jack Takerian
Director of Transportation and Public Works

(ITEM) From the Director of Transportation and Public Works, recommending that Milwaukee County enter into an agreement with USA of Wisconsin, Inc. for the lease of space at General Mitchell International Airport (GMIA) by recommending adoption of the following:

A RESOLUTION

WHEREAS, USO of Wisconsin, Inc. is requesting to lease approximately 484 square feet of space upper level Concourse space across from Gate D-30 to use for United States Armed Forces personnel while they are waiting for a flight out of GMIA; and

WHEREAS, USO personnel will provide staff assistance to military service men and women to make travel connections, check email, and provide a quiet space for refreshment and relaxation while traveling; and

WHEREAS; the space across from Gate D-30 is former Gate hold room space that is currently not being utilized due to the lower level space configuration that allows aircraft boarding from the Concourse lower level; and

WHEREAS, the Transportation, Public Works and Transit Committee, at its meeting on October 20, 2010, recommended approval (vote) for Milwaukee County to enter into a new agreement with USA of Wisconsin, Inc., for the lease of approximately 484 square feet of upper level Concourse space across from Gate D-30 at GMIA, now, therefore,

BE IT RESOLVED that the Director of Public Works and Transportation and the County Clerk are hereby authorized agreement with USO of Wisconsin, Inc. for the lease of approximately 484 square feet of upper level Concourse space across from Gate D-30 at GMIA under standard terms and conditions for similar space inclusive of the following.

1. The agreement shall be on a year-to-year basis, commencing November 1, 2010.
2. Rental for the approximately 484 square feet of space shall be at the nominal rate \$1.00 per annum.
3. The USO will be responsible for installing all improvements in the leased area, at its cost subject to Airport Director approval.
4. The agreement shall contain the current standard insurance and environmental language for similar space rentals.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 27, 2010

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: **NEW AGREEMENT WITH USO OF WISCONSIN, INC. FOR THE LEASE OF SPACE AT GNERAL MITCHELL INTERNATIONAL AIRPORT (GMIA)**

FISCAL EFFECT:

- | | |
|--|--|
| <input checked="" type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of Contingent Funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$1.00	\$1.00
	Revenue	\$1.00	\$1.00
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

*

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The \$1.00 annual rent is a nominal rental charge to USO of Wisconsin for the space due to the nature of its operation at GMIA that provides assistance to United States military personnel.

Department/Prepared by: Kathy Nelson

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No
Reviewed by:

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¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

11

DATE: September 29, 2010

TO: Supervisor Michael Mayo, Sr., Chairperson, Transportation, Public Works & Transit Committee

FROM: Jack Takerian, Director of Transportation and Public Works

SUBJECT: IN-LINE BAGGAGE SCREENING PROJECT - INFORMATIONAL

POLICY

Informational.

Pursuant to Wisconsin Statutes Section 19.85 (1)(e), the Committee may adjourn into closed session for the purpose of discussing the costs and plans for construction of the following matter(s). At the conclusion of the closed session, the Committee may reconvene in open session to take whatever actions it may deem necessary.

BACKGROUND

To meet the mandate of the Transportation Security Administration (TSA) after the events of September 11, 2001, all passenger baggage must be screened prior to being placed on passenger aircraft. That mandate was accomplished at General Mitchell International Airport (GMIA) with placement of explosive detection equipment in front of the airline ticket counters. This has resulted in much of the public lobby being rendered unusable for its intended purpose, severe crowding and circulation issues, and is an inefficient method for the TSA checked baggage screening process.

An in-line baggage system places all of the baggage screening function behind the ticket counters in an automated, central function. The explosive detection equipment is placed in a centralized room and passengers check their baggage with the airline ticket agent, as was done prior to 9/11.

The Airport Division has completed Phase I of the in-line baggage system by combining the eight airlines' individual baggage make-up rooms into two rooms, each with two carousels. Phase II of the project will build the conveyor system and centralized screening room.

GRAEF will provide a presentation for the Committee on this new system.

Prepared by: C. Barry Bateman, Airport Director

Approved by:

Jack Takerian, Director
Transportation & Public Works

C. Barry Bateman
Airport Director

cc: Supervisor Lee Holloway, County Board Chairman