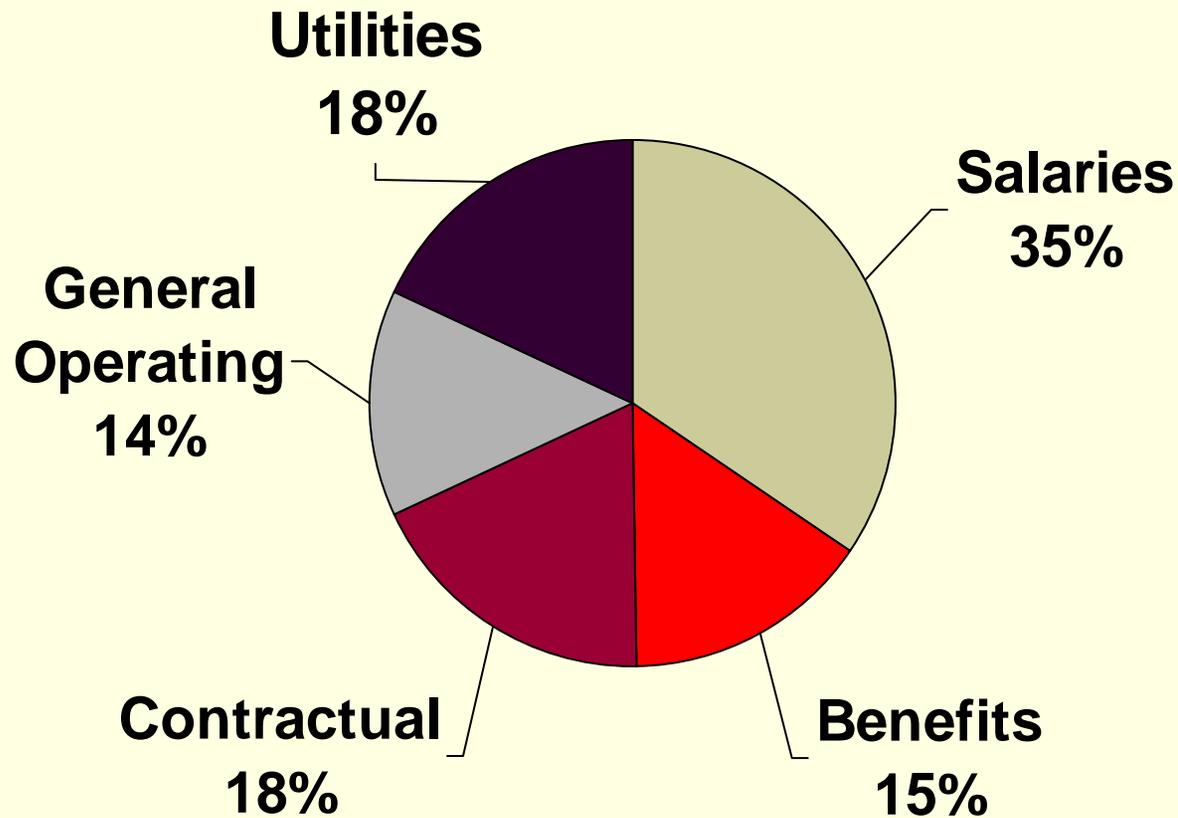


Municipal Building Commission 2012 Budget Hearing

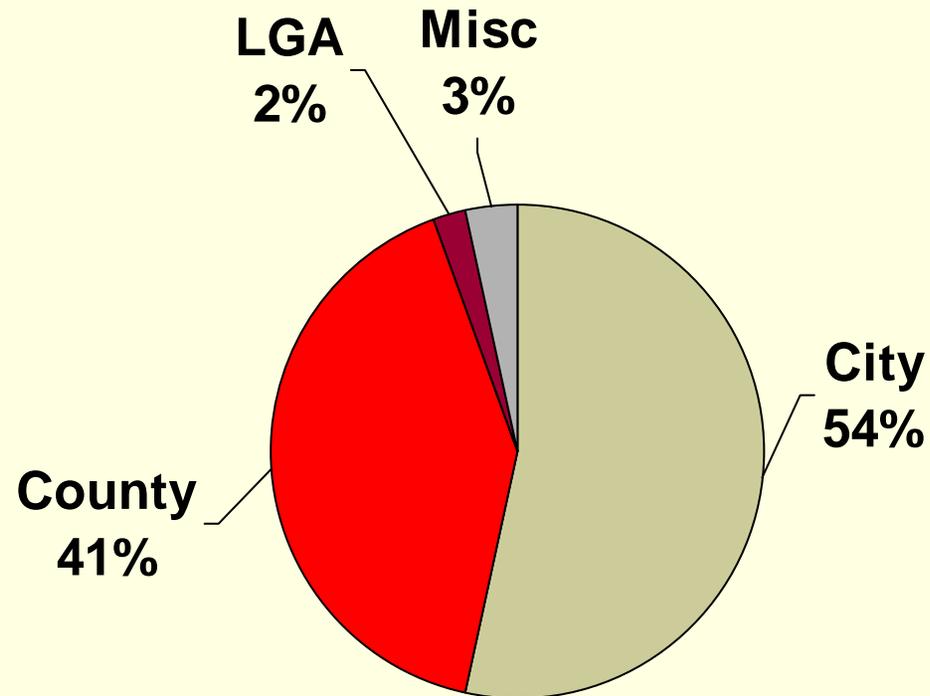
Department found on pages 457 – 460 in budget book

Presentation to Ways and Means/Budget Committee
November 2, 2011

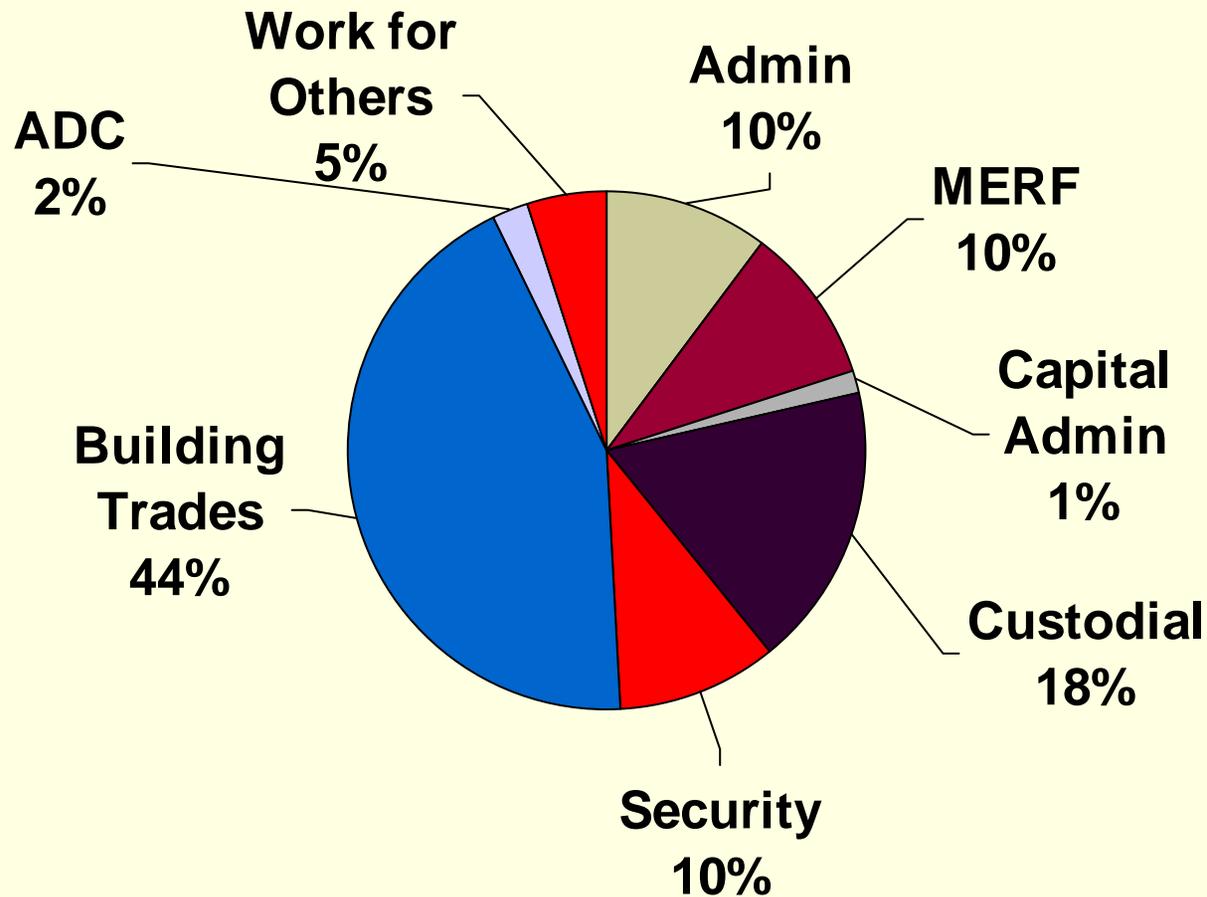
Municipal Building Commission
Expenditures by Type (\$8.5 million)



Municipal Building Commission
Direct Revenue by Type (\$8.5 million)

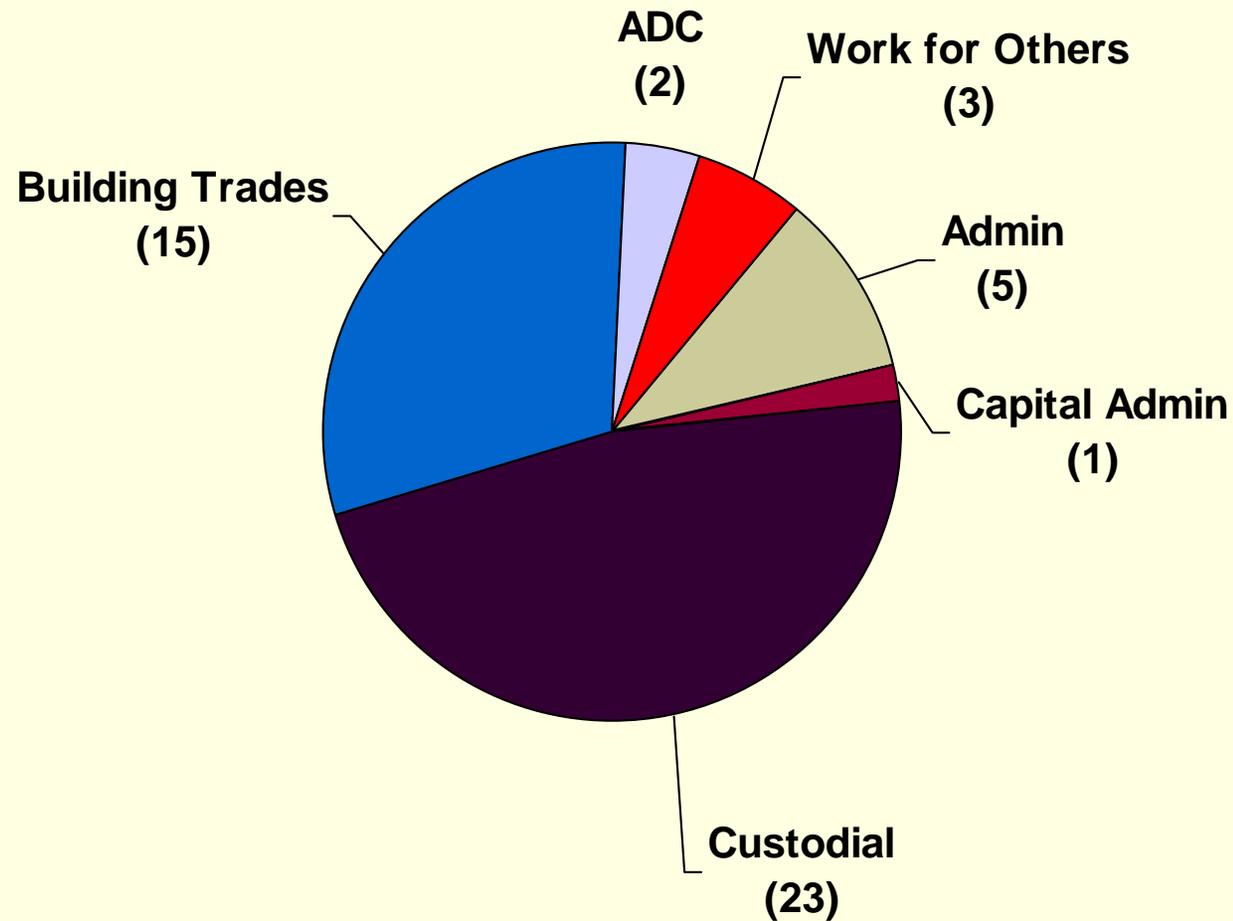


Municipal Building Commission Expenditures by Areas (\$8.5 million)



Municipal Building Commission

Positions by Division (49)



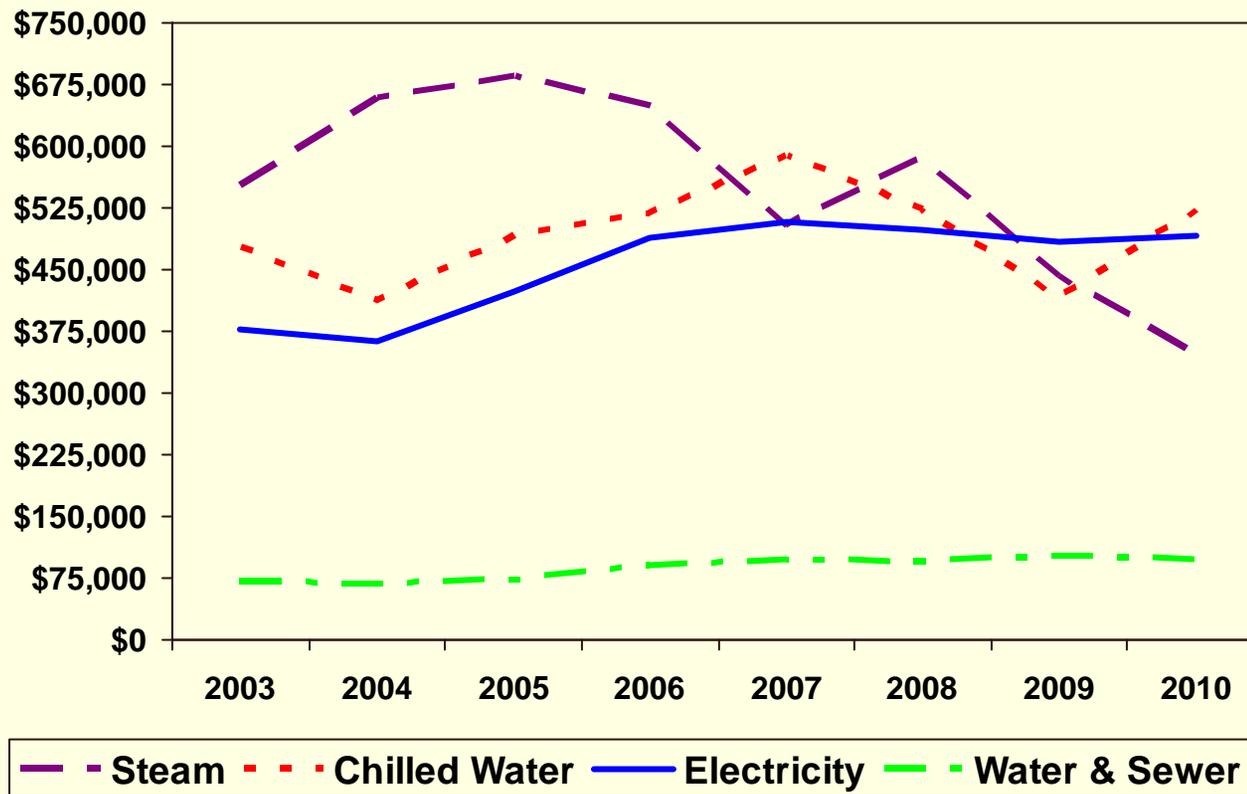
Highlights of the Mayor's Recommended Budget

- Use \$288,000 MBC Fund Balance for one time payment of MERF Debt Service
- Absorb \$104,000 additional MERF supplemental expense (ongoing cost)
- Hold Non-Personnel Cost Flat for 2012
- Absorb Healthcare Increases for 2012

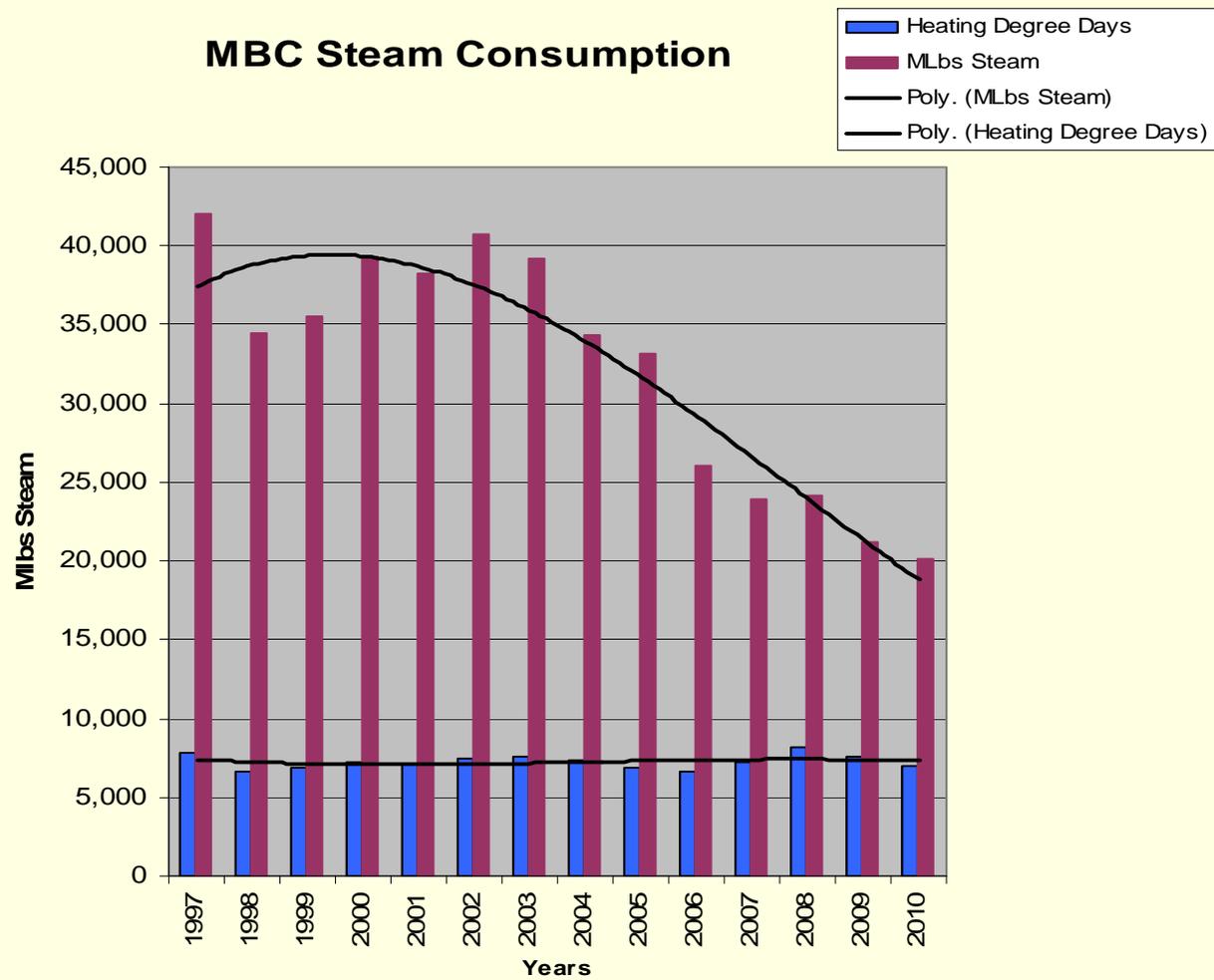
Trends and Challenges

- MBC projects reduced operational cost from continuation of energy conservation program
- Three major drivers include:
 1. All 4 energy recovery units will be online in 2012
 2. Reduction in steam and chilled water cost from Hennepin County Energy Center
 3. Installation of more energy efficient light fixtures during HVAC and Life Safety Projects

Financial Trends - Utilities

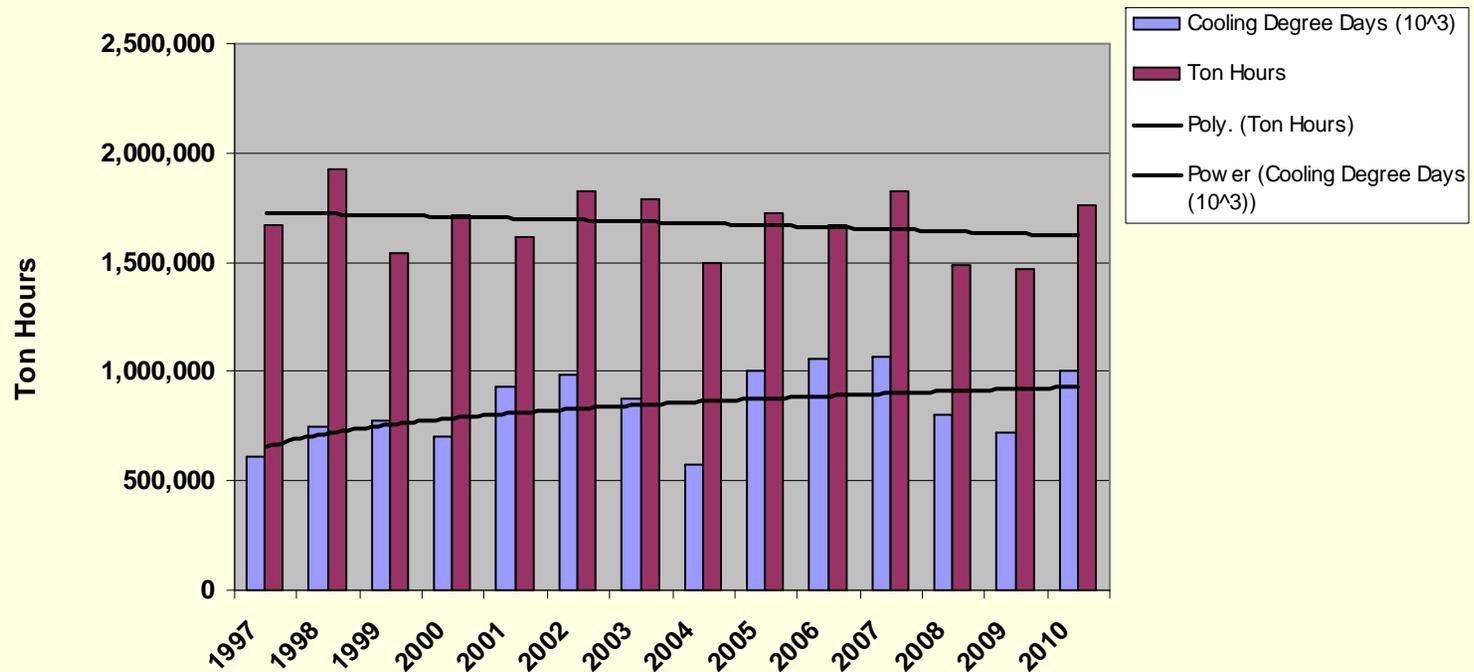


Energy Conservation Trends



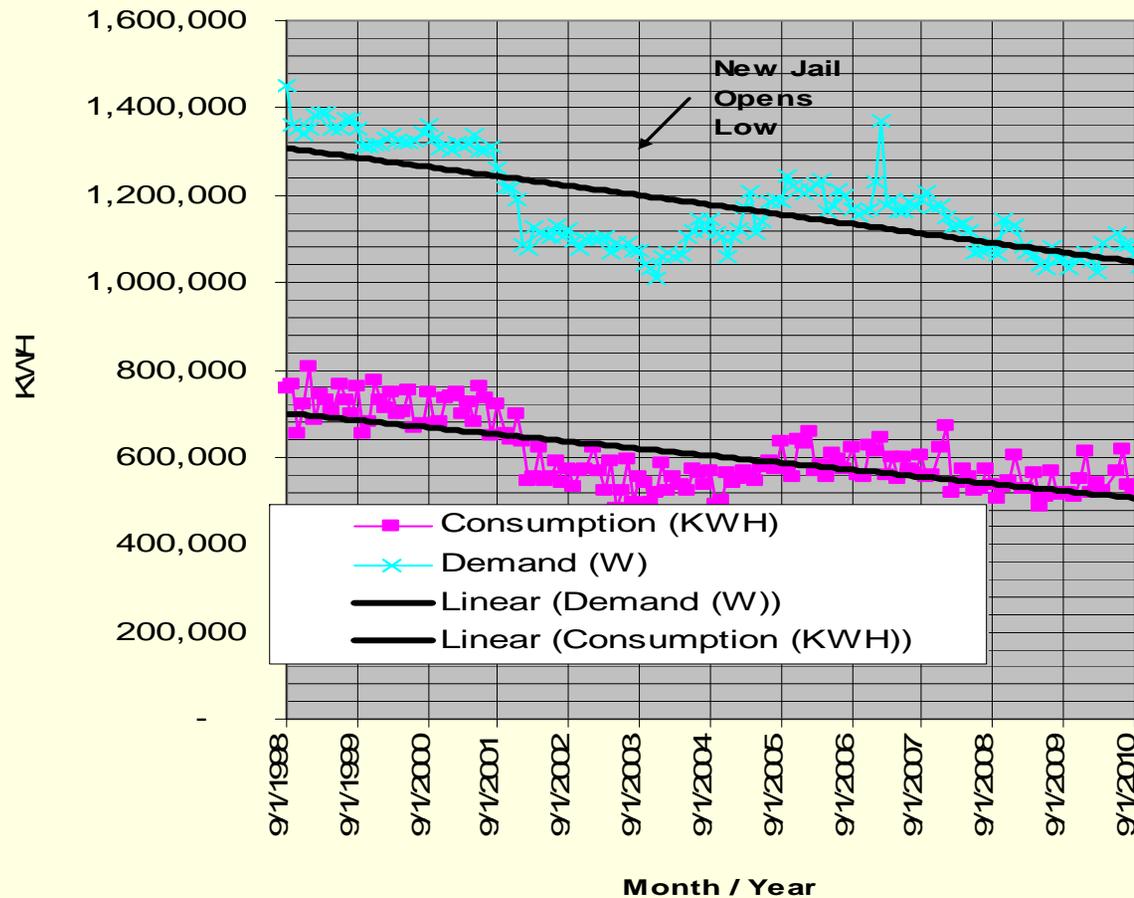
Energy Conservation Trends

MBC Chilled Water Consumption



Energy Conservation Trends

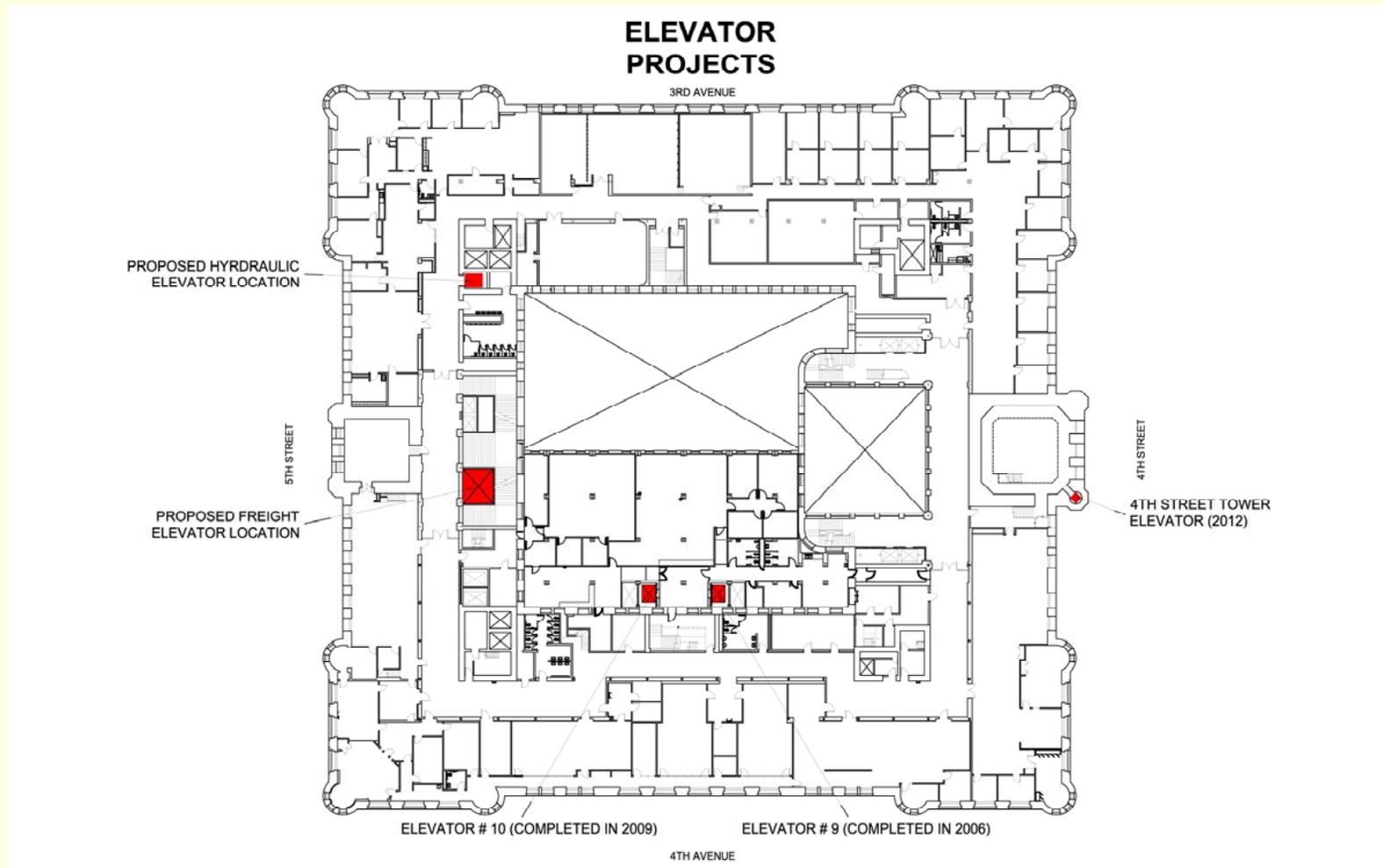
MBC Electricity Consumption



Challenges

- Reduced budget delays critical maintenance projects:
 1. Upgrade waterproofing around 4 shafts (\$250k)
 2. Replace interior court heat tape (\$100k)
 3. Replace 4th Avenue garage roof (\$100k)
 4. Repair 4th Avenue driveway (\$50k)
 5. Waterproofing replacement at generator air intake well (\$25k)
 6. Exterior masonry repairs (\$100k)

4th Street Elevator Project



4th Street Elevator Project

- Design is 75% complete
- Inspector may shut elevator down next year if not repaired
- Alternative offsite records storage as high as \$145,000 per year
- Moving the boxes to an offsite facility would cost \$25,000-\$35,000
- MBC has been awarded a \$100,000 grant from MN Historical Society
- The grant is contingent on matching funds from City/County
- MBC requests Council support of Mayor's Recommended Capital budget of \$370,000 in 2012 funding for elevators

4th Street Elevator Project



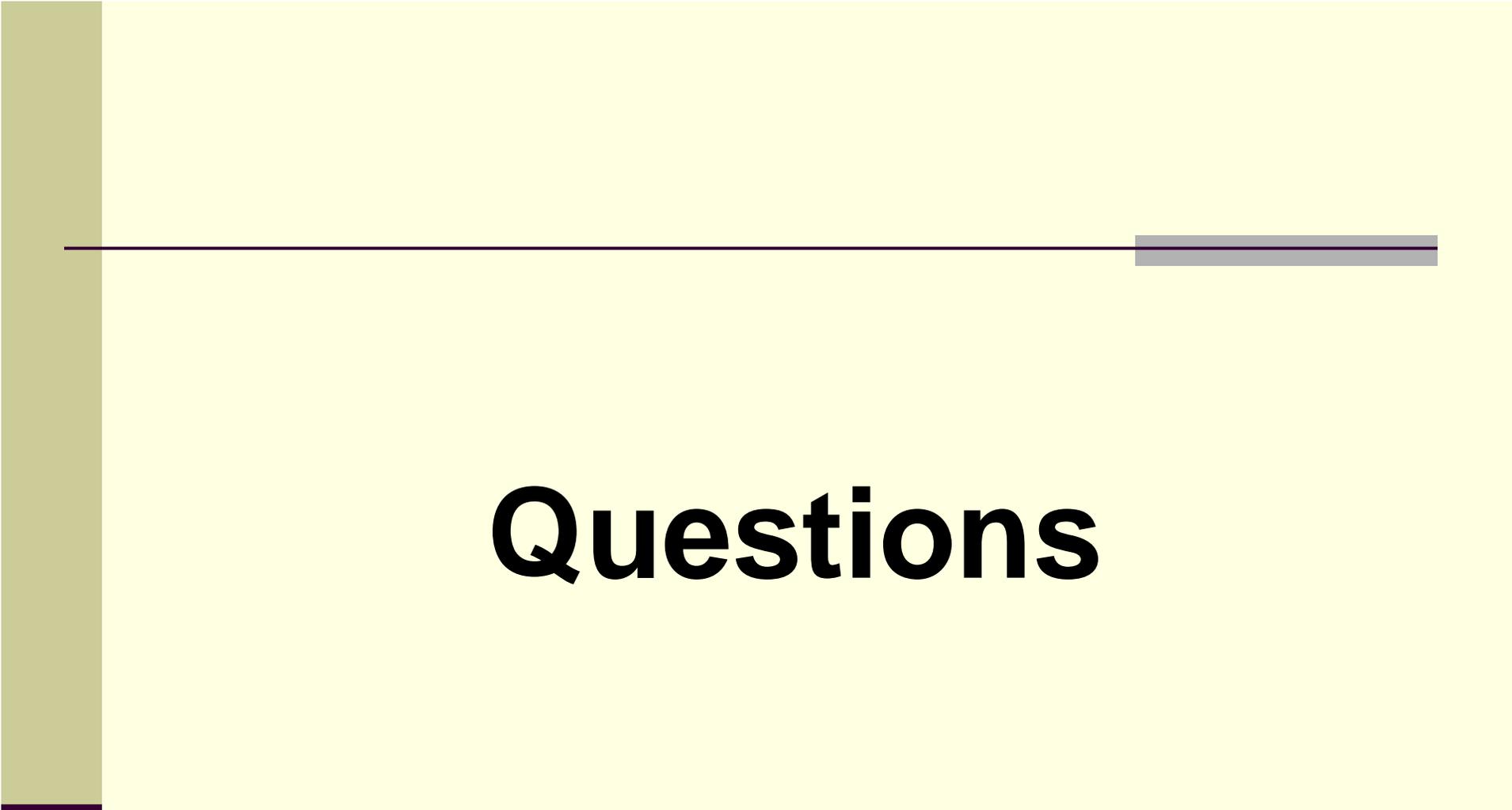
Close up of stone efflorescence

Debris on the lift cab and equipment



Recommendations

- Use \$288,000 MBC Fund Balance for one time payment of MERF Debt Service
- MBC Absorb \$104,000 additional MERF supplemental expense (ongoing cost)
- Hold Non-Personnel Cost Flat for 2012
- Absorb Healthcare Increases for 2012
- MBC awarded \$100,000 MN Historical Society Matching Grant for 4th Street Elevator Project. MBC requests Council support of Mayor's Recommended Capital budget including \$370,000 in 2012 funding for elevators



Questions