

MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission was created by state statute in 1904 and given care and control Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain and preserve the building, and ensure a safe and functional environment for City and County government employees, citizens and elected officials.

BUSINESS LINES

Primary Business 1: Care of the Minneapolis City Hall and Hennepin County Courthouse Building.

This business line is responsible for maintaining the building operating systems including mechanical, electrical and elevators. In addition, the MBC is responsible to provide custodial, utility, repair and maintenance services.

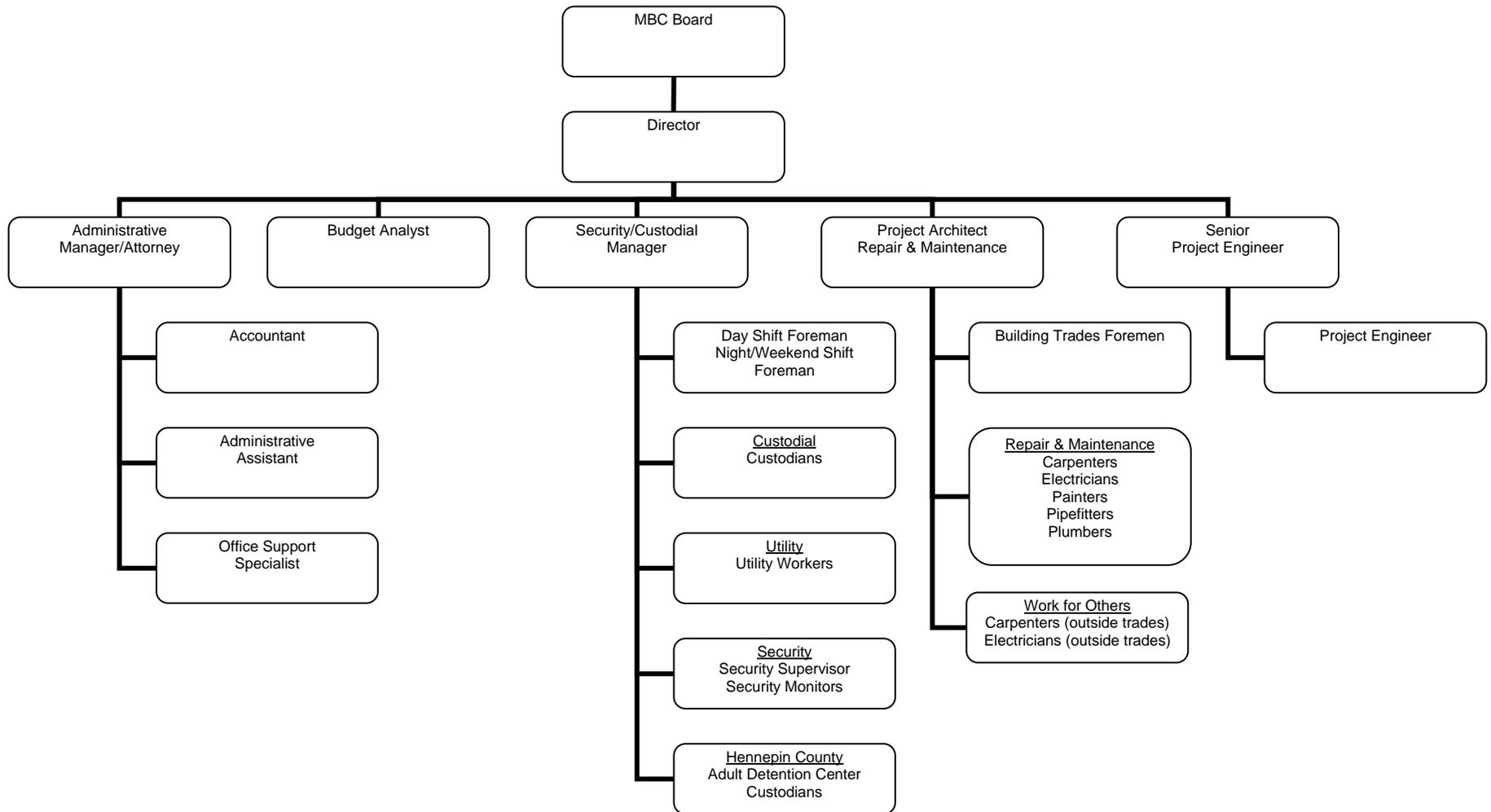
Primary Business 2: Control of the Minneapolis City Hall and Hennepin County Courthouse Building.

This business line is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, security, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll, and operating and capital budgeting activities.

Primary Business 3: Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse.

This business line is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activities both operating and capital in keeping with the agency's mission to provide effective and efficient services to operate, maintain and preserve the historic landmark Minneapolis City Hall and Hennepin County Courthouse building, and ensure a safe and functional environment for City and County government employees, citizens and elected officials. Service activities under this business line that generate revenue to promote historic preservation include the café, catering and space rentals, vending machine and memorabilia sales.

2010 MBC Organization Chart



KEY TRENDS AND CHALLENGES

- **Mechanical and Life Safety Systems Upgrade Project**
MBC has completed 12 stages of a 23-stage project to upgrade Mechanical and Life Safety Systems (MLSS) in the City Hall and Courthouse building. This work will continue in 2010 with the completion of approximately two more project stages. The MLSS project is scheduled to conclude in 2016.

Based upon historical reports and recommendations MBC initiated the MLSS upgrade capital project in 1999. The system had been installed in an uncoordinated, piecemeal fashion between 30 and 60 years ago. The mechanical portion of the MLSS project upgrades heating, ventilating and air conditioning systems throughout the building resulting in improved air quality. Life safety components will also be implemented including smoke detection, fire alarms, sprinklers and public address systems.

MLSS work is coordinated with replacing electrical wiring and inefficient lighting; integrating light panels and motion detectors to increase energy efficiency; coordinating the installation of code compliant telephone and computer wiring; removing radiators to reduce the use of steam; and installing new ceiling grids and tiles, carpeting, and wall painting.

Capital project funding is supported 50-50 by the City and County. Capital funding requests are submitted annually to the City Capital and Long-range Improvement Committee and the County Capital Budgeting Task Force, and are approved in five-year cycles. The MBC anticipates seeking capital funding for the MLSS project through 2016.

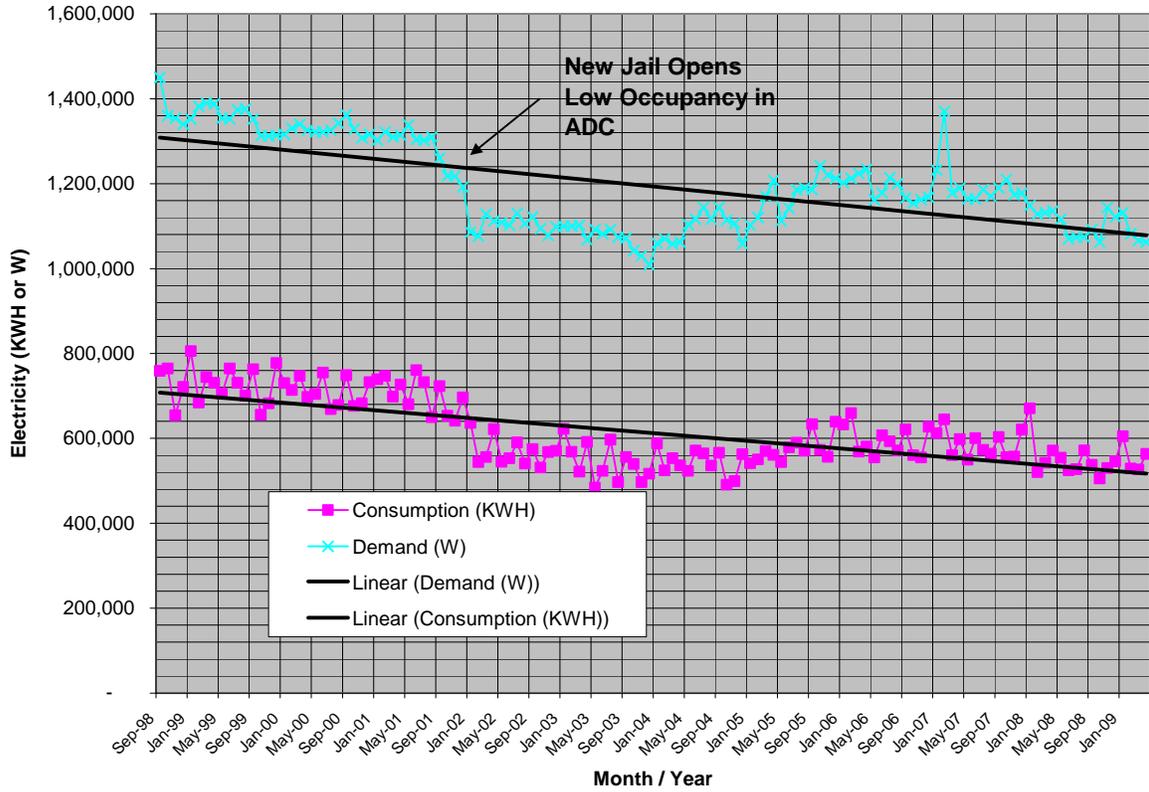
Because capital funding does not cover all of the expense associated with these improvements, project work also is being supported through the MBC operating budget at a cost of approximately \$400,000-500,000 annually for completing routine repair and maintenance work in MLSS project spaces.

- **Energy Conservation**

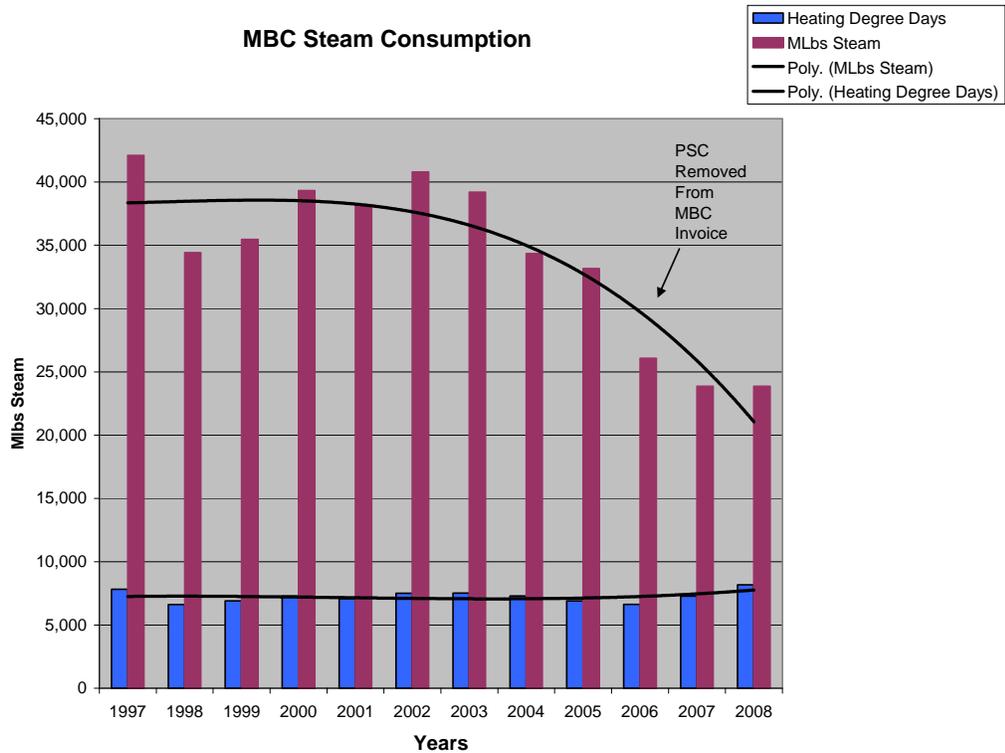
There is a direct correlation between the MLSS Project work and the energy reductions achieved in the building during the past decade.

The MBC closely monitors, analyzes, and adjusts energy usage for electricity, chilled water and steam consumption in the building. Below are several graphs that help to illustrate that the MBC is meeting its goal of improving the quality of lighting, heating, ventilating and air conditioning systems in the building while simultaneously reducing energy consumption.

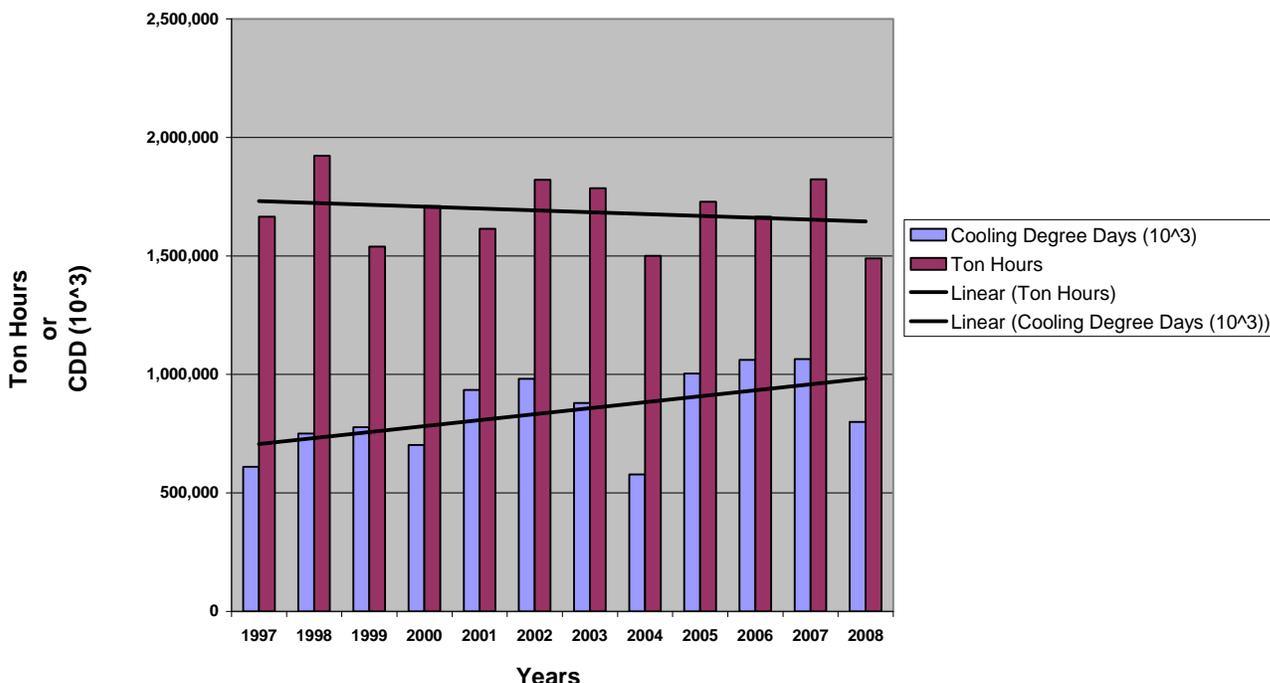
MBC Electricity Consumption



MBC Steam Consumption



MBC Chilled Water Consumption



Energy Conservation

For the first time ever in the history of the City Hall Courthouse, building HVAC operations are ready to be controlled in a centralized, building-wide manner. This constitutes a big step in energy conservation. Two inefficient, 40 year old, air handling units will be removed and replaced with new, energy efficient, air handling units and energy wheels. This work is scheduled to be completed in all four corners of the building by 2010. These new mechanical systems will conserve energy from exhaust air and are projected to save \$160,000 annually in steam and chilled water costs at current rates.

New ductwork from the attic to the basement will allow outside air to be used for “free” cooling during the summer and fall. New computerized control systems will automatically make changes to conserve energy based

on feedback from temperature, pressure, humidity and air quality monitors both inside and outside the building.

Upon completion of the project, the building will automatically monitor ventilation and energy consumption. Based on this monitoring, the energy wheels and air handling units in the attic speed up or slow down, change air composition, and adjust to provide appropriate ventilation while minimizing the utilization of energy. In this manner, the building will evolve into an intelligent building as projected by 21st Century Energy Planners.

- **Security Initiative**

In 2007 the MBC completed approximately \$350,000 of Federal Homeland Security grant work to convert and upgrade the building's outdated building access control and video control systems to state of the art digital technology.

The first step included the Implementation of a fiber backbone to allow connectivity of devices throughout the building. The completion of this work will allow the MBC to expand the building security system in the future as funding becomes available.

The grant work included the installation of a new security operation room; design and installation of equipment room cooling; and system programming for remote control of building security CCTV cameras.

48 cameras and 32 card readers have been coordinated into a single control system, and over 800 access cards have been programmed and distributed to building users.

Several security measures are being researched, evaluated, cost estimated, designed and considered for implementation within the building. Some of these projects include the following:

- Emergency Response Training
- Enhanced security for the Mayor's Office
- Enhanced security for the City Council Offices
- Enhanced security for the City Council Chambers
- Building-Wide Emergency Communication System

It appears that cities across Hennepin County are using federal stimulus grants for security related projects. The City of Minneapolis may consider using this funding mechanism to fund these security measures outlined above.

EXPENDITURE

The 2010 MBC department budget of \$8.1 million is a reduction of 4.0%.

REVENUE

Revenue is estimated at \$8.3 million, with declining sales of documentation copies due to availability of internet access.

ORIGINAL BUDGET

The Mayor recommends \$8.06 million for MBC's 2010 budget.

Under the Mayor's proposed tax revenue policy, MBC and the general fund will receive the same percentage increase in dollars available for activities in 2010. MBC activities will increase by 0.83%, the same percentage increase as activities for the Park Board and general fund. This corresponds to an LGA revenue decrease of \$34,813, or 14.41%, and a tax revenue increase of 1.69%, or \$71,886, resulting in budgeted MBC resources of \$4,486,817, 0.83%, or \$37,073 higher than 2009.

Council adopted the Mayor's recommendations. Additionally, Council directed that net debt bond funding for MBC elevators be increased by \$130,000 for a revised City total of \$230,000 for 2010.

The budget for this department includes a reduction of BIS charges of \$300 due to the Council's actions to reduce the BIS budget by \$1.7 million. This reduction in BIS charges will subsequently reduce the department's appropriation by the same amount. Additionally, the budget for this department includes a \$46,800 decrease in appropriation due to the Council's actions to fund two internal audit positions. Back out both changes, the 2010 Council Adopted Budget for the department is \$8,186,975, a 3.3% decrease from the 2009 Revised Budget.

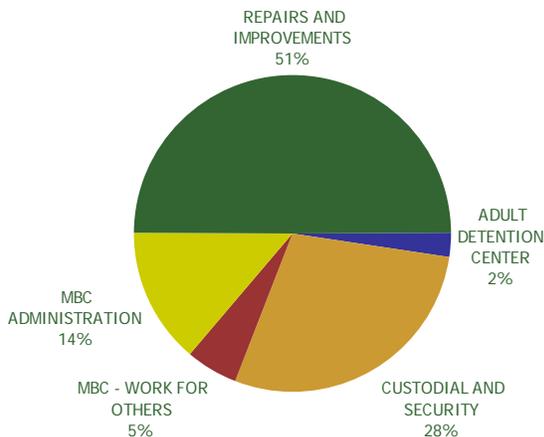
MAYOR'S REVISED BUDGET

The tax revenue policy outlined above results in a revenue cut of \$141,300. \$60,812 was taken from Local Government Aid (LGA) and \$80,219 was taken from property tax due to a state cut in Market Value Homestead Credit.

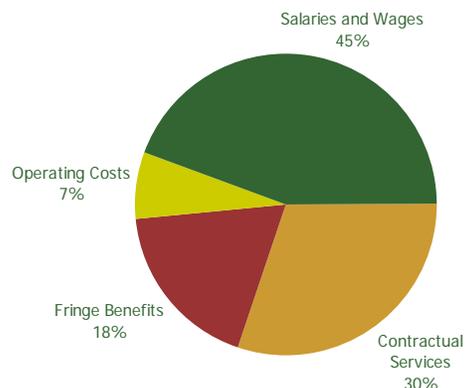
COUNCIL REVISED BUDGET

Council approved the Mayor's recommendation and awarded MBC \$60,000 for elevator repair in City Hall.

Expense by Division



Expense by Category

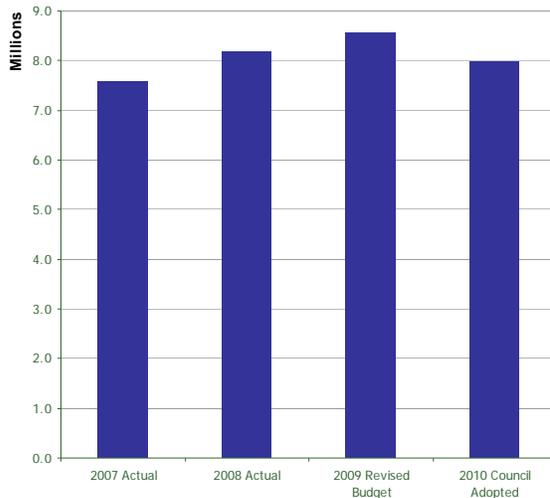


MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

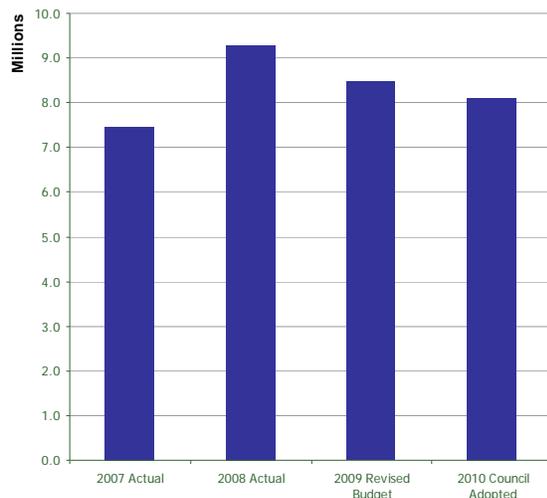
EXPENSE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
AGENCY						
Operating Costs	0	1,221,679			0.0%	0
TOTAL AGENCY	0	1,221,679				0
SPECIAL REVENUE						
Salaries and Wages	2,844,617	2,858,974	3,495,183	3,603,952	3.1%	108,770
Fringe Benefits	1,109,375	1,120,945	1,533,162	1,475,891	-3.7%	(57,270)
Contractual Services	2,942,120	3,234,655	2,873,002	2,434,823	-15.3%	(438,179)
Operating Costs	542,797	855,753	561,320	588,978	4.9%	27,658
Capital	6,468	10,970	2,000	2,000	0.0%	0
TOTAL SPECIAL REVENUE	7,445,377	8,081,297	8,464,667	8,105,645	-4.2%	(359,022)
TOTAL EXPENSE	7,445,377	9,302,976	8,464,667	8,105,645	-4.2%	(359,022)

REVENUE	2007 Actual	2008 Actual	2009 Revised Budget	2010 Revised Budget	Percent Change	Change
SPECIAL REVENUE						
Property Taxes	3,868,974	4,029,616		4,244,859	0.0%	4,244,859
Sales and Other Taxes	604	650			0.0%	0
State Government	397,022	323,967	267,257	4,859	-98.2%	(262,398)
Charges for Service	3,203,418	3,705,897	8,123,200	3,727,079	-54.1%	(4,396,121)
Charges for Sales	5,530	8,550	6,000	6,000	0.0%	0
Interest	0				0.0%	0
Rents	99,069	89,508	2,200		-100.0%	(2,200)
Other Misc Revenues	1,620	8,346	150,600		-100.0%	(150,600)
TOTAL SPECIAL REVENUE	7,576,238	8,166,534	8,549,257	7,982,797	-6.6%	(566,460)
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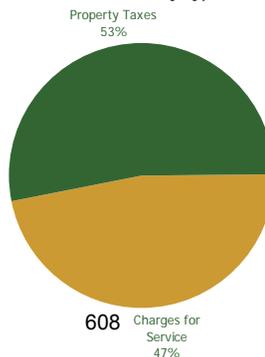
Revenue 2007 - 2010



Expense 2007 - 2010



Direct Revenue by Type

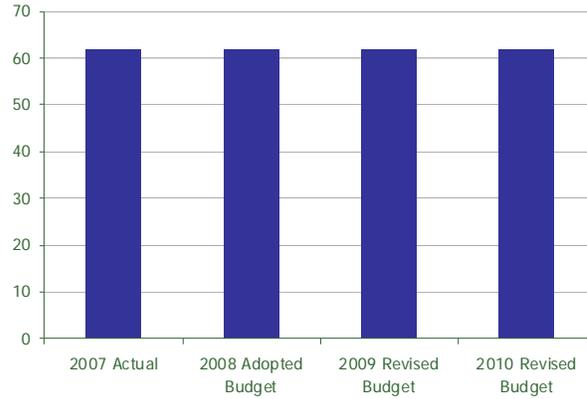


MUNICIPAL BUILDING COMMISSION

Staffing Information

Expense	2007 Actual	2008 Adopted Budget	2009 Revised Budget	2010 Revised Budget	% Change	Change
ADULT DETENTION CENTER	2	2	2	2	0.0%	
CUSTODIAL AND SECURITY	34	34	34	33	-2.9%	(1)
MBC - WORK FOR OTHERS	3	3	3	3	0.0%	
MBC ADMINISTRATION	6	6	7	7	0.0%	
REPAIRS AND IMPROVEMENTS	17	17	16	17	6.3%	1
TOTAL	62	62	62	62	0.0%	

Positions 2007-2010



Positions by Division

