



By Supervisors Dimitrijevic, White, Weishan, West, Broderick, Quindel, and Johnson

A RESOLUTION

Creating an environmental and conservation "Green Print " initiative for Milwaukee County.

WHEREAS, Milwaukee County remains committed to environmental stewardship thereby improving the quality of life for its citizens; and

WHEREAS, by adopting this conservation initiative, Milwaukee County is creating a new conservation ethic, realizing that a personal commitment to conservation costs nothing and brings about the largest result; and

WHEREAS, increased demand on traditional non-renewable energy sources have caused energy costs to escalate; and

WHEREAS, increased energy costs have become a major strain on county departmental budgets; and

WHEREAS, rising energy costs can be curtailed by implementing energy efficiency and conservation efforts; and

WHEREAS, the savings realized by more efficient operations can be returned to departmental programs without increases in taxes or fees; and

WHEREAS, other units of government have implemented energy efficiency and conservation efforts that have provided cost savings and improved facility efficiency; and

WHEREAS, Milwaukee County has recently selected three independent Energy Savings Companies (ESCO's), under a pilot program, to conduct a technical energy audit of a number of facilities and to implement a guaranteed energy savings performance contract that ensures annual cost savings cover all annual payments of improvement; and

WHEREAS, a sound commitment to energy savings will stimulate the local economy by partnering with local businesses for supplies and services; and

WHEREAS, this initiative, that improves energy efficiency and updates aging building systems, will also serve as a catalyst for a new energy efficiency and conservation plan for Milwaukee County; now, therefore

BE IT RESOLVED that the Milwaukee County Board of Supervisors hereby adopts the following energy and conservation initiatives:

Performance Contracting/Construction

- The Department of Public Works shall adopt a wide-scale performance contracting initiative to review and retrofit 20% of all County public buildings annually with high-performance, energy efficient technology in an effort to save money once a baseline assessment has been performed by department staff. The Department of Public Works will be required to report back quarterly on the progress made and savings achieved.
- Once repayment of Energy Savings Company is completed, 50% of savings realized from energy conservation shall be accounted for and used to fund future energy efficient projects that reduce the County's dependency on short-term borrowing and bonding in order to expedite performance enhanced savings measures on future County building projects, thereby accelerating the future cost savings timetable.
- Require that all county-supported construction projects meet Leadership in Energy and Environment Design (LEED) standards beginning in 2008.

Resource Management

- Review the storm water management plan with Milwaukee Metropolitan Sewerage District (MMSD) to reduce the amount of storm water runoff from County facilities that aid MMSD in its efforts to reduce runoff throughout the County, and adopt plans to manage runoff from new development projects.
- Direct the Director of Transportation and Public Works to examine the potential use of "gray water" for applications where treated water may not be needed and report back to the Committee on Transportation, Public Works, and Transit in May of 2007 with potential applications and associated costs.
- Direct the Director of Parks to place receptacles for recyclable materials in all Milwaukee County Parks where applicable.
- Direct the Director of Parks to create a plan to return areas of park land, not actively used by the public, to native grassland and prairie reserve areas that will require no physical maintenance or the burning of fossil fuels; this plan should be presented with a project scope and cost to the Parks Committee for approval by September 2007.

Alternative Energy

- Direct the Director of Transportation and Public Works to examine the use of renewable energy sources such as wind and solar power for facilities within Milwaukee County and report these findings back to the Transportation, Public Works and Transit Committee by the July 2007 cycle.
- Direct the Director of Transportation and Public Works to purchase, when applicable, new cleaner technology fleet vehicles that use alternative fuels such as bio-fuels, hybrids, and plug-in hybrids. If such vehicles cannot be purchased, the Director shall document why such purchases could not be made and report back to the appropriate committee.
- Require Department heads to seek all grants, in compliance with Milwaukee County Ordinance Chapter 59.06, that focus on energy efficiency and renewable energy.

Education

- Improve staff awareness of green initiatives and programs so they can be implemented on new project and initiatives.
- Encourage staff to participate in education efforts that support green initiatives for applications both at work and home.
- Authorize and direct the Director of Administrative Services and the Director of Human Resources to develop a position of Director of Sustainability and report back to the Personnel Committee and the Finance and Audit Committee in September 2007 cycle for approval. The Director of Sustainability would be created for the purposes of overseeing current and future energy efficiency and eco-friendly initiatives beneficial to Milwaukee County, and to aid departments in their efforts to comply with the provisions outlined in this resolution.
- Require all departments to perform an internal audit of ways to improve energy efficiency and report back with recommendations and initiatives that have already taken place.

Procurement

- Enact the results of the Green Purchasing Task Force that were set in place by Resolution File 06-329 that calls for the use of environmentally preferable products.
- Continue to replace all traffic signals and signs with Light Emitting Diode (LED) signals and signs during regularly scheduled maintenance.

; and

BE IT FURTHER RESOLVED, this performance contracting initiative shall include consideration of all employee occupational and health regulations and requirements; and

BE IT FURTHER RESOLVED, that any approved performance contract(s) shall include specific benchmarks to minimize any lack of clarity or disagreements regarding what portion of energy improvements are the result of initiatives put into place by the performance contractor(s).

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 23, 2007

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Creating an environmental and conservation initiative for Milwaukee County.

FISCAL EFFECT:

No Direct County Fiscal Impact Expenditures

Increase Capital

Existing Staff Time Required

Decrease Capital

Expenditures

Increase Operating Expenditures
(If checked, check one of two boxes below)

Increase Capital Revenues

Absorbed Within Agency's Budget

Decrease Capital Revenues

Not Absorbed Within Agency's Budget

Decrease Operating Expenditures

Use of contingent funds

Increase Operating Revenues

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.

While the resolution is not expected to have a direct fiscal affect to the 2007 operation and capital budgets, there are some initiatives contained within the resolution that would need to be included in the 2008 budget in order for them to take effect. In addition, the are a number of items that require further explanation. All of the bullet points listed in the resolution are identified below with the expected fiscal effect:

Performance Contracting/Construction

- The anticipated savings associated with this initiative depends on the buildings selected and their potential for energy savings. An initial energy audit will be performed to assess the anticipated savings before building upgrades are made. The energy audit will be preformed by an Energy Savings Company (ESCO) currently under contract with Milwaukee County. ESCO's provide a service at no direct cost to the County; instead they are paid by a percentage of the anticipated energy savings from the building audit. In addition, an ESCO may receive the contract to supply new equipment that is recommended for replacement. The fiscal

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.

affect of this initiative should be budgeted for based on anticipated savings. Capital equipment purchases would be contained within current agency budgets or built into future agency budgets.

- The agreement that 50% of savings realized from energy conservation and used on future energy efficient projects would require that the departments budget for energy costs at the usage rate assumed for the year of the audit plus an inflation factor for the time period that the building energy repayment is assumed. For example, if a building assessment was preformed in 2008 and the time frame for the repayment is 12 years, the department would budget energy costs for the facility at the 2008 rate for the energy consumption before the audit is performed. For every year after 2008 up to and including the 12th year, the annual energy cost would be applied for the 2008 usage level. The difference between the actual usage and the budgeted usage would then be used for future energy initiatives. The fiscal effect of this initiative would not take effect until energy audits are performed and energy cost and utilization are budgeted. The anticipated fiscal effect would be contained in future budgets with the goal of providing a funding source for future energy efficiency initiatives.
- The requirement of all construction projects achieving LEED standards would begin in the 2008 capital budget. All future construction projects would be designed with LEED standards. This would be done on future projects therefore there is no anticipated fiscal effect.

Resource Management

- The review of storm water management planning with MMSD would require staff time.
- The use of grey water would initially require staff time. If the report recommendation recommends capital expenditures they would need to be included in the 2008 budget request.
- The placement of recycling receptacles could be done initially with the allocation of current receptacles. If additional recycling receptacles are needed, they can be purchased in the 2008 budget.
- The plan for returning currently maintained park areas to natural vegetation would be planned in 2007; therefore only staff time is required in the current year. The implementation of the plan would require that the 2008 include budgeting time and materials for this initiative if approved by the Parks Committee or if included in the County Executive's budget.

Alternative Energy

- The examination of renewable sources would require staff time.
- The purchase of alternative fuel vehicles would be done within the current budget established for fleet vehicle replacement.
- The application for energy efficiency grants would be done in order to provide savings through the use of federal dollars when county tax support would otherwise be necessary. It is difficult to provide an exact savings associated with this initiative since the project eligibility and actual grant amounts are unknown at this time.

Education

- The initiatives of improving staff awareness and the encouragement to participate in educational efforts would be accomplished either through existing staff time or within the agency 's current budgeted allocation for education and training.
- The position study by the Director of Administration and Director of Human Resources will determine the salary range for the position. The Personnel Committee and the Finance and Audit Committee must then approve the position for funding.
- Internal departmental audits will be performed with current staff time.

Procurement

- Both items under procurement of enacting the results of resolution file 06-329 calling for the purchase of environmentally friendly products, and the replacement of traffic signals with light emitting diode signals are currently budgeted for in 2007.

Department/Prepared By Brian Dranzik, Legislative Research Analyst

Authorized Signature _____

Did DAS-Fiscal Staff Review? Yes No