

## MUNICIPAL BUILDING COMMISSION

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### **MISSION**

To provide effective and efficient services to operate, maintain and preserve the historic landmark City Hall and Courthouse 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, MBC is responsible to provide custodial, utility, repair and maintenance services.

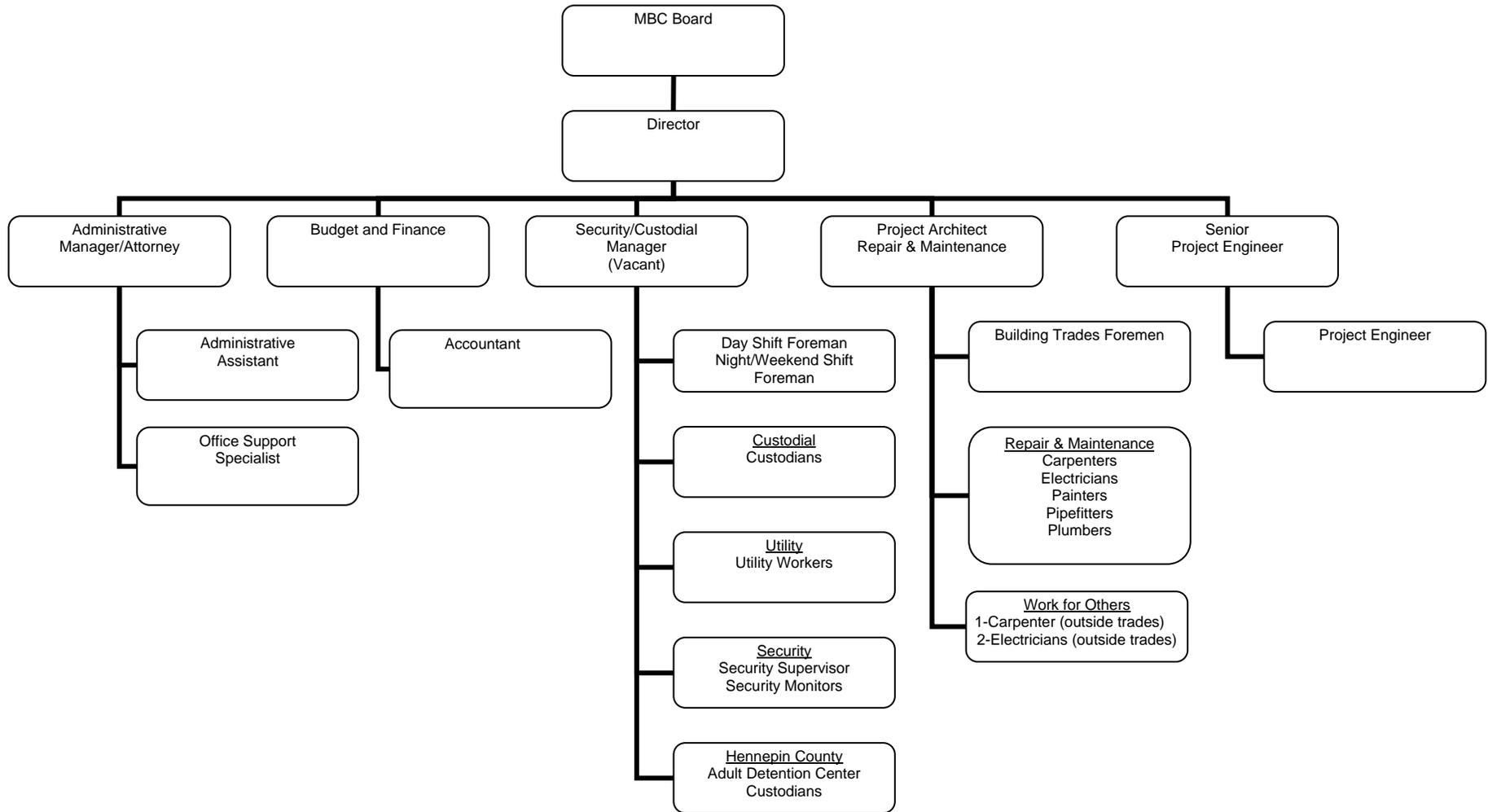
#### **Primary Business 2: Control of the Minneapolis City Hall and Hennepin County Courthouse Building.**

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.

# 2011 MBC Organization Chart



## **KEY TRENDS AND CHALLENGES**

### **Mechanical and Life Safety Systems Upgrade Project, (MLSS)**

The MBC has completed 13 stages of a 23-stage project to upgrade Mechanical and Life Safety Systems (MLSS) in the City Hall and Courthouse building. Stage 14 is scheduled for completion in the fall of 2010. This work will continue in 2011 with the completion of one more project stage, Stage 16. The MLSS project is scheduled to conclude in 2016.

Based upon historical reports and recommendations the MBC initiated the MLSS upgrade capital project in 1999. Those reports indicated that the City Hall and Courthouse was past due in upgrading the building mechanical system. 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 also implemented include smoke detection, fire alarms, sprinklers and public address systems.

The 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.

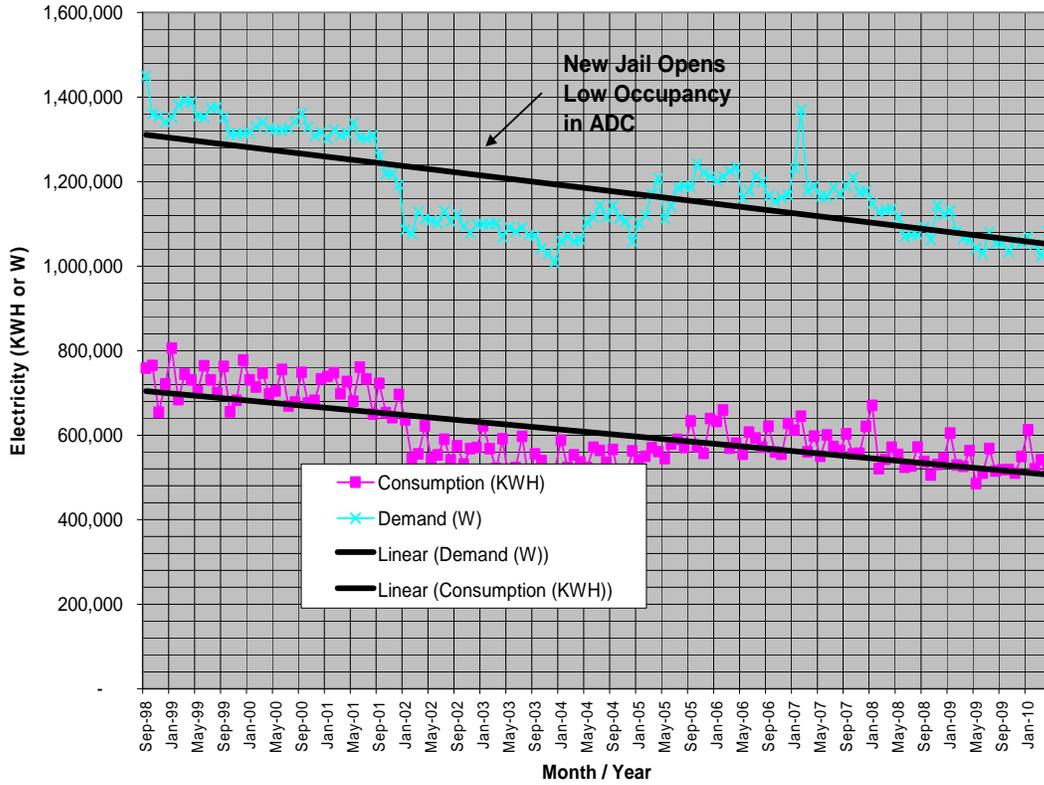
Because capital funding does not cover all of the expense associated with these improvements, project work also is being supported through the MBC operating budget at a cost of approximately \$400,000-500,000 annually for completing routine repair and maintenance work in MLSS project spaces.

### **Energy Conservation**

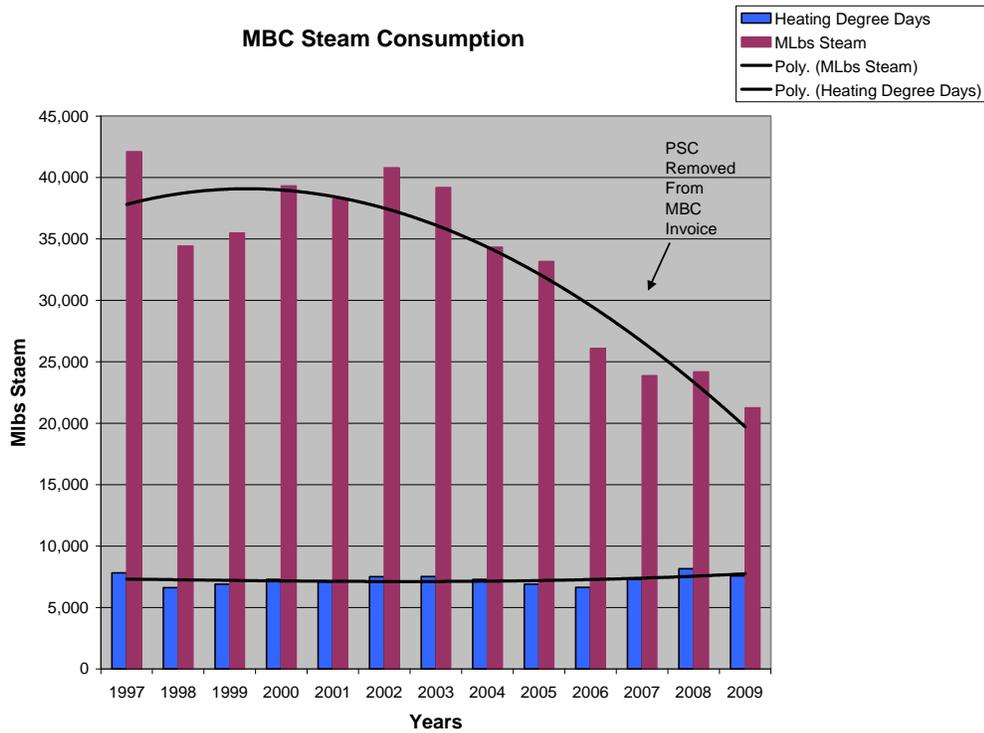
There is a direct correlation between the MLSS Project work and the energy reductions achieved in the building during the past decade.

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.

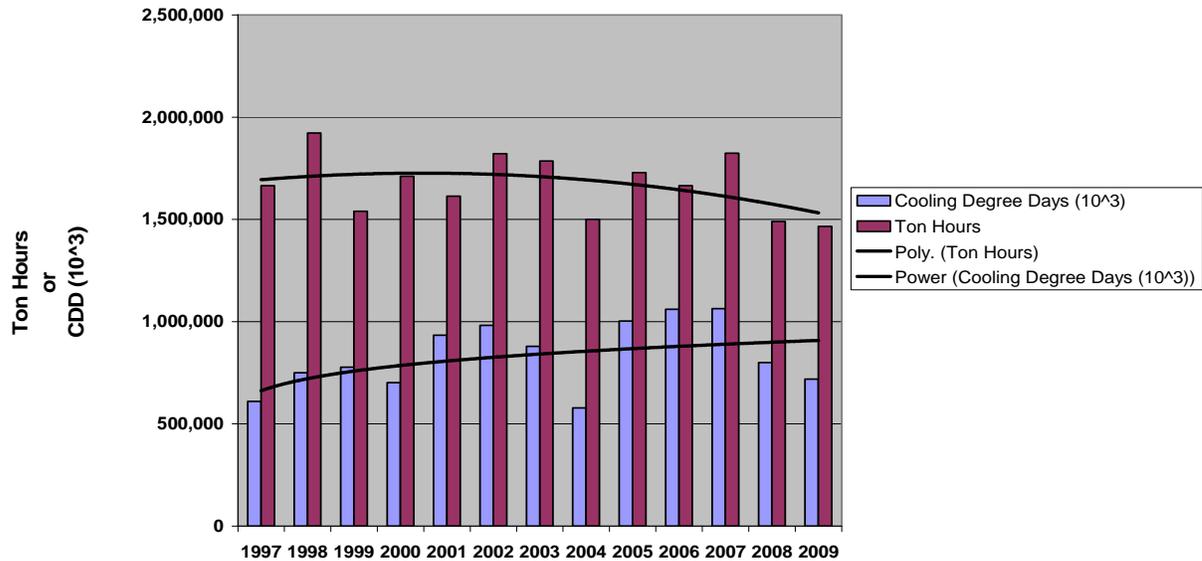
### MBC Electricity Consumption



### MBC Steam Consumption



### MBC Chilled Water Consumption



### Energy Conservation Program Continues

The City Hall Courthouse HVAC operation continues to expand the use of its Energy Management Systems, (new computerized control systems) to control temperature, pressure, humidity and air quality within spaces in the building in a centralized, building-wide manner.

In addition, one of two inefficient, 40 year old, air handling units, (AHU) has been removed and has been replaced with a new, energy efficient, AHU, and energy wheel. The second of two AHU's is scheduled to be removed and replaced in 2011. These new mechanical systems will conserve energy from exhaust air and are projected to help save approximately \$160,000 annually in steam and chilled water costs.

Furthermore, new ductwork from the attic to the basement will allow outside air to be utilized for “free” cooling during the summer and fall. Again, the 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 AHU's 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 City Hall Courthouse building has been evolving into an intelligent building.

2011 will be a transition year for the energy conservation program. Two major changes will need to be closely monitored and managed.

The first is that three new energy wheels will be online in 2011. These energy wheels will be in a shakedown / commissioning phase during 2011. The second significant change is the transfer of steam and chilled water service from NRG to Hennepin County Energy Center.

New equipment within the City Hall Courthouse and modified operations at the Hennepin County Energy Center utility plant will be fine tuned during 2011. Significant issues with both these changes may arise and are expected. It is anticipated that these changes will be identified, addressed, and optimized during 2011. 2011 will nonetheless be a transition year as described above and will include numerous temporary inefficiencies resulting from these modifications.

This process, however, is standard procedure for bringing complex, new equipment online and the MBC is confident that this shakedown / commissioning period will result in long term energy reductions for the building.

### **Security Program**

Throughout 2010 the MBC, along with City and County Security personnel have been working diligently to identify security service improvements for City Hall and Courthouse tenants and visitors.

Hennepin County (HC) has reviewed the possibility of expanding its security services contract with the MBC. The County has identified the following list of requirements for the County to proceed, as approved by the MBC Board:

1. The Hennepin County option to expand services under the MBC's security contract is still open and on the table for discussion.
2. The HC option does not include absorbing the current MBC security staff.
3. If the HC option is selected, the City will be required to resolve AFSCME labor issues, (absorb the MBC staff into City positions, or work with AFSCME to amenablely eliminate positions).
4. The City acknowledged that they are responsible for all increased costs associated with security services above the current level.
5. The MBC security manager position will not be filled until a final plan is determined.

The current MBC Security Program has several components. Comments for discussion here will center around three areas:

1. Improved performance and training of Security Staff
2. Implementation of Security Policy Manual
3. Security Technology, (CCTV, Access Control, Duress and Intrusion Alarms)

### **Improved performance and training of Security Staff**

In 2010, several initiatives to improve staff performance and training were implemented. The initiatives include annual performance communication plans, active performance coaching and employment separations, when necessary. Training initiatives included expanding required training, use of electronic training database and regulating appropriate trainers.

### **Implementation of Security Policy Manual**

In late 2008 MBC staff developed a Security Policy Manual. The manual is designed to provide security staff with detailed and current policy information to assist with the varied and complex tasks they perform on a daily basis.

In addition, the Security Policy Manual provides management with performance standards that can be monitored and measured to ensure that appropriate security services are being provided.

### **Security Technology**

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

This work included the Implementation of a fiber backbone to allow connectivity of devices throughout the building. The completion of this work has allowed the MBC to expand the building security systems in the future as funding becomes available.

In addition, the grant work included the installation of a new security operation room; complete with the installation of equipment room cooling; and system programming for remote control of building security CCTV cameras.

Furthermore, over 50 cameras and 32 card readers have been coordinated into a single control system, and over 800 access control cards have been programmed and issued to building users.

Although the City Hall Courthouse building has had many security improvements as a result of the grant funding, much security technology work remains to be done. MBC staff have developed and submitted additional Homeland Security Funding Grants for consideration in both 2008 and 2009, but these requests have not been funded.

MBC Security Consultant Paulson & Clark Engineering has identified approximately \$200,000 in CCTV security improvements remaining for the "common areas" of the building. MBC staff recommends that \$200,000 of the 2011 Operation Budget be allocated specifically for the CCTV security improvements remaining for the "common areas" of the building.

For the past two years, MBC staff has participated in a City Hall Security Working Group with the City's and County's Security Managers, Minneapolis Police Department, Federal Marshall's Office and others.

In 2010 several security technology improvements have been researched, evaluated, cost estimated, designed and implemented within the building. Some of these projects include the following:

1. Enhanced security for the City Attorney's Office
2. Enhanced security for the City Council Chambers
3. Enhanced security for the Mayor's Office
4. Building-Wide Emergency Communication System, (City's 911 VIP System)

## **FINANCIAL ANALYSIS**

### **EXPENDITURE**

The MBC budget is \$7.97 million, a 2.6% decrease from the 2010 Revised Budget.

### **REVENUE**

The department's revenue for 2011 is \$8.12 million, a 0.8% decrease from the prior year.

## MAYOR'S RECOMMENDED BUDGET

The Mayor recommended combined tax and LGA revenue of \$4.7M after subtracting shared costs. Total spending includes \$70,000 in one-time funds for clocktower renovations.

## MUNICIPAL BUILDING COMMISSION ADOPTED BUDGET

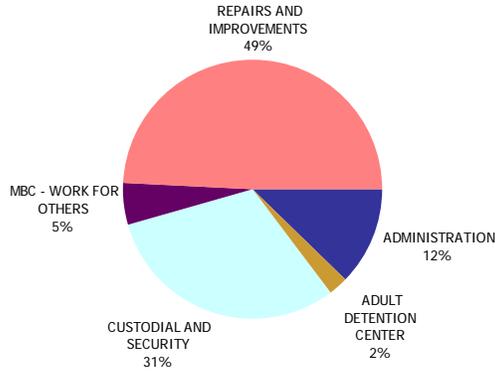
Minneapolis adopted a 4.7% levy, compared to a 6.5% recommendation by the Mayor, which reduces revenue available for shared activities of MBC, Park Board, and the City's general fund. The MBC board adopted a budget with total revenue of \$8.1M. \$4.7M is from property tax and LGA. Much of the remainder comes from Hennepin County.

### MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

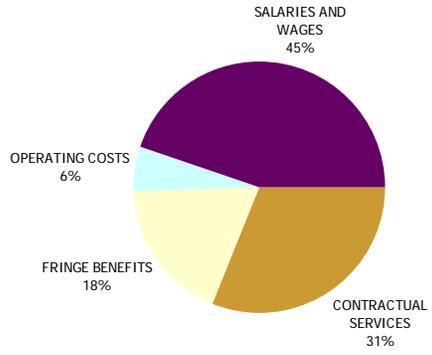
EXPENSE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	1,221,679	(1,282,391)			0.0%	0
<b>TOTAL AGENCY</b>	<b>1,221,679</b>	<b>(1,282,391)</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
SALARIES AND WAGES	2,858,974	2,968,113	3,603,952	3,486,771	-3.3%	(117,181)
FRINGE BENEFITS	1,120,945	1,164,586	1,475,891	1,422,121	-3.6%	(53,770)
CONTRACTUAL SERVICES	3,234,655	3,666,826	2,513,005	2,426,959	-3.4%	(86,046)
OPERATING COSTS	855,753	789,800	588,978	451,738	-23.3%	(137,240)
CAPITAL	10,970	13,717	2,000		-100.0%	(2,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>8,081,297</b>	<b>8,603,042</b>	<b>8,183,827</b>	<b>7,787,589</b>	<b>-4.8%</b>	<b>(396,238)</b>
<b>TOTAL EXPENSE</b>	<b>9,302,976</b>	<b>7,320,651</b>	<b>8,183,827</b>	<b>7,787,589</b>	<b>-4.8%</b>	<b>(396,238)</b>

REVENUE	2008 Actual	2009 Actual	2010 Revised Budget	2011 Adopted Budget	Percent Change	Change
<b>SPECIAL REVENUE</b>						
PROPERTY TAXES	4,029,616		4,325,078	4,199,300	-2.9%	(125,778)
SALES AND OTHER TAXE	650				0.0%	0
STATE GOVERNMENT	323,967	352,533	206,701	273,755	32.4%	67,054
CHARGES FOR SERVICES	3,705,897	8,268,308	3,646,048	3,640,597	-0.1%	(5,451)
CHARGES FOR SALES	8,550	1,489	6,000	6,000	0.0%	0
RENTS	89,508	89,019			0.0%	0
OTHER MISC REVENUES	8,346	335			0.0%	0
<b>TOTAL SPECIAL REVENUE</b>	<b>8,166,534</b>	<b>8,711,683</b>	<b>8,183,827</b>	<b>8,119,652</b>	<b>-0.8%</b>	<b>(64,175)</b>
<b>TOTAL REVENUE</b>	<b>8,166,534</b>	<b>8,711,683</b>	<b>8,183,827</b>	<b>8,119,652</b>	<b>-0.8%</b>	<b>(64,175)</b>

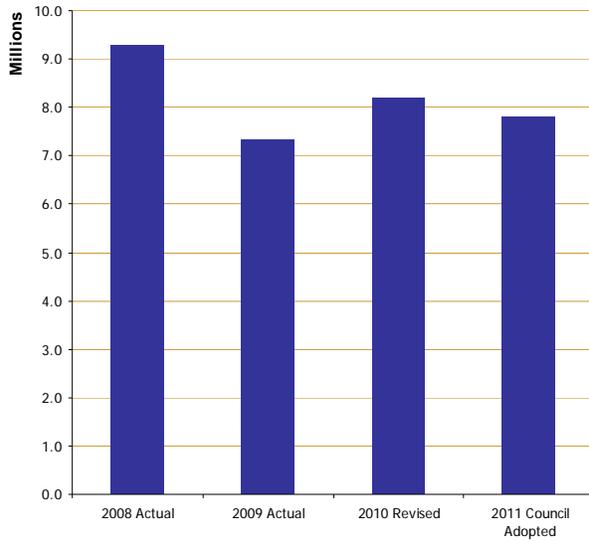
**Expense by Division**



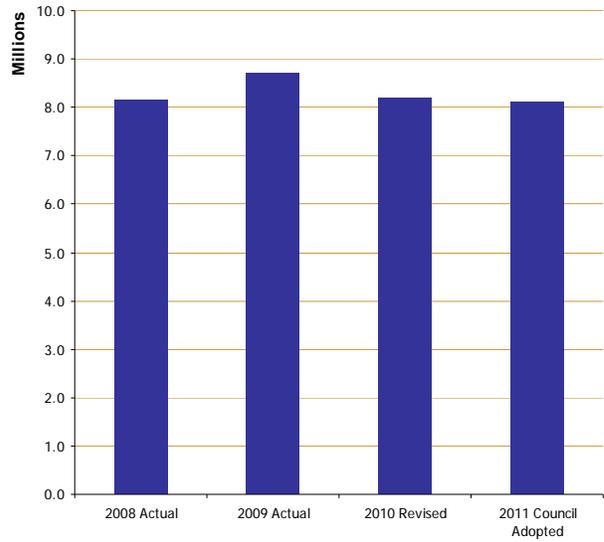
**Expense by Category**



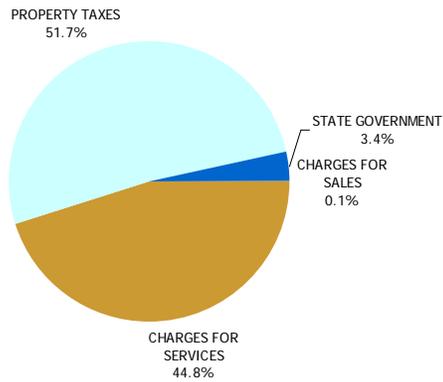
**Expense 2008 - 2011**



**Revenue 2008 - 2011**



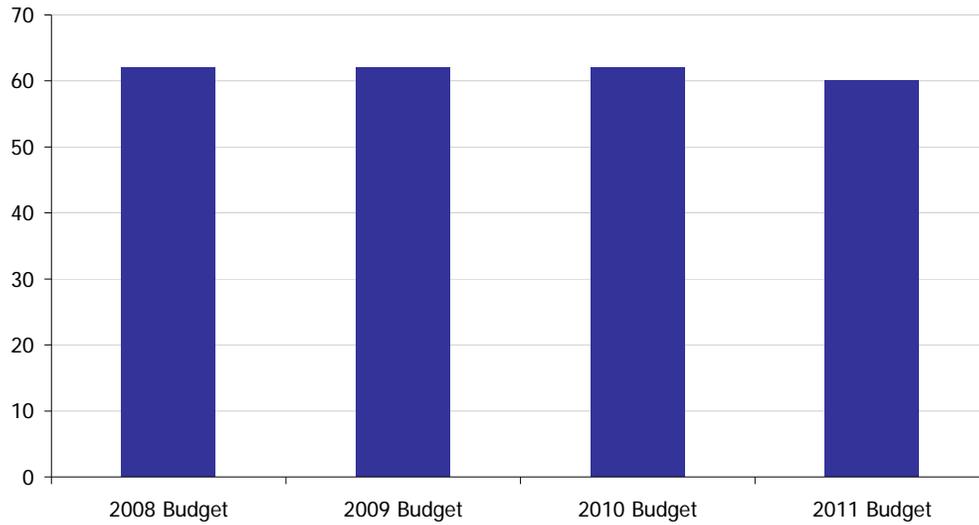
**Direct Revenue by Type**



### Staffing Information

Expense	2008 Budget	2009 Budget	2010 Budget	2011 Budget	% Change	Change
REPAIRS AND IMPROVEMENTS	17.00	16.00	17.00	15.00	-11.8%	(2.00)
ADMINISTRATION	6.00	7.00	7.00	6.00	-14.3%	(1.00)
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	
BUILDING COMMISSION						
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	
CUSTODIAL AND SECURITY	34.00	34.00	33.00	34.00	3.0%	1.00
<b>TOTAL</b>	<b>62.00</b>	<b>62.00</b>	<b>62.00</b>	<b>60.00</b>	<b>-3.2%</b>	<b>(2.00)</b>

### Positions 2008-2011



### Positions by Division

