



CITY OF WAUWATOSA
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SPECIAL BUDGET & FINANCE COMMITTEE MEETING

Tuesday, May 4, 2010

Committee Room #2

PRESENT: Alds. Berdan, Causier, Donegan, Ewerdt, Hanson, McBride, Walsh – 7

EXCUSED: Ald. Wilson

ALSO PRESENT: Alds. Birschel, Pantuso; J. Archambo, City Admin.; Ron Braier, Finance Dir.; Police Capt. D. Weiss; D. Wheaton, Chief Building Official

Ald. Ewerdt as Chair called the meeting to order at 7:07 p.m.

Cost saving analysis by Harwood Engineering Consultants, Inc. pertaining to air cooled condensing unit replacement and ERV Payback Report for the police station

At the last committee meeting the committee members decided that they needed more information regarding the options for replacing one of the police department air conditioners. The original request was to replace only the compressor units on the roof at a cost of \$45,000; however, that would still involve the use of Freon which is now banned by the Environmental Protection Agency (EPA). Ms. Welch reported that it would cost \$75,000 to replace the units which should last from 10 to 20 years. There was one other option; the entire system could be replaced at a cost of \$190,000. Given the new information, the matter was held until this special Budget & Finance Committee meeting.

Ald. Donegan was concerned that Mr. Wheaton was offering a solution without going through the bidding process. He expressed displeasure that the committee was being asked to make a quick decision after the recommendation was changed. Ald. Donegan introduced Mr. Greg Stano, a resident. He felt that Mr. Stano might have some expertise in this area.

Mr. Greg Stano, 4430 N. 108th Street, commented that he had looked over the current system at the Police Department and it is not one he is familiar with. He noted that a new system would have a big reduction in the tonnage size and they could leave the old equipment on the roof. Ald. Donegan commented that Mr. Stano thought there was merit in looking at a good design that will bring savings. Mr. Stano added that he knew people that have units available. He asked if the \$45,000 was for a new system.

Mr. Wheaton noted that when the memo was drafted, they had basic information on three options: 1) replace the current equipment with the same unit for about \$45,000; 2) replace in kind with new refrigerant for about \$85,000; and 3) install a new unit providing energy modification incorporating recovery and recapture to circulate back into the system for energy savings.

Ald. Donegan asked if there was a 20-year life for option #1. Mr. Wheaton commented that it would have an approximate 20-year life, but the cost for the Freon being used in the current system is much higher. He said the information on this comes from Harwood Engineering Consultants, Ltd., the official contractor for the city.

Mr. Archambo commented that the Jennifer Ferguson, Planner, is confident that the cost of \$190,000 in the third option is covered by Community Development Block Grant (CDBG) funds.

Ald. Causier asked what would happen with the police department while the unit was out of service. Mr. Stano replied that it would cost about \$5,000 per month for a rental unit and to pay for a crane to lift it.

Mr. Wheaton clarified that there are four units in all at the police station. In this case, they are talking about a ground unit and they will get something in there in the interim.

Mr. Robert Lex, Harwood Engineering Consultants, Ltd., 7420 W. State Street, commented that they were called to look at a catastrophic breakdown at the police department. The equipment is worth about \$500 per ton. The unit is 60 tons. They asked to borrow existing drawings of the building. They re-ran the loads and calculated the ventilation requirements. The new equipment saves about 80% of the load. Payback with the third option would be about \$14,000. Ald. Ewerdt commented that an approximate seven year payback would be about \$98,000. Mr. Lex stressed that the \$14,000 would be a reduction in utility bills. He added that instead of buying a 60 ton unit there would be 40 tons of capacity.

Mr. Wheaton noted that when the new unit is done with its useful life replacing it would become part of the Capital Improvements Program.

Mr. Archambo stressed that based on the calculations long term the \$190,000 option is the best for the city. If it lasts 14 years the cost would be cut from the differential between the two units. If authorized to proceed, the option could be evaluated by the consultant. The \$190,000 is not coming from the city coffers.

Moved by Ald. McBride, seconded by Ald. Donegan to adopt the third option with a cost savings for the city. Funding coming from the use of CDBG funds will provide a cost saving – 7

The meeting adjourned at 7:28 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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