

**ELECTRONIC PACKET**

**April 27, 2020 Commission Meeting**

**RELEASED: Monday, April 20, 2020**



# Milwaukee Metropolitan Sewerage District

260 West Seeboth  
Street  
Milwaukee, WI  
53204

## Meeting Agenda Commission

*Dan Devine, Chair*  
*Eugene Manzanet, Vice Chair*  
*Dan Bukiewicz, Tim Carpenter, Cavalier C. Johnson,*  
*LaTonya Johnson, Bryan L. Kennedy, Ph.D., Kris Martinsek*  
*Jeff Stone, John Swan, III, Corey Zetts*

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Monday, April 27, 2020

9:00 AM

Skype Online Meeting/Conference Call

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NOTICE IS HEREBY GIVEN, pursuant to Section 19.84, Wisconsin Statutes, that the Milwaukee Metropolitan Sewerage District's Commission will hold its regularly scheduled public meeting on Monday, April 27, 2020, at 9:00 a.m. via Skype online meeting. The weblink to access this meeting is <https://meet.lync.com/mmsd365/akettlewell/CFMKYDR4>; telephone dial-in is available through 414.909.9127, access code 47256483#.

PURSUANT TO SECTION 19.85(1)(g), Wisconsin Statutes, the Commission reserves the right to go into Closed Session on any item on the public portion of the agenda to confer with Legal Counsel when it appears the matter may involve the District in litigation. If the Commission does convene in such a Closed Session, it is contemplated that the Commission will again, before adjourning the meeting, reconvene at the same place in Open Session at which time the Commission may act upon any item(s) considered in the Closed Session and upon any unfinished items from the regular agenda.

### CALL TO ORDER

### RECORD ROLL

**Approval of Proceedings of Regular Commission Meeting held March 26, 2020 and Special Commission Meeting held April 15, 2020**

### NEW BUSINESS

20-004-1 Operations and Maintenance Report for February & March 2020 - Pat Obenauf & Scott Royer

### OPERATIONS COMMITTEE MEETING REPORT

- 1 20-048-4 Award of Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, and Approve Changes in Total Project Costs
- 2 20-049-4 Contract J04072D01, Engineering Services - Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility

- 3      20-050-4      Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility Primary Clarifiers Drive Improvements
- 4      20-051-4      Change Order Request, Purchase Order No. 9658, Material Capital Repair or Replacement No. 1038, South Shore Water Reclamation Facility Effluent Pump #3 Repairs
- 5      20-052-4      Change Order Request, Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, and Restore the Executive Director's Original Delegated Authority

### **POLICY, FINANCE & PERSONNEL COMMITTEE MEETING REPORT**

- 6      20-053-4      Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy
- 7      20-054-4      Authorization of a Public Hearing Regarding Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater
- 8      20-055-4      Approval of the Beaver Creek Watercourse Management Plan
- 9      20-056-4      Agreement between the Milwaukee Metropolitan Sewerage District and the Village of Brown Deer Regarding Voluntary Property Acquisition
- 10     20-057-4      Contract W11031D06, Community Outreach Services, North 30th Street Corridor Wet Weather Relief - West, Phase II
- 11     20-058-4      Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy
- 12     20-059-4      Amend the 2020 Capital Budget and Create the Project M03109, Energy Plan for MMSD Facilities  
*Requires a 2/3 Affirmative Vote of the Commission for Adoption*
- 13     20-060-4      Award of Contract M01037C02, Standby Generator and Pavement Upgrades
- 14     20-061-4      Approve Change in Total Project Cost for Project W10004, Milwaukee River - North Avenue to Silver Spring Drive, and Approval to Create One Senior Project Manager Position
- 15     20-062-4      Develop Administrative Policy Regarding Restroom Facility Reconstruction
- 16     20-063-4      Approval of Paid-Time Leave During Business Continuity Plan
- 17     20-064-4      Authorizing the Transfer of Funds in the 2019 Operations and Maintenance Budget and the Transfer of Funds in the 2019 Capital Budget  
*Requires a 2/3 Affirmative Vote of the Commission for Adoption*

- 18      20-065-4      Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000 General Obligation Refunding Bonds, and Certain Related Details
- Requires a 2/3 Affirmative Vote of the Commission for Adoption*

## **ORGANIZATION & ADMINISTRATION**

- 20-003-1      EXECUTIVE DIRECTOR'S REPORT
- A. Monthly Reports
  - B. Staff Recognition (Kevin Shafer)
  - C. 2050 Facilities Plan Update (Karen Sands)
  - D. Annual Performance Report (Christine Durkin)

## **CLOSED SESSION**

PURSUANT TO SECTION 19.85(1)(c), (e), and (g), Wisconsin Statutes, the Commission will go into Closed Session for considering employment compensation and performance evaluation data of public employees over whom the Commission has jurisdiction, regarding deliberations and/or negotiations on contracts which for bargaining reasons require a Closed Session and for conferring with Legal Counsel with respect to litigation in which the District is or may become involved.

- CS1**      **20-068-4**      Deliberating the Investment of Public Funds for Which Competitive and Bargaining Reasons Require a Closed Session for Real Estate Negotiations for the NS-12 Collector System Improvements Project, I06001
- CS2**      **20-069-4**      Deliberating the Investment of Public Funds for Which Competitive and Bargaining Reasons Require a Closed Session for Real Estate Negotiations for the Voluntary Acquisition of Property at 9223 North Brown Deer Road
- CS3**      **20-070-4**      Complaint with State of Wisconsin Department of Workforce Development Regarding Alleged Violation of the Wisconsin Fair Employment Act, Wis. Sections 111.31-111.397 Wis. Stats
- CS4**      **20-071-4**      Executive Director Annual Performance Review

PURSUANT TO SECTION 19.84, the Commission may reconvene in Open Session to continue discussion of items listed on the public agenda; and may reconvene in Closed Session again thereafter to further discuss any items not completed during the Closed Session and may thereafter reconvene in Open Session to further discuss the Open and Closed Session items. Any items taken up in Closed Session may subsequently be taken up in Open Session.

**ADJOURNMENT**

PLEASE NOTE: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aids. For additional information or to request these services, contact the Office of the Commission at 414.225.2264, (FAX) 414.277.6360 or write to Office of the Commission, 260 W. Seeboth Street, Milwaukee, Wisconsin, 53204-1446.



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**Anna Kettlewell, Commission Secretary  
Milwaukee Metropolitan Sewerage District**



# Milwaukee Metropolitan Sewerage District

260 West  
Seeboth Street  
Milwaukee, WI  
53204

## Meeting Minutes

### Commission

*Dan Devine, Chair*  
*Eugene Manzanet, Vice Chair*  
*Tim Carpenter, Kathy Ehley, Cavalier C. Johnson,*  
*LaTonya Johnson, Bryan L. Kennedy, Ph.D., Kris Martinsek*  
*Jeff Stone, John Swan, III, Corey Zetts*

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Thursday, March 26, 2020

1:00 PM

CONFERENCE CALL

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### RESCHEDULED MEETING

#### CALL TO ORDER

*Commission Chair Commissioner Devine called the meeting to order at 1:05 p.m.*

#### RECORD ROLL

**Present** 10 - Tim Carpenter, Dan Devine, Kathy Ehley, Cavalier C. Johnson, Bryan L. Kennedy Ph.D., Eugene Manzanet, Kris Martinsek, Jeff Stone, John Swan III, and Corey Zetts

**Absent** 1 - LaTonya Johnson

#### Approval of Proceedings of Regular Commission Meeting held February 24, 2020

A motion was made by Commissioner Carpenter, seconded by Commissioner Manzanet. The motion carried.

#### OPERATIONS COMMITTEE MEETING REPORT

*Items 1 and 3-6 were taken as a block.*

- 1     20-032-3           Contract J02015D01, Engineering Services - Jones Island Aeration Basin Concrete Rehabilitation  
  
A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
  
- 2     20-033-3           Contract J04074E01, Preliminary Engineering - Milorganite® Packaging Facility  
  
A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a voice vote.

- 3     20-034-3     Change Order Request, Contract K01012C07, Conveyance Supervisory Control and Data Acquisition Upgrade - Phase 2, and Restore the Executive Director's Original Delegated Authority
- A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 4     20-035-3     Authorizing the Executive Director to Enter into a Settlement Agreement and Memorandum of Understanding Regarding Responsibility for Disposal of Plate and Frame Press Cake, and Change Order Request to Purchase Order 10826 for South Shore Plate and Frame Press Cake Shared Disposal Costs
- A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 5     20-036-3     Change Order Request, Contract P01005C03, Pump Station Replacements - Interplant Sludge System Improvements, and Approve Changes in Total Project Cost
- A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 6     20-037-3     Contract S06046C01, Cat Engine 1, 2, 3, and 4 Top End Overhauls at South Shore Water Reclamation Facility
- A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 7     20-038-3     Amend the 2020 Capital Budget, Create Project J06078, Jones Island Odor Assessment, and Award of Contract J06078P01 - Planning Services - Odor Assessment, Modeling and Capital Improvement Plan at Jones Island Water Reclamation Facility Project
- A motion was made by Commissioner Swan, seconded by Commissioner Carpenter, that this resolution be adopted by a roll call vote. The motion carried by the following roll call vote:
- Yes: 10 - Commissioner Carpenter, Commissioner Devine, Commissioner Ehley, Commissioner Johnson, Commissioner Kennedy Ph.D., Commissioner Manzanet, Commissioner Martinsek, Commissioner Stone, Commissioner Swan III and Commissioner Zetts
- No: 0
- Absent: 1 - Commissioner Johnson

**POLICY, FINANCE & PERSONNEL COMMITTEE MEETING REPORT**

*Items 9-14 were taken as a block.*

- 8**     20-039-3           Amend the 2020 Capital Budget and Create the Following Projects:  
Project J06082, Jones Island Water Reclamation Facility Flood Resilience Improvements; Project S02017, South Shore Water Reclamation Facility Process Air Header Improvements; and Project C05057, I-43 Metropolitan Interceptor Sewer Improvements
- A motion was made by Commissioner Stone, seconded by Commissioner Manzanet, that this resolution be adopted by a roll call vote. The motion carried by the following roll call vote:**
- Yes:** 10 - Commissioner Carpenter, Commissioner Devine, Commissioner Ehley, Commissioner Johnson, Commissioner Kennedy Ph.D., Commissioner Manzanet, Commissioner Martinsek, Commissioner Stone, Commissioner Swan III and Commissioner Zetts
- No:** 0
- Absent:** 1 - Commissioner Johnson
- 9**     20-040-3           Agreement between the Milwaukee Metropolitan Sewerage District and Milwaukee County for Kinnickinnic River Watercourse Restoration and Flood Management in Jackson Park, and Approve Change in Total Project Cost
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.**
- 10**    20-041-3           Authorizing the Executive Director to Execute Payment to Infor, Inc., for the Annual Maintenance and Support for the District's Financial System
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.**
- 11**    20-042-3           Approval of the Removal of Criminal History Questions from the MMSD Employment Application
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.**




- 12    20-043-3            Performance Assurance Mechanism for Contract C05041C03, Basin H Central Metropolitan Interceptor Sewer Polychlorinated Biphenyl Remediation
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 13    20-044-3            Declaration of the Public Necessity and Approval of the Acquisition Plat (Relocation Order) for the Project I06001, NS-12 Collector System Improvements
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 14    20-045-3            Issuance of 20-year License Agreement for Stormwater Discharge Facilities to be Located on District-owned Property at Wilson Park Creek
- A motion was made by Commissioner Stone, seconded by Commissioner Kennedy, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 15    20-046-3            Authorizing and Providing for the Sale and Issuance of Two Series of General Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment Thereof, and All Related Details
- A motion was made by Commissioner Stone, seconded by Commissioner Martinsek, that this resolution be adopted by a roll call vote. The motion carried by the following roll call vote:
- Yes: 10 - Commissioner Carpenter, Commissioner Devine, Commissioner Ehley, Commissioner Johnson, Commissioner Kennedy Ph.D., Commissioner Manzanet, Commissioner Martinsek, Commissioner Stone, Commissioner Swan III and Commissioner Zetts
- No: 0
- Absent: 1 - Commissioner Johnson

## ADJOURNMENT

*It was moved by Commissioner Swan, seconded by Commissioner C. Johnson, to adjourn. The motion carried.*

*As there was no further business, the meeting was adjourned at 1:15 p.m.*



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**Anna Kettlewell, Commission Secretary  
Milwaukee Metropolitan Sewerage District**



# Milwaukee Metropolitan Sewerage District

260 West  
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## Meeting Minutes

### Commission

*Dan Devine, Chair*

*Eugene Manzanet, Vice Chair*

*Tim Carpenter, Kathy Ehley, Cavalier C. Johnson,*

*LaTonya Johnson, Bryan L. Kennedy, Ph.D., Kris Martinsek*

*Jeff Stone, John Swan, III, Corey Zetts*

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Wednesday, April 15, 2020

1:30 PM

Skype Online Meeting/Conference Call

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### SPECIAL COMMISSION MEETING

#### CALL TO ORDER

*Commission Chair Commissioner Devine called the meeting to order at 1:37 p.m.*

#### RECORD ROLL

- Present** 9 - Tim Carpenter, Dan Devine, Kathy Ehley, Cavalier C. Johnson, LaTonya Johnson, Bryan L. Kennedy Ph.D., Eugene Manzanet, Kris Martinsek, and Corey Zetts
- Excused** 1 - Jeff Stone
- Absent** 1 - John Swan III

#### NEW BUSINESS

- 21    20-047-4    A Resolution Authorizing and Providing for the Sale and Issuance of \$80,000,000 General Obligation Sewerage System Bonds, Series 2020A, Levying Taxes for the Payment Thereof, and all Other Related Details

*The Commission received a presentation from Kevin L. Shafer, P.E., Executive Director.*

**A motion was made by Commissioner Manzanet, seconded by Commissioner Kennedy, that this resolution be adopted by a roll call vote. The motion carried by the following roll call vote:**

**Yes:** 9 - Commissioner Carpenter, Commissioner Devine, Commissioner Ehley, Commissioner Johnson, Commissioner Johnson, Commissioner Kennedy Ph.D., Commissioner Manzanet, Commissioner Martinsek and Commissioner Zetts

**No:** 0

**Excused:** 1 - Commissioner Stone

**Absent:** 1 - Commissioner Swan III

**ADJOURNMENT**

*It was moved by Commissioner Kennedy, seconded by Commissioner Zetts, to adjourn. The motion carried.*

*As there was no further business, the meeting was adjourned at 1:45 p.m.*



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**Anna Kettlewell, Commission Secretary  
Milwaukee Metropolitan Sewerage District**

**COMMISSION MEETING**

**April 27, 2020**

**OPERATIONS AND MAINTENANCE REPORT FOR FEBRUARY & MARCH 2020 –  
PAT OBENAUF & SCOTT ROYER**

**20-004-01**

**PowerPoint presentation from Patrick Obenauf, Manager of Contract Compliance,  
and Scott Royer, General Manager, Veolia Water Milwaukee, LLC**



**COMMISSION FILE NO:** 20-048-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Award of Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, and Approve Changes in Total Project Costs

**SUMMARY:**

The Commission is requested to award and to direct the Executive Director to execute on behalf of the District Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility (JIWRF), to Pieper Electric, Inc., in the amount of \$958,750. Pieper Electric, Inc., was the lowest responsible, responsive bidder among three bids received.

Further, the Commission is requested to increase the total project cost (TPC) for Project J06066, Power System Improvements, by \$386,890 for an amended TPC of \$2,023,630 and to make a corresponding change to the TPC for Project J99001, Allowance for Cost and Schedule Changes.

JIWRF uses multiple medium voltage (13,200- or 25,400-volt) switchgear units to distribute electric power throughout JIWRF. Each switchgear unit consists of large circuit breakers located in cubicles surrounded by a steel enclosure. All power generated onsite or purchased from the utility passes through the medium voltage circuit breakers. The reliability of the power distribution system within the facility is paramount to personnel safety and effective treatment of wastewater.

Each medium voltage circuit breaker includes relays that are configured to automatically trip (switch off) to protect generators, cables, motors, and other equipment from damage in the event of a failure or abnormality in the power distribution system. It is important that these relays provide adequate protection of the system while not tripping unnecessarily, which can lead to plant-wide power outages. Power outages hold risks of permit violations, plant upsets, and multiple safety hazards.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*OP\_Award\_J06066C03\_Protective\_Relay\_Upgrades\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

### **Award of Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, and Approve Changes in Total Project Costs**

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This contract will replace relays which are critical to ensure ongoing plant functionality; the relays are located in switchgear, which distributes power to the entire JIWRP. These relays are 30+ years old and have reached or exceeded their expected useful service lives. Due to the vintage of the relays, they do not have the capability to log event data. This creates a challenge for troubleshooting power events at JIWRP. The limited availability or lack of replacement parts puts the relays at an increased risk of failure. The purpose of this contract is to replace the obsolete relays with new equipment to reduce the risk of power outages at JIWRP and to increase the ability to determine the root cause if an event occurs.

The general scope of work for this contract will:

- Remove existing relays in switchgears located in Buildings 263, 286, and 289.
- Furnish and install:
  - 40 new relays.
  - Three real-time automation controllers.
  - Three satellite synchronized clocks.
  - Related electrical panels, controls and devices.
- Update existing JIWRP electrical system arc flash model to incorporate the new relays.

The contract duration is 380 days.

The low bid received by the District is greater than budgeted, and staff requests to increase the TPC accordingly. During the design phase, additional scope was added to the project that was not included in the 2020 Capital Budget.

## RESOLUTION

Award of Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, and Approve Changes in Total Project Costs

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, is awarded to Pieper Electric, Inc., in the amount of \$958,750, and that the Executive Director is directed to execute the contract on behalf of the District.

**FURTHER RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the total project cost for Project J06066, Power System Improvements, is increased by \$386,890 for an amended total project cost of \$2,023,630, and that a corresponding change is made to the total project cost for Project J99001, Allowance for Cost and Schedule Changes.





**Capital Budget Fiscal Note  
Total Project Cost**

**RELATING TO:**

Award of Contract J06066C03, Protective Relay Upgrades at Jones Island Water Reclamation Facility, and Approve Changes in Total Project Costs

<b>Capital Project Number(s)</b>	<b>Impact of Requested Action on Total Project Cost:</b>			
<u>J06066</u>	<input checked="" type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> New Project	<input type="checkbox"/> No Change

<u>Total Project Cost Analysis</u>	<u>Project Costs</u>
Adopted 2020 Total Project Cost	\$1,636,740
Previously Approved Changes	\$0
Approved Total Project Cost	\$1,636,740
Requested Total Project Cost	\$2,023,630
Requested (Increase)/Decrease	(\$386,890)

<b>Action to be taken to Long-Range Financing Plan to address Total Project Cost change</b>	
_____	Transfer from Allowance for Cost and Schedule Changes
_____	Transfer from another project (specify in comments)
_____	Delay Project(s) (specify in comments)
_____	Delete Project(s) (specify in comments)
_____	X Other <u>J99001</u>
_____	Transfer to Allowance for Cost and Schedule Changes

**Comments**  
 The low bid received by the District is greater than budgeted, and staff requests to increase the TPC accordingly. During the design phase, additional scope was added to the project that was not included in the 2020 Capital Budget.

Budget Review by:	Date:
<u>Theresa Zwieg</u>	<u>3/13/2020</u>



## OUTREACH INFORMATION

The Procurement team performed the following outreach: advertised in the Daily Reporter, sent an e-mail notification to all registered firms in the Construction & General Services categories, and sent targeted e-mails to 11 S/W/MBE electrical firms. The bid opportunity is also publicly accessible from the MMSD website and Quest CDN. Quest CDN also performs outreach to its users when a bid is posted.

S/W/MBE Planholders:

CE Power Solutions, Dairyland Energy Solutions, Electrical Testing Solutions

If no or low S/W/MBE participation, explain why:

Pieper Power initially did not propose any S/W/MBE participation. Their efforts included advertising in the Daily Reporter and reaching out to one S/W/BE firm, who did not supply a quote. They cited difficulties in finding opportunities for subcontracting to S/W/MBE firms because electrical labor only made up 20% of their bid price. They did not initially pursue S/W/MBE participation for the arc flash work. After discussions with District staff, Pieper agreed to subcontract a portion of labor to a veteran-owned business and a portion of the arc flash work to a small business.

Additional Comments:

n/a

## AWARDEE INFORMATION

Company:	<u>Pieper Power, Inc.</u>
Contact Person:	<u>Nathan Gonnering</u>
Phone Number:	<u>(414) 462-7700</u>
E-mail Address:	<u>nathan.gonnering@pieperpower.com</u>

## EEO DATA

	5477 S. Westridge Court			Total # of Employees		1,314
	Location: <u>New Berlin, WI 53151</u>					
	<b><u>Total</u></b>	<b><u>%</u></b>		<b><u>Total</u></b>	<b><u>%</u></b>	
<b>Minorities</b>	<u>76</u>	<u>5.8%</u>	<b>Females</b>	<u>98</u>	<u>7.5%</u>	
African American	<u>23</u>	<u>1.8%</u>	African American	<u>7</u>	<u>0.5%</u>	
Asian	<u>5</u>	<u>0.4%</u>	Asian	<u>0</u>	<u>0.0%</u>	
Hispanic	<u>34</u>	<u>2.6%</u>	Hispanic	<u>5</u>	<u>0.4%</u>	
Native American	<u>1</u>	<u>0.1%</u>	Native American	<u>1</u>	<u>0.1%</u>	
	<u>Labor Market Availability - Minorities 35.7%</u>			<u>Labor Market Availability - Females 51.6%</u>		



**COMMISSION FILE NO:** 20-049-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute on behalf of the District Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility (JIWRF), with Symbiont Science, Engineering and Construction, Inc., in an amount not to exceed \$549,994. Symbiont Science, Engineering and Construction, Inc, was the highest scoring proposer, based on a qualifications-based selection method, between two proposals received.

Within the Drying and Dewatering (D&D) Facility, the District produces bulk Milorganite® by heat drying dewatered biosolids in 12 rotary dryers, then screening, classifying, and cooling the product. After cooling, Milorganite® is weighed and transferred to four day bins in the D&D Facility via bucket elevators and screw conveyors. A dense phase pneumatic transport system conveys Milorganite® from the day bins to storage silos (the Milorganite® Storage Facility (MSF)). The MSF contains 14 silos arranged in two banks of seven silos. A dust collection system serves the conveyance and storage facilities.

This project focuses on replacing most equipment from immediately downstream of the Milorganite® product coolers to the silos and includes equipment associated with the silos. Most of the equipment was installed in 1994 as part of the original D&D Facility construction. The equipment has reached the end of its useful service life, and staff recommends replacement. Inadequate performance of the transport equipment has reduced system reliability and efficiency. Recently, the transport system has experienced decreased capacity and increased maintenance. The transport system is a single point of failure element between the D&D Facility and the MSF.

**ATTACHMENTS:** **BACKGROUND**  **KEY ISSUES**  **RESOLUTION**   
**FISCAL NOTE**  **S/W/MBE**  **OTHER**  \_\_\_\_\_

*OP\_Award\_J04072D01\_Eng\_Services\_Milo\_Silo\_Equip\_Repl\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## SUMMARY (Cont'd)

Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility

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In October 2019, a portion of the transport system failed, leading to a significant reduction in Milorganite® transport system capacity from the day bins to the silos. The capacity reduction increased Milorganite® day bin volumes to critical levels and required dryers to be taken out of service to reduce Milorganite® production.

The purpose of this project is to increase equipment reliability and efficiency and to restore equipment service life to a minimum of 20 years. The equipment addressed in the scope of this project includes:

- Two weigh belts and weigh scales
- Two bucket elevators
- Deflagration venting for bucket elevator
- Two day bin transfer screw conveyors
- Two day bin feed screw conveyors
- All inlet and discharge chutes, dust collection plenums, ductwork, and slide gates associated with the bucket elevators and screw conveyors.
- Four day bin cone liners
- Four product transporters
- All air injector booster valves along the dense phase transport piping
- Seven dense phase transport diverter valves
- 14 silo fill valves and actuators
- 14 silo purge valves and actuators
- 14 silo dust valves and actuators
- 14 silo temperature probes
- 14 silo level probes
- Two silo purge fans
- 14 silo draw-off valves
- 14 silo vibrators
- All dense phase transport piping between the day bins and the MSF silos

Under Contract J04072D01, the consultant will perform project management, engineering design services, plans and specifications preparation, and engineering services during construction.

After the design work is complete, the District will publicly bid the construction contract.

The duration for this contract is approximately 32 months.

## RESOLUTION

Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility, with Symbiont Science, Engineering and Construction, Inc., in an amount not to exceed \$549,994.



**Contract J04072D01, Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility**



**Procurement & S/W/MBE Summary Information**

**Contract #**                     J04072D01                     **Cost Center:**           ENG          

**Engineering Services – Milorganite® Transport and Silo Storage Equipment Replacement at Jones Island Water Reclamation Facility**

**PROPOSAL SUMMARY**

Proposal Receipt Date:                     2/20/2020                    

	<b>Total</b>	<b>SWMBE</b>	<b>Local</b>
# of Proposals	2	1	2
# of Acceptable Proposals	2	1	2

<b>Proposals (listed by rank)</b>	<b>Negotiated Price</b>	<b>Acceptable?</b>	<b>% Sub</b>	<b>% SWMBE</b>
	<i>Submitted Price</i>			
Symbiont Science, Engineering and Construction, Inc Milwaukee, WI 53214	<b>\$549,994.00</b> \$549,994.00	Acceptable	36.4%	33.9%
Applied Technologies, Inc. Brookfield, WI 53005 (SBE)	- \$544,042.00	Acceptable	24.0%	94.0%

*Compensation packages for proposals rated "Conditionally Acceptable" and "Unacceptable" are not opened.*

**SUBCONSULTANT INFORMATION**

<b>Type</b>	<b>Subconsultant Name</b>	<b>Type of Work</b>	<b>%</b>	<b>Amount</b>
MBE	Kapur & Associates Milwaukee, WI 53217	CADD plan sheet development	15.6%	\$85,720.00
SBE	D&D Silo Specialist (Mike Wegner) Oak Creek, WI 53154	QA/QC services	1.4%	\$7,680.00
SBE	AES Engineering, LLC Rubicon, WI 53078	Greens Grade operations evaluation, QC	4.7%	\$25,810.00
SBE	ASD Engineering, LLC Mequon, WI 53092	Instrumentation and controls engineering	11.7%	\$64,100.00
WBE	Penne Wilson Consulting Sturgeon Bay, WI 54235	Development of design documentation	0.6%	\$3,040.00
Non-SWMBE	Baker Engineering and Risk Consultants, Inc. San Antonio, TX 78218	Engineering services	2.5%	\$13,720.00



## ECONOMIC DEVELOPMENT ELEMENTS

Local Office Preference? Y

Mentor Protégé? NA

## OUTREACH INFORMATION

The Procurement team performed the following outreach: advertised in the Daily Reporter, sent an e-mail notification to all registered firms in Engineering Services and General Services. Sent targeted e-mails to potential proposers and targeted e-mails to 111 SWMBE (same categories previously mentioned) firms, and notified the various local chambers of commerce. The proposal opportunity is also publicly accessible from the MMSD website and Bonfire, the portal used to post RFPs. Bonfire also performs outreach to its users when an RFP is posted.

### S/W/MBE Document Takers:

Applied Technologies, Inc., Automation Service and Design, Bloom Companies, LLC, Dodge Data & Analytics, Fusion Integrated Solutions, LLC, Kapur and Assoc., L&R Engineering Services, LLC, Oneida Total Integrated Enterprises (OTIE), ZS, LLC

### If no or low S/W/MBE participation, explain why:

NA

### Additional Comments:

NA

## AWARDEE INFORMATION

Company: Symbiont Science, Engineering and Construction, Inc  
 Contact Person: Patrick Carnahan  
 Phone Number: (414) 291-8840  
 E-mail Address: pat.carnahan@symbiontonline.com

## EEO DATA

Location:	<u>6737 W. Washington Street, Ste. 3440 Milwaukee, WI 53214</u>	Total # of Employees	<u>147</u>
	<b><u>Total</u></b>	<b><u>Total</u></b>	<b><u>%</u></b>
<b>Minorities</b>	<u>147</u>	<u>34</u>	<u>23.1%</u>
African American	<u>2</u>	<u>0</u>	<u>0.0%</u>
Asian	<u>2</u>	<u>0</u>	<u>0.0%</u>
Hispanic	<u>3</u>	<u>2</u>	<u>1.4%</u>
Native American	<u>1</u>	<u>1</u>	<u>0.7%</u>
	<b><u>%</u></b>		
	<u>100.0%</u>		
		<b><u>Total</u></b>	<b><u>%</u></b>
		<u>34</u>	<u>23.1%</u>
<b>Females</b>		<u>0</u>	<u>0.0%</u>
African American		<u>0</u>	<u>0.0%</u>
Asian		<u>0</u>	<u>0.0%</u>
Hispanic		<u>2</u>	<u>1.4%</u>
Native American		<u>1</u>	<u>0.7%</u>
<i>Labor Market Availability - Minorities</i>	<u>20.0%</u>	<i>Labor Market Availability - Females</i>	<u>48.0%</u>

**PRIME PERFORMANCE HISTORY - S/W/MBE COMPLIANCE**

Contract Title	Start Date	Percent Complete	Contract Value	Payments to Prime	Proposed SWMBE \$	Proposed SWMBE %	SWMBE Actuals \$	SWMBE Actuals %
C98045D01 CONVEYANCE GATE REHAB DESIGN - PHASE 11	7/29/2013	91%	\$394,240	\$357,637	\$150,600	38%	\$168,158	47%
C98051D01 Conv Gate Rehab - Phase 3	7/20/2015	100%	\$310,450	\$310,450	\$124,180	40%	\$132,177	43%
Conv. Gate Rehab-Phase 4	11/1/2015	100%	\$353,536	\$353,536	\$148,697	42%	\$170,223	48%
Services - NS-12 Collector System Requirements	8/22/2017	54%	\$1,142,081	\$613,385	\$225,789	20%	\$177,627	29%
Drainage Piping and Quench Chambers Rehab	3/5/2015	97%	\$166,966	\$162,307	\$56,768	34%	\$47,985	30%
Grade Train Replacement	7/25/2018	76%	\$767,668	\$583,064	\$307,144	40%	\$159,539	27%
J04039D01 - Eng. Services JI WRF Pressure Relief Panel	11/17/2015	100%	\$352,498	\$352,424	\$74,377	21%	\$116,967	33%
J04050D01 - Eng Serv Dryer Feed & Discharge Screw Conveyor	7/1/2016	85%	\$459,640	\$390,721	\$172,181	37%	\$124,371	32%
J04051D01 - Eng. Services Main Recycle Air Belt Feed Screw Conveyor	4/26/2016	98%	\$93,651	\$91,543	\$24,874	27%	\$14,182	15%
J04052D01 - Preliminary Engineering & Engineering Services for Milorganite Facility Improvements	8/1/2016	92%	\$388,483	\$357,580	\$125,325	32%	\$77,281	22%
J04057D01 Design and Engineering Services for JI WRF	1/1/2016	100%	\$127,556	\$127,547	\$30,613	24%	\$32,654	26%
J06026D01, JI & SS WRF Lighting Upgrade Design	4/20/2017	95%	\$278,744	\$266,045	\$102,578	37%	\$61,080	23%
J06054D01 ISS Crane & Tunnel Fan Overhaul	7/20/2015	96%	\$268,483	\$256,996	\$74,987	28%	\$84,448	33%
M01019P01 - Development of Air Monitoring Plans for Certain Conveyance & WRFs	8/1/2016	100%	\$389,316	\$389,207	\$69,065	18%	\$138,941	36%
S04030D01 - ES SS Aeration Basin Concrete Rehab Phase 3	7/27/2018	81%	\$203,516	\$164,259	\$69,541	34%	\$40,695	25%



**COMMISSION FILE NO:** 20-050-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility Primary Clarifiers Drive Improvements

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute on behalf of the District Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility (JIWRF) Primary Clarifiers Drive Improvements, with Arcadis US, Inc., (Arcadis) in an amount not to exceed \$197,982. Arcadis was the highest scoring proposer based on a qualifications-based selection method among five proposals received.

Primary clarification is a key unit process used for the removal of biological oxygen demand and total suspended solids from the influent wastewater stream. JIWRF has eight circular primary clarifiers each 160 feet in diameter.

The clarifier drive mechanisms were installed in 1980 and rehabilitated in 2010-2013. In the last few years, the clarifiers have experienced some excess drive wear. Staff believes that water has intruded into the drive mechanisms during high wet weather flows, ultimately resulting in this excess drive wear and reduced system reliability. Since discovery of this issue, operating staff have modified wet weather operational procedures to limit those flows to help reduce the risk of clarifier drive damage.

The purpose of this project is to improve the reliability of the primary clarification process. Staff proposes to modify the clarifier drive by increasing the height that the drive mechanism sits above water. In addition, staff recommends either rehabilitating or replacing the clarifier drive mechanisms.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*OP\_J01028D01\_Eng\_Services\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility  
Primary Clarifiers Drive Improvements

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The work proposed under this contract includes all engineering services for the replacement or rehabilitation of the primary clarifier drive mechanisms and increasing the elevation of the drive mechanism, clarifier bridge, and associated equipment and systems.

Under Contract J01028D01, the consultant will perform the following major tasks:

- Engineering design services.
- Bid and construction documents preparation.
- Engineering services during construction.
- Operations training, startup, and application engineering services.

The duration for this contract is approximately 43 months.

## RESOLUTION

Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility  
Primary Clarifiers Drive Improvements

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility Primary Clarifiers Drive Improvements, with Arcadis US, Inc., in an amount not to exceed \$197,982.



**Contract J01028D01, Engineering Services, Jones Island Water Reclamation Facility Primary Clarifiers Drive Improvements**



**Procurement & S/W/MBE Summary Information**

**Contract #**                     J01028D01                     **Cost Center:**           ENG          

**Engineering Services, Jones Island Water Reclamation Facility Primary Clarifiers Drive Improvements**

**PROPOSAL SUMMARY**

Proposal Receipt Date:                     3/3/2020                    

	<b>Total</b>	<b>SWMBE</b>	<b>Local</b>
# of Proposals	5	3	5
# of Acceptable Proposals	2	0	2

<b>Proposals</b> <i>(listed by rank)</i>	<b>Negotiated Price</b>	<b>Acceptable?</b>	<b>% Sub</b>	<b>% SWMBE</b>
	<i>Submitted Price</i>			
Arcadis Milwaukee, WI 53202	<b>\$197,982.00</b>	Acceptable	22.0%	22.0%
	\$197,982.00			
Donohue & Associates, Inc. Milwaukee, WI 53202	-	Acceptable	25.0%	25.0%
	\$190,258.00			
Applied Technologies, Inc. Brookfield, WI 53005 (SBE)	-	Unacceptable	10.0%	98.0%
	-			
Fusion Integrated Solutions, LLC Fox Point, WI 53217 (MBE)	-	Unacceptable	0.0%	100.0%
	-			
Globetrotters Engineering Corporation Milwaukee, WI 53202 (MBE)	-	Unacceptable	16.1%	100.0%
	-			

*Compensation packages for proposals rated "Conditionally Acceptable" and "Unacceptable" are not opened.*

## SUBCONSULTANT INFORMATION

Type	Subconsultant Name	Type of Work	%	Amount
MBE	Oneida Total Integrated Enterprises Milwaukee, WI 53226	Assessments, quality control	12.8%	\$25,260.00
SBE	AES Engineering Rubicon, WI 53078	Process start-up	1.1%	\$2,240.00
SBE	Automation Service & Design Mequon, WI 53092	Electrical engineering	6.7%	\$13,240.00
SBE	M&M Environmental and Educational Services Milwaukee, WI 53221	Assessments, quality control	1.4%	\$2,800.00

## ECONOMIC DEVELOPMENT ELEMENTS

Local Office Preference? Y

Mentor Protégé? N

## OUTREACH INFORMATION

The Procurement team performed the following outreach: advertised in the Daily Reporter, sent an e-mail notification to all registered firms in the Architecture & Engineering and Professional Services categories, and sent targeted e-mails to all SWMBE engineering firms. The proposal opportunity is also publicly accessible from the MMSD website and Bonfire, the portal used to post RFPs. Bonfire also performs outreach to its users when an RFP is posted.

### S/W/MBE Document Takers:

Applied Technologies, Inc.; Bloom Companies, LLC; Energenecs; Fusion Integrated Solutions, LLC; Globetrotters Engineering Corporation; IBC Engineering Services, Inc.; Kapur and Assoc.; L&R Engineering Services, LLC; MxGrp, Inc.; Oneida Total Integrated Enterprises (OTIE); The Concord Group

### If no or low S/W/MBE participation, explain why:

n/a

### Additional Comments:

n/a

## AWARDEE INFORMATION

Company: Arcadis

Contact Person: Tom Lachcik

Phone Number: (847) 805-1048

E-mail Address: tom.lachcik@arcadis.com



## EEO DATA

Location:	126 N. Jefferson Street, Suite 400 Milwaukee, WI 53202		Total # of Employees	5330	
	<b>Total</b>	<b>%</b>		<b>Total</b>	<b>%</b>
<b>Minorities</b>	1,003	18.8%	<b>Females</b>	1,914	35.9%
African American	213	4.0%	African American	71	1.3%
Asian	437	8.2%	Asian	188	3.5%
Hispanic	328	6.2%	Hispanic	113	2.1%
Native American	25	0.5%	Native American	10	0.2%
<i>Labor Market Availability - Minorities</i>			<i>Labor Market Availability - Females</i>		
22.8%			47.0%		

## PRIME PERFORMANCE HISTORY - S/W/MBE COMPLIANCE

Contract Title	Start Date	Percent Complete	Contract Value	Payments to Prime	Proposed SWMBE \$	Proposed SWMBE %	SWMBE Actuals \$	SWMBE Actuals %
C98056P01 - ES Conveyance System Evaluation and Modeling Software Improvements	10/25/2018	61%	\$ 2,016,477	\$ 1,227,201	\$415,394	21%	\$ 146,228	12%
J06034E01 - Preliminary Engineering & Design of Improvements to Head Tanks	2/24/2014	100%	\$ 440,359	\$ 440,352	\$121,803	28%	\$ 135,771	31%
S02013D01 - Eng Serv SS WRF Return Activated Sludge System	3/17/2016	72%	\$ 569,000	\$ 409,499	\$131,496	23%	\$ 57,897	14%
S03003D01 - Eng Services SSWRF Post-Secondary Capacity Improvements	9/2/2016	86%	\$ 784,274	\$ 670,612	\$159,443	20%	\$ 106,191	16%



**COMMISSION FILE NO:** 20-051-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Change Order Request, Purchase Order No. 9658, Material Capital Repair or Replacement No. 1038, South Shore Water Reclamation Facility Effluent Pump #3 Repairs

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute a change order to Purchase Order No. 9658, Material Capital Repair or Replacement (MCRR) No. 1038, South Shore Water Reclamation Facility (SSWRF) Effluent Pump #3 Repairs, with Veolia Water Milwaukee, LLC, (VWM) in an amount not to exceed \$63,277.

SSWRF has a nominal wet weather capacity of 300 million gallons per day (MGD). With high lake levels and during high flow conditions, it is necessary to operate up to four effluent pumps at SSWRF to discharge treated effluent to Lake Michigan. Five 75-MGD effluent pumps are normally available to meet the 300-MGD capacity, with one pump being redundant. If one pump is out of service, there is no redundancy in the effluent pumping system, and, if more than one pump is out of service, the capacity of SSWRF is reduced. Effluent Pump #3 is 35 years old, and component wear was causing excessive vibrations. The pump was operating at a reduced pumping capacity, and staff believes that the pump would have failed in the near future if it had continued to operate with the excessive vibrations.

The overall purpose of this project is to restore Effluent Pump #3 to its design capacity to ensure SSWRF has full effluent pumping capacity.

VWM competitively bid the original scope of work, which included:

- Sand blasting and repainting of the discharge column and base plate.
- Repairing, sand blasting, and repainting the impeller and suction bell.
- Rebuilding the gearbox and motor.
- Replacing bearings, seals, and lubrication lines.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*OP\_Change\_Order\_MCRR1038\_EffluentPump3\_legislative\_file.docx  
03-26-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## SUMMARY (Cont'd)

Change Order Request, Purchase Order No. 9658, Material Capital Repair or Replacement No. 1038, South Shore Water Reclamation Facility Effluent Pump #3 Repairs

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J.F. Ahern Co. (Ahern) was the lowest responsible and responsive bidder, with three bids received. The District issued the original purchase order to VWM, which is responsible for contracting, managing, and overseeing the construction contract with Ahern.

Ahern has removed and disassembled the pump to execute the original repairs. After disassembly, Ahern performed a complete inspection of the pump and provided recommendations for additional repairs outside the original scope of work. The District and VWM have reviewed the inspection report and recommend performing the following repairs that are beyond the original scope of work:

- Weld-repair corroded areas on the column/bowl assembly.
- Furnish and install a new line/head shaft.
- Furnish and install a new impeller shaft.
- Weld-repair corroded areas on the suction bell.
- Rebore the lower bearing housing.
- Replace the upper seal housing.
- Furnish and install a new shaft coupling.
- Furnish and install a new low speed shaft on the gearbox.

Ahern submitted a quote for the proposed additional scope of work. District and VWM staff reviewed this quote and found it fair and reasonable.

### PURCHASE ORDER COST CHANGES

<b>PURCHASE ORDER</b>	<b>AMOUNT</b>	<b>PERCENT INCREASE OVER ORIGINAL PURCHASE ORDER</b>	<b>AUTHORIZED BY</b>	<b>SWMBE</b>
Original	\$117,980		Executive Director	0.0%
Previous Change Order	\$13,876	11.8%	Executive Director	0.0%
Requested Change Order	\$63,277	53.6%	Request of Commission	0.0%
Total Change Orders	\$77,153	65.4%		0.0%
<b>TOTAL</b>	<b>\$195,133</b>			0.0%

## RESOLUTION

Change Order Request, Purchase Order No. 9658, Material Capital Repair or Replacement No. 1038, South Shore Water Reclamation Facility Effluent Pump #3 Repairs

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a change order to Purchase Order No. 9658, Material Capital Repair or Replacement No. 1038, South Shore Water Reclamation Facility Effluent Pump #3 Repairs, with Veolia Water Milwaukee, LLC, in an amount not to exceed \$63,277.





**COMMISSION FILE NO:** 20-052-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Operations Committee

**RELATING TO:** Change Order Request, Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, and Restore the Executive Director's Original Delegated Authority

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute a change order to Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension (NSC), with CDM Smith, Inc., (CDM) in an amount not to exceed \$47,500 and to restore the Executive Director's original delegated authority.

The Edgewood Avenue combined sewer service area (CSSA) generally drains the areas of the Village of Shorewood (Shorewood) and the City of Milwaukee (Milwaukee) east of North Oakland Avenue. The total service area of the CSSA is 666 acres, with 504 acres in Shorewood and 162 acres in Milwaukee. Some areas within this CSSA experience basement backups and surface flooding during large precipitation events.

The District, Shorewood, and Milwaukee performed several studies to identify system improvements to reduce basement backup and flood risk in this CSSA. Those studies, completed in 2018, recommended designing and constructing a new 1,650-foot, 66-inch-diameter, District NSC sewer in Edgewood Avenue. The new NSC would start at North Maryland Avenue and extend west to near North Bartlett Avenue, where it will connect to MMSD's existing 72-inch-diameter NSC sewer. The studies estimate that the new NSC will reduce the risk of basement backups by approximately 50 percent and reduce surface flooding during large precipitation events.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*OP\_Change\_Order\_C05051D01\_Restore\_Authority\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

Change Order Request, Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, and Restore the Executive Director's Original Delegated Authority

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In June 2019, the District executed Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, with CDM in an amount of \$684,877. The scope of the contract includes project management, preliminary design, design services, including bid document preparation, bid and award services, and engineering services during construction.

As the preliminary design has progressed, additional scope items not originally included in the scope of Contract C05051C01 have been identified.

As the design has progressed, additional scope items have been identified that are not in the current design contract scope. Following is a description of changes included in this proposed change order:

- Perform a review and analysis of District provided flow meter data to estimate dry weather flow (DWF) in the Edgewood CSSA. An estimate of the DWF is required to establish the elevation for the diversion structure weirs to ensure that DWF is conveyed to the water reclamation facilities instead of the Inline Storage System.
- Perform a Phase II Environmental Site Assessment (ESA) of a portion of Shorewood's River Park. A portion of River Park will be used for a tunnel shaft. A Phase I ESA identified potential soil contaminants as the site used to be a street car maintenance facility. The Phase II ESA includes soil testing to determine levels of soil contamination. This information is then used in bid documents to direct the contractor on how to manage soil disturbed as part of project construction.
- Perform design services for the pavement restoration of Edgewood Avenue at the two diversion structures. The original contract included full width reconstruction of Edgewood Avenue. At the request of Milwaukee and Shorewood, the District removed this design element from the contract under a previous change order. This requested change order adds back in pavement restoration at the two diversion structures.

### SUMMARY (Cont'd)

Change Order Request, Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, and Restore the Executive Director's Original Delegated Authority

	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY	SWMBE
Original Contract	\$684,877.00		Commission	36.6%
Previous Change Orders	\$61,897	9.0%	Executive Director	32.0%
Requested Change Order	\$47,500	6.9%	Request of Commission	66.5%
Total Change Orders	\$109,397	16.0%		47.0%
<b>TOTAL</b>	<b>\$794,274</b>			<b>38.0%</b>

For engineering service contracts greater than or equal to \$500,000, the Commission has delegated to the Executive Director the authority to make changes up to \$200,000 or 10 percent of the original contract price, whichever is less. For this contract, a limit of \$68,487 prevails. To date, the Executive Director has utilized \$61,897 of this authority, leaving a balance of \$6,590. The request to restore the Executive Director's authority is in case any other additional engineering services are needed.



## RESOLUTION

Change Order Request, Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, and Restore the Executive Director's Original Delegated Authority

---

**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a change order to Contract C05051D01, Engineering Services, Edgewood Avenue Near Surface Collector Extension, with CDM Smith, Inc., in an amount not to exceed \$47,500, and that the Executive Director's original delegated authority is restored.





**COMMISSION FILE NO:** 20-053-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy

**SUMMARY:**

The Commission is requested to repeal the Commission Policy 1-01.15, Watercourse Policy, and create new Commission Policy 1-01.15, Flood Risk Reduction Policy.

The District originally approved the Watercourse Policy (Policy) in 1999, with the purpose of directing District work efforts to reduce flood risks. The Commission has since modified this policy as circumstances warranted.

The District currently considers property acquisition or floodproofing as alternatives when developing and implementing watercourse management plans. While the existing policy addresses funding for floodproofing and acquisition, it does so only in a general manner. Several years ago, staff developed guidance for floodproofing and acquisition funding. Due to an increase in the number of possible actual floodproofing and acquisitions, staff began the process to convert the guidance into policy.

As staff began this process, it became apparent that the Policy needed an overall review and updating, as multiple sections were out of date and could be clarified. In addition, the Policy language is inconsistent with District Chapter 13 Rules. Due to the extent of the changes, staff is recommending repealing the current Policy and create a new policy to replace it. It is important to note that, while the changes are extensive, other than the new section regarding funding for floodproofing and acquisitions, there is no intent to make material policy changes. Staff is also developing modifications to Chapter 13 Rules to ensure consistency between the Policy and the rules.

**ATTACHMENTS:** **BACKGROUND**  **KEY ISSUES**  **RESOLUTION**   
**FISCAL NOTE**  **S/W/MBE**  **OTHER**  Attachment 1: Existing Watercourse Policy (Commission Policy 1-01.15), Attachment 2: Proposed Flood Risk Reduction Policy (Commission Policy 1-01.15), Attachment 3: Existing Watercourse Policy marked up to reflect proposed changes.

*PFP\_Repeal\_and\_Replace\_Watercourse\_Policy\_1-01.15\_legislative\_file  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## SUMMARY (Cont'd)

Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy

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Attached are the following policy documents:

- Attachment 1: Existing Watercourse Policy
- Attachment 2: Proposed Flood Risk Reduction Policy
- Attachment 3: Existing Watercourse Policy marked up to reflect proposed changes

Following is a summary of the Policy changes.

***This change will rename the Policy from “Watercourse Policy” to “Flood Risk Reduction Policy” and provide a policy purpose.***

Replacing the very general policy title with a more specific title more appropriately identifies the fundamental purpose of the District’s work.

The current Policy does not have a purpose section. A purpose section is proposed to establish a general framework for the District’s work

***The recreated Policy statements will better harmonize with District Rules.***

The purpose section described above also relates the Policy to District Chapter 13 Rules.

Jurisdictional stream definitions and the method to add streams to the District’s jurisdiction are recommended for removal from the Policy and placed into the District Chapter 13 Rules. The District Chapter 13 Rule change will occur in a separate Commission document.

***The recreated Policy will formalize a District financial contribution approach for voluntary structure acquisition and removal or voluntary structure floodproofing.***

A subsection, “Voluntary Structure Acquisition and Removal and Voluntary Floodproofing,” is a new addition to District policy.

Voluntary structure acquisition and removal or voluntary floodproofing is considered in the flood risk reduction alternatives development. Implementation of either voluntary structure acquisition and removal or voluntary floodproofing is pursued when a watercourse management plan recommends this approach over other flood risk reduction techniques, such as channel widening to increase flood conveyance, levees to hold back floodwaters, or flood storage to store and slowly release flood flows.

The District will collaborate with the local governmental unit and the property owner to determine the voluntary structure acquisition and removal or voluntary structure floodproofing to be implemented. A no action alternative will also be considered.

## SUMMARY (Cont'd)

Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy

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The District may fund voluntary structure acquisition and removal or voluntary structure floodproofing according the criteria in Tables 1 and 2.

Table 1  
**District Funding Amounts for Residential Structures with One to Four Units**

<b>Result of Cost Analysis</b>	<b>Alternative Selected by Owner and Local Government</b>	<b>District Funding Amount</b>
Floodproofing ≤ 50% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of floodproofing cost
Floodproofing > 50% Acquisition and removal	Floodproofing	50% of acquisition and removal cost
	Acquisition and Removal	100% of acquisition and removal cost

Table 2  
**District Funding Amounts for All Other Structures\***

<b>Result of Cost Analysis</b>	<b>Alternative Selected by Owner and Local Government</b>	<b>District Funding Amount</b>
Floodproofing ≤ 50% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of floodproofing cost
50% Acquisition and removal < Floodproofing < 75% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of acquisition and removal cost
Floodproofing ≥ 75% Acquisition and removal	Floodproofing	75% of acquisition and removal cost
	Acquisition and Removal	100% of acquisition and removal cost

\*residential structures greater than four units and commercial, industrial, governmental, and institutional structures

If an alternative is selected for implementation by the local governmental unit and owner that costs higher than the District funding amount, then the local governmental unit, the owner, or a combination of them must provide the supplemental funding.

## SUMMARY (Cont'd)

Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy

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The District and the local governmental unit will prepare and execute an intergovernmental cooperation agreement (ICA) to identify each party's responsibilities. The local governmental unit will do the floodproofing or acquisition and removal work.

The District will obtain a permanent property interest, such as an easement, in any property where the District has funded voluntary acquisition and removal or voluntary floodproofing.

***The recreated Policy will clarify and update various policy elements to make the Policy more useful and understandable.***

The proposed Policy formalizes that watercourse management plan development will consider climate change in the development of alternatives to reduce future flood risks.

The proposed Policy emphasizes the District will develop flood risk reduction projects to achieve other benefits, such as reduced risks to public health and safety, improved opportunity for access to and use of riparian areas, green infrastructure, etc., through stakeholder input.

The proposed Policy clarifies operation and maintenance responsibility for District flood risk reduction projects and when the District would intervene to remove debris, which causes increased flood risk.

The proposed Policy allows for flood risk reduction projects to perform a purpose requested by another party where an ICA or memorandum of understanding is developed to indicate how construction, operation, and maintenance costs will be shared.

Other miscellaneous minor changes are made to the proposed Policy.

District staff presented these proposed changes to the Technical Advisory Team. Staff has modified the proposed Policy changes in response to those comments.

## RESOLUTION

Repeal Commission Policy 1-01.15, Watercourse Policy, and Create Commission Policy 1-01.15, Flood Risk Reduction Policy

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that Commission Policy 1-01.15, Watercourse Policy, is repealed and that Commission Policy 1-01.15, Flood Risk Reduction Policy, is adopted as shown in the attached Commission Policy 1-01.15.



# Commission Policy

Subject: Watercourse Policy	Index: 1-01.15
Authority Statute:	Page: 1 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2	Date Issued: 4/26/99
	Date Revised: 1/22/07, 6/22/15, 2/27/17

## I. Jurisdiction

- A. Jurisdiction refers to the streams and watercourses for which the Commission has determined the District should serve as the primary management agency with respect to the construction and maintenance of flood risk reduction measures. The District may assume jurisdiction for the purposes of reducing flood risk over perennial streams that meet at least one of the following criteria:
1. streams within the District whose flooding poses potential major flood damage;
  2. streams within the District with tributary drainage in more than one community within the District; or
  3. streams within the District for which the District has completed channel improvements.
- B. The District may exercise jurisdiction for the purposes of reducing flood risk over intermittent streams that meet at least two of the following criteria:
1. streams within the District whose flooding poses potential major flood damage;
  2. streams within the District with tributary drainage in more than one community within the District; or
  3. streams within the District for which the District has completed channel improvements.
- C. For the purpose of this policy, “stream” includes the estuary reaches of the Kinnickinnic, Menomonee, and Milwaukee Rivers and those reaches shall be considered perennial.

## II. Watercourse Management Plans

For watercourses within its jurisdiction, the District will develop Watercourse Management Plans. These plans will identify flood risks and the preferred alternatives for watercourse improvements. District staff will present Watercourse Management Plans to the Commission for adoption. A Watercourse Management Plan becomes effective after adoption by the Commission. If conditions significantly change, then District staff will propose amendments to Watercourse Management Plans.





# Commission Policy

Subject: Watercourse Policy	Index: 1-01.15
Authority Statute:	Page: 2 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2	Date Issued: 4/26/99
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### III. Purposes Eligible for District Funding

- A. The District will limit its funding of watercourse improvements to those streams and stream reaches for which the Commission has chosen to assume jurisdiction for flood risk reduction purposes.
- B. The District may provide up to 100% of the capital costs, including, but not limited to, land acquisition, purchase of right-of-way, and construction, for the following structural measures:
  1. Storage facilities, such as detention and retention ponds, that receive the flows from two or more upstream communities, and/or control the flows moving toward two or more downstream communities.
  2. Modifications to the existing stream channel designed to increase channel capacity.
    - River lowering is the least preferred alternative for reducing flood risk and would be used when other alternatives are not feasible.
    - River lowering will be considered when the bottom elevation of a stream segment is not low enough to enable an outfall from a previously installed storm sewer.
  3. Modifications designed to restore or maintain natural vegetation and habitat in a channel, and that mitigate a potential increase to flood exposure that may result from restoration.
  4. Containment structures such as earthen dikes, concrete floodwalls and levees that prevent lateral overland flow from a channel to adjacent land areas.
  5. Removal of existing bridges and culverts when necessary to reduce flood risk and when the owner finds that the bridge or culvert is no longer necessary.
  6. Bridge and culvert modification or replacement when needed to obtain sufficient capacity under and through the structure to reduce flood risk. For modifying or replacing a non-District bridge or culvert, the level of District funding will be no more than the lowest cost alternative for modifying or replacing the structure to obtain the required flow capacity. Also, actual District funding will depend upon the remaining useful life of the structure, modifications needed to obtain the required flow capacity, and other relevant factors.



# Commission Policy

Subject: Watercourse Policy	Index: 1-01.15
Authority Statute:	Page: 3 of 5
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The District will seek to maximize funding from the bridge owner and minimize the District's contribution. When circumstances allow, the District will schedule bridge replacement to maximize the bridge owner's eligibility for state or federal funding and support the bridge owner's efforts to obtain grant funding.

- C. The District may provide up to 100% of the costs for the following non-structural measures:
1. Acquisition of improved real property and the demolition or removal of associated structures from the floodplain, when such expenditures are essential to implementing a Watercourse Management Plan alternative adopted by the Commission.
  2. Expenditures associated with the relocation of the residents of properties acquired for the purpose of implementing a Watercourse Management Plan alternative adopted by the Commission.
  3. Expenditures associated with maintaining property in open land uses for the purposes of preserving environmentally valuable features such as natural storage, infiltration and conveyance. Such expenditures may take the form of conservation easements, fee-simple acquisition, purchase of development rights or other methods the Commission deems to be advisable. The Executive Director shall ensure that the District is named on any deed related to a fee simple acquisition, or purchase of development rights or conservation easement, to which it has contributed.
  4. Direct costs associated with floodproofing structures when such expenditures are essential to implementing a Watercourse Management Plan alternative adopted by the Commission.
- D. The District may fund up to 100% of the following operation and maintenance expenditures associated with structural and non-structural flood risk reduction measures:
1. Operation and maintenance necessary to achieve the optimum results from a structural measure that the District has constructed. In the event a structural measure constructed by the District serves multiple objectives, MMSD will be responsible for the operations and maintenance pertaining to flood risk reduction, including that which is necessary to restore flood risk reduction functionality after a storm.



# Commission Policy

Subject: Watercourse Policy	Index: 1-01.15
Authority Statute:	Page: 4 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2	Date Issued: 4/26/99
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In the event that the District has constructed a structural measure that serves multiple objectives, other parties who benefit from the secondary purpose, such as local governments, are responsible for the operations and maintenance pertaining to the secondary objective. This applies regardless of whether the land on which the measure is constructed is owned by the District or by another party. The Commission shall approve an appropriate agreement regarding operations and maintenance responsibilities and funding prior to initiating construction of a structural measure that serves multiple objectives.

2. Expenditures necessary for the enforcement of a conservation easement.

## IV. Maintenance

- A. The District will limit its performance of watercourse maintenance activities to those streams and stream reaches over which the Commission has chosen to assume jurisdiction for flood risk reduction purposes.
- B. District watercourse maintenance will be performed as follows:
  1. The District will establish a baseline condition for debris removal in specific streams based on the water surface elevation during the 1% annual probability flood. The District will limit its maintenance activities to the removal of natural debris or man-made items from watercourses in order to prevent or eliminate obstructions that would raise surface water elevations during the 1% annual probability flood in an amount that would cause an increased number of structures above the baseline condition being flooded.
  2. The District will establish a baseline condition for sediment removal in specific streams based on the water surface elevation during the 1% annual probability flood. The District will limit its sediment removal activities to those segments of streams in which the District has constructed a structural flood risk reduction measure, and where sediment is shown to increase water surface elevations during the 1% annual probability flood in an amount that would result in an increase number of structures above the baseline condition being flooded.
  3. The District will perform sediment removal only after it receives any required permits or approvals pursuant to Wisconsin Department of Natural Resources regulations.



# Commission Policy

Subject: Watercourse Policy	Index: 1-01.15 Page: 5 of 5
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4. The District may initiate watercourse maintenance work or may perform watercourse maintenance consistent with Commission policy as a result of a request by a local government.
  
5. This policy is not intended to preclude local governments from undertaking watercourse maintenance or sediment removal that is environmentally responsible and in accordance with any state or federal law or rules.
  
6. The District will cooperate with the Wisconsin Department of Natural Resources, University of Wisconsin – Extension, and local governments in informing riparian owners of the impact of property maintenance practices on erosion control and flooding.



# Commission Policy

Subject: Flood Risk Reduction Policy	Index: 1-01.15
Authority Statute: secs. 200.31(1) and 200.35(8)	Page: 1 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, 20-053-4	Issued: 4/26/99
	Last Revised: 4/27/20
	Effective: 4/27/20

Policy Purpose: The purpose of the District’s flood risk reduction efforts is to reduce the number of structures within the regional floodplain, as defined by MMSD Rules, sec. 13.103(13), along watercourses within the District’s jurisdiction, as identified in MMSD Rules, Chapter 13, Appendices 1 to 6. While the District will address regional flood risks, other governmental units and landowners are responsible for local drainage and stormwater management, as indicated by MMSD Rules, sec. 13.206.

## I. Jurisdiction

In MMSD Rules, Chapter 13, the Commission will identify watercourses where the District may reduce flood risks.

## II. Watercourse Management Plans

- A. For watercourses within its jurisdiction, the District will develop Watercourse Management Plans. These plans will identify flood risks and the preferred alternatives to reduce flood risks. District staff will present Watercourse Management Plans to the Commission for adoption. A Watercourse Management Plan becomes effective after adoption by the Commission. In response to changed conditions or new information, District staff will propose updates to Watercourse Management Plans.
- B. Watercourse Management Plans will consider climate change. These plans will consider alternatives to reduce future flood risks.
- C. To the extent practical, the District will design and construct flood risk reduction projects to achieve other benefits, such as reduced risks to public health and safety, improved opportunities for access to and use of riparian areas, reduced sewerage system inflow and infiltration, green infrastructure, and improved habitat in riparian areas.
- D. The District will implement cost effective solutions developed with stakeholder input.

## III. Funding

### A. Funding in General

For the development and implementation of Watercourse Management Plans, all funding is subject to Commission approval.

### B. Bridges and Culverts

1. The District will fund 100% of bridge and culvert removal when necessary to reduce flood risk and when the owner finds that the bridge or culvert is unnecessary.
2. The District may fund bridge and culvert modification or replacement to obtain the capacity needed under and through the structure to reduce flood risk. For



# Commission Policy

Subject: Flood Risk Reduction Policy	Index: 1-01.15
Authority Statute: secs. 200.31(1) and 200.35(8)	Page: 2 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, 20-053-4	Issued: 4/26/99
	Last Revised: 4/27/20
	Effective: 4/27/20

modifying or replacing a non-District bridge or culvert, the level of District funding will be no more than the lowest cost alternative for modifying or replacing the structure to obtain the required flow capacity. Also, actual District funding will depend upon the remaining useful life of the structure, modifications needed to obtain the required flow capacity, and other relevant factors.

3. The District will seek to maximize funding from the bridge owner and minimize the District's contribution. When circumstances allow, the District will schedule bridge replacement to maximize the bridge owner's eligibility for state or federal funding and the District will support the bridge owner's efforts to obtain grant funding.

C. Voluntary Structure Acquisition and Removal and Voluntary Floodproofing

1. Selection of the Alternative to be Implemented

When a District Watercourse Management Plan identifies voluntary floodproofing or voluntary structure acquisition and removal as the preferred alternatives, the District will collaborate with the local governmental unit and the owner to determine the alternative to be implemented, including consideration of a no-action alternative.

2. District Funding

The District will fund voluntary floodproofing and voluntary structure acquisition and removal according to the criteria in Tables 1 and 2.

Table 1

**District Funding Amounts for Residential Structures with One to Four Units**

Result of Cost Analysis	Alternative Selected by Owner and Local Government	District Funding Amount
Floodproofing ≤ 50% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of floodproofing cost
Floodproofing > 50% Acquisition and removal	Floodproofing	50% of acquisition and removal cost
	Acquisition and Removal	100% of acquisition and removal cost

Table 2



# Commission Policy

Subject: Flood Risk Reduction Policy	Index: 1-01.15
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	Last Revised: 4/27/20
	Effective: 4/27/20

### District Funding Amounts for All Other Structures\*

Result of Cost Analysis	Alternative Selected by Owner and Local Government	District Funding Amount
Floodproofing ≤ 50% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of floodproofing cost
50% Acquisition and removal < Floodproofing < 75% Acquisition and removal	Floodproofing	100% of floodproofing cost
	Acquisition and Removal	100% of acquisition and removal cost
Floodproofing ≥ 75% Acquisition and removal	Floodproofing	75% of acquisition and removal cost
	Acquisition and Removal	100% of acquisition and removal cost

\*residential structures greater than four units and commercial, industrial, governmental, and institutional structures

3. Supplemental Funding  
If the alternative to be implemented has costs higher than the District funding amount, then the local governmental unit, the owner, or a combination of them must provide the supplemental funding.
4. Intergovernmental Cooperation Agreement  
The District and the local governmental unit will prepare and execute an intergovernmental cooperation agreement to identify each party's responsibilities. Generally, this agreement will indicate that the District will provide funding, according to Tables 1 and 2, and the local governmental unit will do the floodproofing or acquisition and removal work.
5. Floodproofing
  - a. The District may fund any floodproofing option allowed by applicable floodplain zoning requirements. Whether the land is residential, commercial, or manufacturing and industrial will determine floodproofing options.
  - b. When the District funds voluntary floodproofing, enough floodproofing must occur to achieve compliance with all applicable floodplain zoning requirements.
6. Property Interest





# Commission Policy

Subject: Flood Risk Reduction Policy	Index: 1-01.15
Authority Statute: secs. 200.31(1) and 200.35(8)	Page: 4 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, 20-053-4	Issued: 4/26/99
	Last Revised: 4/27/20
	Effective: 4/27/20

The District will obtain a permanent property interest, such as an easement, in any property where the District has funded voluntary acquisition and removal or voluntary floodproofing. These easements will prevent any action that would increase flood risk. In the case of property acquisition and removal, the easement will require the property to remain as open space under public ownership.

7. Acquisition and Removal Cost

“Acquisition and removal cost” may include, but is not limited to, costs for appraisal, survey, environmental inspections, purchase, title, recording, closing, building demolition or deconstruction, relocation, and property restoration after removal. For each project, the District and the local governmental unit will collaborate to identify the relevant costs and include them in the intergovernmental cooperation agreement.

D. Land Conservation

The District may fund preservation of property in open land uses to continue environmentally valuable features, such as natural storage and infiltration. These expenditures may take the form of conservation easements, fee-simple acquisition, purchase of development rights or other methods approved by the Commission.

IV. Operation and Maintenance

A. Location of Work

District operation and maintenance will be limited to watercourses within the District’s jurisdiction, as identified in MMSD Rules, Chapter 13.

B. Facilities Constructed by the District

1. The District will operate and maintain facilities constructed by the District to the extent necessary to maintain the functionality identified in the Watercourse Management Plan, except as provided in par. 2.
2. Local governmental units will operate and maintain facilities constructed or modified as part of a District flood risk reduction project when these facilities have a local purpose. These facilities may include, but are not limited to, bridges, culverts, and stormwater drainage facilities. Before the commencement of construction, the District and the governmental unit will execute an intergovernmental cooperation agreement to indicate the conditions for transferring responsibility from the District to the other governmental unit.

C. Removal of Debris





# Commission Policy

Subject: Flood Risk Reduction Policy	Index: 1-01.15
Authority Statute: secs. 200.31(1) and 200.35(8)	Page: 5 of 5
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, 20-053-4	Issued: 4/26/99
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1. “Debris” may be either a single item or a group of items and may be either man-made or natural, including, but not limited to: uprooted trees, tree limbs, shopping carts, furniture, picnic tables, construction materials, mattresses, bikes, strollers, tires, rocks, sand, sediment, or gravel.
2. The District will remove debris if the District determines the debris will raise the water surface elevation during the regional flood to a level that:
  - a. adds a structure to the regional floodplain or
  - b. increases the regional flood elevation by one tenth of a foot or more at a structure already in the regional floodplain.
3. If debris is on land owned by others, then the requirements of MMSD Rules, sec. 13.203, apply.

V. Flood Risk Reduction Facilities with features Requested by Others

If another party requests features that supplement the flood risk reduction facilities identified in a Watercourse Management Plan, then, before the commencement of construction, the District and the other party will execute a memorandum of understanding, an intergovernmental cooperation agreement, or other agreement to indicate how construction, operation, and maintenance costs will be shared. The District will fund costs related to the facilities identified in the Watercourse Management Plan, with the other party funding costs related to the supplementary features, modified to the extent required by related easements, permits, or the conditions of grants or other funding assistance.



# Commission Policy

Subject: <del>Watercourse Policy</del> <u>Flood Risk Reduction Policy</u>	Index: 1-01.15
Authority Statute: <u>secs. 200.31(1) and 200.35(8)</u>	Page: 1 of 10 Date Issued: 4/26/99
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, <u>20-053-4</u>	Date Last Revised: <del>1/22/07,</del> <del>6/22/15,</del> <u>2/27/17, 4/27/20</u>
	Effective: <u>4/27/20</u>

Policy Purpose: The purpose of the District’s flood risk reduction efforts is to reduce the number of structures within the regional floodplain, as defined by MMSD Rules, sec. 13.103(13), along watercourses within the District’s jurisdiction, as identified in MMSD Rules, Chapter 13, Appendices 1 to 6. While the District will address regional flood risks, other governmental units and landowners are responsible for local drainage and stormwater management, as indicated by MMSD Rules, sec. 13.206.

I. Jurisdiction

In MMSD Rules, Chapter 13, the Commission will identify watercourses where the District may reduce flood risks.

**I. Jurisdiction**

A. ~~Jurisdiction refers to the streams and watercourses for which the Commission has determined the District should serve as the primary management agency with respect to the construction and maintenance of flood risk reduction measures. The District may assume jurisdiction for the purposes of reducing flood risk over perennial streams that meet at least one of the following criteria:~~

- ~~1. streams within the District whose flooding poses potential major flood damage;~~
- ~~2. streams within the District with tributary drainage in more than one community within the District; or~~
- ~~3. streams within the District for which the District has completed channel improvements.~~

B. ~~The District may exercise jurisdiction for the purposes of reducing flood risk over intermittent streams that meet at least two of the following criteria:~~

- ~~1. streams within the District whose flooding poses potential major flood damage;~~
- ~~2. streams within the District with tributary drainage in more than one community within the District; or~~
- ~~3. streams within the District for which the District has completed channel improvements.~~



# Commission Policy

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	Effective: <u>4/27/20</u>

- C. ~~For the purpose of this policy, “stream” includes the estuary reaches of the Kinnickinnic, Menomonee, and Milwaukee Rivers and those reaches shall be considered perennial.~~

## **H. Watercourse Management Plans**

### II. Watercourse Management Plans

- A. For watercourses within its jurisdiction, the District will develop Watercourse Management Plans. These plans will identify flood risks and the preferred alternatives to reduce flood risks for watercourse improvements. District staff will present Watercourse Management Plans to the Commission for adoption. A Watercourse Management Plan becomes effective after adoption by the Commission. In response to changed conditions or new information If conditions significantly change, then District staff will propose updates/amendments to Watercourse Management Plans.
- B. Watercourse Management Plans will consider climate change. These plans will consider alternatives to reduce future flood risks.
- C. To the extent practical, the District will design and construct flood risk reduction projects to achieve other benefits, such as reduced risks to public health and safety, improved opportunities for access to and use of riparian areas, reduced sewerage system inflow and infiltration, green infrastructure, and improved habitat in riparian areas.
- D. The District will implement cost effective solutions developed with stakeholder input.

### III. Funding

#### A. Funding in General

For the development and implementation of Watercourse Management Plans, all funding is subject to Commission approval.

#### B. Bridges and Culverts

1. The District will fund 100% of bridge and culvert removal when necessary to reduce flood risk and when the owner finds that the bridge or culvert is unnecessary.
2. The District may fund bridge and culvert modification or replacement to obtain the capacity needed under and through the structure to reduce flood risk. For modifying or replacing a non-District bridge or culvert, the level of District funding will be no more than the lowest cost alternative for modifying or replacing the structure to obtain the required flow capacity. Also, actual District



# Commission Policy

Subject: <del>Watercourse Policy</del> <u>Flood Risk Reduction Policy</u>	Index: 1-01.15
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	Effective: <u>4/27/20</u>

funding will depend upon the remaining useful life of the structure, modifications needed to obtain the required flow capacity, and other relevant factors.

3. The District will seek to maximize funding from the bridge owner and minimize the District's contribution. When circumstances allow, the District will schedule bridge replacement to maximize the bridge owner's eligibility for state or federal funding and the District will support the bridge owner's efforts to obtain grant funding.

### C. Voluntary Structure Acquisition and Removal and Voluntary Floodproofing

#### 1. Selection of the Alternative to be Implemented

When a District Watercourse Management Plan identifies voluntary floodproofing or voluntary structure acquisition and removal as the preferred alternatives, the District will collaborate with the local governmental unit and the owner to determine the alternative to be implemented, including consideration of a no-action alternative.

#### 2. District Funding

The District will fund voluntary floodproofing and voluntary structure acquisition and removal according to the criteria in Tables 1 and 2.

Table 1

**District Funding Amounts for Residential Structures with One to Four Units**

<b><u>Result of Cost Analysis</u></b>	<b><u>Alternative Selected by Owner and Local Government</u></b>	<b><u>District Funding Amount</u></b>
<u>Floodproofing ≤ 50% Acquisition and removal</u>	<u>Floodproofing</u>	<u>100% of floodproofing cost</u>
	<u>Acquisition and Removal</u>	<u>100% of floodproofing cost</u>
<u>Floodproofing &gt; 50% Acquisition and removal</u>	<u>Floodproofing</u>	<u>50% of acquisition and removal cost</u>
	<u>Acquisition and Removal</u>	<u>100% of acquisition and removal cost</u>



# Commission Policy

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	Effective: <u>4/27/20</u>

Table 2  
**District Funding Amounts for All Other Structures\***

<u>Result of Cost Analysis</u>	<u>Alternative Selected by Owner and Local Government</u>	<u>District Funding Amount</u>
<u>Floodproofing ≤ 50% Acquisition and removal</u>	<u>Floodproofing</u>	<u>100% of floodproofing cost</u>
	<u>Acquisition and Removal</u>	<u>100% of floodproofing cost</u>
<u>50% Acquisition and removal &lt; Floodproofing &lt; 75% Acquisition and removal</u>	<u>Floodproofing</u>	<u>100% of floodproofing cost</u>
	<u>Acquisition and Removal</u>	<u>100% of acquisition and removal cost</u>
<u>Floodproofing ≥ 75% Acquisition and removal</u>	<u>Floodproofing</u>	<u>75% of acquisition and removal cost</u>
	<u>Acquisition and Removal</u>	<u>100% of acquisition and removal cost</u>

\*residential structures greater than four units and commercial, industrial, governmental, and institutional structures

3. Supplemental Funding

If the alternative to be implemented has costs higher than the District funding amount, then the local governmental unit, the owner, or a combination of them must provide the supplemental funding.

4. Intergovernmental Cooperation Agreement

The District and the local governmental unit will prepare and execute an intergovernmental cooperation agreement to identify each party's responsibilities. Generally, this agreement will indicate that the District will provide funding, according to Tables 1 and 2, and the local governmental unit will do the floodproofing or acquisition and removal work.

5. Floodproofing

a. The District may fund any floodproofing option allowed by applicable floodplain zoning requirements. Whether the land is residential, commercial, or manufacturing and industrial will determine floodproofing options.



# Commission Policy

Subject: <del>Watercourse Policy</del> <u>Flood Risk Reduction Policy</u>	Index: 1-01.15
Authority Statute: <u>secs. 200.31(1) and 200.35(8)</u>	Page: 5 of 10 Date Issued: 4/26/99
Resolution: 99-048-4(02); 00-011-1; 02-136-7; 07-005-1; 15-072-6; 17-021-2, <u>20-053-4</u>	Date Last Revised: <del>1/22/07,</del> <del>6/22/15,</del> <del>2/27/17,</del> <u>4/27/20</u>
	Effective: <u>4/27/20</u>

b. When the District funds voluntary floodproofing, enough floodproofing must occur to achieve compliance with all applicable floodplain zoning requirements.

6. Property Interest

The District will obtain a permanent property interest, such as an easement, in any property where the District has funded voluntary acquisition and removal or voluntary floodproofing. These easements will prevent any action that would increase flood risk. In the case of property acquisition and removal, the easement will require the property to remain as open space under public ownership.

7. Acquisition and Removal Cost

“Acquisition and removal cost” may include, but is not limited to, costs for appraisal, survey, environmental inspections, purchase, title, recording, closing, building demolition or deconstruction, relocation, and property restoration after removal. For each project, the District and the local governmental unit will collaborate to identify the relevant costs and include them in the intergovernmental cooperation agreement.

D. Land Conservation

The District may fund preservation of property in open land uses to continue environmentally valuable features, such as natural storage and infiltration. These expenditures may take the form of conservation easements, fee-simple acquisition, purchase of development rights or other methods approved by the Commission.

### **III. Purposes Eligible for District Funding**

A. ~~The District will limit its funding of watercourse improvements to those streams and stream reaches for which the Commission has chosen to assume jurisdiction for flood risk reduction purposes.~~

B. ~~The District may provide up to 100% of the capital costs, including, but not limited to, land acquisition, purchase of right of way, and construction, for the following structural measures:~~

1. ~~Storage facilities, such as detention and retention ponds, that receive the flows from two or more upstream communities, and/or control the flows moving toward two or more downstream communities.~~



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2. ~~Modifications to the existing stream channel designed to increase channel capacity.~~
  - ~~River lowering is the least preferred alternative for reducing flood risk and would be used when other alternatives are not feasible.~~
  - ~~River lowering will be considered when the bottom elevation of a stream segment is not low enough to enable an outfall from a previously installed storm sewer.~~
3. ~~Modifications designed to restore or maintain natural vegetation and habitat in a channel, and that mitigate a potential increase to flood exposure that may result from restoration.~~
4. ~~Containment structures such as earthen dikes, concrete floodwalls and levees that prevent lateral overland flow from a channel to adjacent land areas.~~
5. ~~Removal of existing bridges and culverts when necessary to reduce flood risk and when the owner finds that the bridge or culvert is no longer necessary.~~
6. ~~Bridge and culvert modification or replacement when needed to obtain sufficient capacity under and through the structure to reduce flood risk. For modifying or replacing a non-District bridge or culvert, the level of District funding will be no more than the lowest cost alternative for modifying or replacing the structure to obtain the required flow capacity. Also, actual District funding will depend upon the remaining useful life of the structure, modifications needed to obtain the required flow capacity, and other relevant factors.~~

~~The District will seek to maximize funding from the bridge owner and minimize the District's contribution. When circumstances allow, the District will schedule bridge replacement to maximize the bridge owner's eligibility for state or federal funding and support the bridge owner's efforts to obtain grant funding.~~

- C. ~~The District may provide up to 100% of the costs for the following non-structural measures:~~





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1. ~~Acquisition of improved real property and the demolition or removal of associated structures from the floodplain, when such expenditures are essential to implementing a Watercourse Management Plan alternative adopted by the Commission.~~
  2. ~~Expenditures associated with the relocation of the residents of properties acquired for the purpose of implementing a Watercourse Management Plan alternative adopted by the Commission.~~
  3. ~~Expenditures associated with maintaining property in open land uses for the purposes of preserving environmentally valuable features such as natural storage, infiltration and conveyance. Such expenditures may take the form of conservation easements, fee simple acquisition, purchase of development rights or other methods the Commission deems to be advisable. The Executive Director shall ensure that the District is named on any deed related to a fee simple acquisition, or purchase of development rights or conservation easement, to which it has contributed.~~
  4. ~~Direct costs associated with floodproofing structures when such expenditures are essential to implementing a Watercourse Management Plan alternative adopted by the Commission.~~
- D. ~~The District may fund up to 100% of the following operation and maintenance expenditures associated with structural and non structural flood risk reduction measures:~~
1. ~~Operation and maintenance necessary to achieve the optimum results from a structural measure that the District has constructed. In the event a structural measure constructed by the District serves multiple objectives, MMSD will be responsible for the operations and maintenance pertaining to flood risk reduction, including that which is necessary to restore flood risk reduction functionality after a storm.~~

~~In the event that the District has constructed a structural measure that serves multiple objectives, other parties who benefit from the secondary purpose, such as local governments, are responsible for the operations and maintenance pertaining to the secondary objective. This applies regardless of whether the land on which the measure is constructed is owned by the District or by another party. The Commission shall approve an appropriate agreement~~





# Commission Policy

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~~regarding operations and maintenance responsibilities and funding prior to initiating construction of a structural measure that serves multiple objectives.~~

- ~~2. Expenditures necessary for the enforcement of a conservation easement.~~

#### IV. Operation and Maintenance

##### A. Location of Work

District operation and maintenance will be limited to watercourses within the District's jurisdiction, as identified in MMSD Rules, Chapter 13.

##### B. Facilities Constructed by the District

1. The District will operate and maintain facilities constructed by the District to the extent necessary to maintain the functionality identified in the Watercourse Management Plan, except as provided in par. 2.
2. Local governmental units will operate and maintain facilities constructed or modified as part of a District flood risk reduction project when these facilities have a local purpose. These facilities may include, but are not limited to, bridges, culverts, and stormwater drainage facilities. Before the commencement of construction, the District and the governmental unit will execute an intergovernmental cooperation agreement to indicate the conditions for transferring responsibility from the District to the other governmental unit.

##### C. Removal of Debris

1. "Debris" may be either a single item or a group of items and may be either man-made or natural, including, but not limited to: uprooted trees, tree limbs, shopping carts, furniture, picnic tables, construction materials, mattresses, bikes, strollers, tires, rocks, sand, sediment, or gravel.
2. The District will remove debris if the District determines the debris will raise the water surface elevation during the regional flood to a level that:
  - a. adds a structure to the regional floodplain or
  - b. increases the regional flood elevation by one tenth of a foot or more at a structure already in the regional floodplain.
3. If debris is on land owned by others, then the requirements of MMSD Rules, sec. 13.203, apply.

#### **IV. Maintenance**



# Commission Policy

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- A. ~~The District will limit its performance of watercourse maintenance activities to those streams and stream reaches over which the Commission has chosen to assume jurisdiction for flood risk reduction purposes.~~
- B. ~~District watercourse maintenance will be performed as follows:~~
1. ~~The District will establish a baseline condition for debris removal in specific streams based on the water surface elevation during the 1% annual probability flood. The District will limit its maintenance activities to the removal of natural debris or man-made items from watercourses in order to prevent or eliminate obstructions that would raise surface water elevations during the 1% annual probability flood in an amount that would cause an increased number of structures above the baseline condition being flooded.~~
  2. ~~The District will establish a baseline condition for sediment removal in specific streams based on the water surface elevation during the 1% annual probability flood. The District will limit its sediment removal activities to those segments of streams in which the District has constructed a structural flood risk reduction measure, and where sediment is shown to increase water surface elevations during the 1% annual probability flood in an amount that would result in an increase number of structures above the baseline condition being flooded.~~
  3. ~~The District will perform sediment removal only after it receives any required permits or approvals pursuant to Wisconsin Department of Natural Resources regulations.~~
  4. ~~The District may initiate watercourse maintenance work or may perform watercourse maintenance consistent with Commission policy as a result of a request by a local government.~~
  5. ~~This policy is not intended to preclude local governments from undertaking watercourse maintenance or sediment removal that is environmentally responsible and in accordance with any state or federal law or rules.~~



# Commission Policy

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6. ~~The District will cooperate with the Wisconsin Department of Natural Resources, University of Wisconsin—Extension, and local governments in informing riparian owners of the impact of property maintenance practices on erosion control and flooding.~~

V. Flood Risk Reduction Facilities with features Requested by Others

If another party requests features that supplement the flood risk reduction facilities identified in a Watercourse Management Plan, then, before the commencement of construction, the District and the other party will execute a memorandum of understanding, an intergovernmental cooperation agreement, or other agreement to indicate how construction, operation, and maintenance costs will be shared. The District will fund costs related to the facilities identified in the Watercourse Management Plan, with the other party funding costs related to the supplementary features, modified to the extent required by related easements, permits, or the conditions of grants or other funding assistance.



**COMMISSION FILE NO:** 20-054-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Authorization of a Public Hearing Regarding Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

**SUMMARY:**

The Commission is requested to authorize a public hearing, as required by Wis. Stat. sec. 200.45(1)(c), regarding proposed amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater. The proposed amendments make clarifications, updates and process improvements.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  Proposed Amendments to Chapter 13

*PFP\_Chapter\_13\_Amendments\_Public\_Hearing\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## BACKGROUND

### Authorization of a Public Hearing Regarding Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

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The District implements projects to reduce the number of structures in the regional floodplain under the authority of Wis. Stat. secs. 200.31(1) and 200.35(8). These projects reduce the unsafe conditions, property damage, economic losses, adverse health effects, and infiltration and inflow caused by flooding.

Chapter 13 identifies the watercourses where the District will work and the types of work the District will perform. The Commission originally approved Chapter 13 in 2001. Since then, the District has not updated the rules related to watercourse projects, secs. 13.201 to 13.206.

District experience implementing watercourse projects has identified a need to update the rules and harmonize them with current Commission policy and District practice. The following table identifies the significant changes.

<b>Proposed Section</b>	<b>Subject</b>	<b>Purpose of the Amendments</b>
13.201	District Flood Risk Reduction Projects	Clarify the general purpose  Identify watercourse management plans as the critical step for developing individual projects
13.202	Location of District Flood Risk Reduction Projects	Clarify the process to identify watercourses where the District may work
13.203	Watercourse Maintenance where the District Does Not Own the Riparian Land	Clarify when the District will remove debris
13.204	Flood Risk Reduction Facilities with Supplemental Features Requested by Others	Clarify cost sharing for multipurpose facilities
13.205	District Recreational Immunity at Dual Use Flood Risk Reduction Facilities	Renumber from existing 13.206
13.206	Responsibilities of Riparian Landowners and Other Governmental Units	Reorganize provisions from existing secs. 13.201 and 13.202,

## **BACKGROUND (Cont'd)**

### Authorization of a Public Hearing Regarding Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

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A complete copy of the proposed amended text is attached.

In March 2020, District staff presented the draft amendments to the Technical Advisory Team (TAT) for review and comments. The current text responds to comments received from the TAT as of the date Commission documents were submitted.

Staff anticipates holding the formal comment period and public hearing in May-June 2020, with a request for final adoption by the Commission in July 2020.

## RESOLUTION

Authorization of a Public Hearing Regarding Proposed Amendments to MMSD Rules,  
Chapter 13, Surface Water and Stormwater

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to publish a public notice, obtain written comments, and hold a public hearing as required by Wis. Stat. sec. 200.45(1)(c), regarding the proposed amendments to MMSD Rules, Chapter 13, as shown in the attachment.

## Proposed Amendments to MMSD Rules, Chapter 13

Rule text is in Times Roman. Proposed new text is underlined. A ~~strikethrough~~ indicates existing text proposed for removal.

Notes are in blue Arial.

1. Section 13.103(12) is amended to read:

- (12) “Regional Flood” means the peak flow and peak elevation of water with a 1% probability of occurring during any one year, considering rainfall time and intensity patterns, rainfall duration, area distribution, antecedent moisture conditions, and snow melt.

The proposed amendment adds a missing word.

2. Section 13.201 is amended to read:

### **13.201 District Flood Risk Reduction Projects~~Watercourse Jurisdiction~~**

- (1) The District may implement projects to reduce the number of structures within the regional floodplain. ~~The District may abate the regional flood along the watercourses listed in the appendix.~~

The proposed amendment explicitly identifies the purpose of District flood risk reduction projects, as established by Commission policy. Existing sub. (1) is moved to proposed sec. 13.202(1).

- (2) The District shall prepare Watercourse Management Plans for the watercourses listed in the appendices to this chapter. These plans shall identify flood risks, options for reducing these risks, and a preferred alternative. The District shall provide the initial plans and any amendments to the Commission for approval. ~~District flood abatement projects shall be limited to the reduction of regional flood risks.~~
- (3) The District shall implement flood risk reduction projects consistent with Watercourse Management Plans approved by the Commission. ~~District action to abate regional flooding does not modify or eliminate any responsibility of other governmental units for local stormwater management or surface water drainage.~~

Subsections (2) and (3) identify Watercourse Management Plans as a critical first step for implementing flood risk reduction projects. The District’s practice has been to prepare these plans and provide them to the Commission for approval and amendment.

- (4) ~~The listing of a watercourse in the appendix does not, by itself, affect any riparian property interest. Riparian property owners retain all the benefits and burdens of ownership, including the duty to use their property in a manner that does not cause harm to or interfere with the rights of others.~~



Subsection (4) is moved to proposed sec. 13.206(2).

3. Section 13.202 is amended to read:

**13.202 Location of District Flood Risk Reduction Projects Adding Watercourses**

(1) The District may reduce flood risks along watercourses listed in an appendix to this chapter, which are the watercourses under District jurisdiction for flood risk reduction. Any governmental unit may petition the Commission to take action to abate regional flooding risks along a watercourse not already listed in the appendix.

This subsection corresponds to existing sec. 13.201(1).

(2) The petitioner shall submit its petition to the Secretary of the Commission. Any governmental unit within the District may petition the Commission to amend an appendix to this chapter to list a new watercourse.

(a) The petition shall provide maps showing the following information to the satisfaction of the District:

1. the upstream and downstream boundaries of the reach where District action is requested,
2. the watershed tributary to the reach where District action is requested,
3. municipal boundaries,
4. the best available boundaries of the regional floodplain, and
5. the location of structures within the regional floodplain. In addition to the map, the petition shall include a table identifying structures by type and street address.

(b) The petition shall demonstrate the reach where District action is requested has a tributary watershed in at least two governmental units.

(c) From the governing body of the governmental unit, the petition shall include a resolution requesting District action to reduce flood risks.

(d) The petitioner shall submit its petition to the Secretary of the Commission.

The intent is to clarify and make more precise the elements of a request for District action along a watercourse not already listed in this chapter.

~~(3) A petition shall identify:~~

- ~~(a) the features that create a risk of flood losses,~~
- ~~(b) the constructed features that create a risk of flood losses and the related owners or operators,~~
- ~~(c) the extent and magnitude of probable flood losses,~~
- ~~(d) the actions that would reduce flood losses, and~~
- ~~(e) an explanation for why regional action is necessary.~~

(3)(4) The District shall review any petition submitted according to sub. (2). If a petition shows significant flood risks along a watercourse with at least two tributary governmental units, then the District shall recommend the Commission amend this chapter to include the watercourse. To add a watercourse, the District shall use procedures for rule-making, according to Wis. Stat. sec. 200.45(1). If the Commission fails to act on a petition within one year of submission, then the petition is denied.

~~(5) If the Commission fails to act on a petition within one year of submission, then the petition is denied.~~

4. Section 13.203 is amended to read:

**13.203 Watercourse Maintenance when the District Does Not Own the Riparian Land Flood Abatement Projects**

This section addresses issues covered by existing sec. 13.204. General rules are not useful because every watercourse has unique conditions. These conditions, stakeholder interests, available funding, applicable law, evolving technologies, and other factors determine the available options. Watercourse Management Plans will describe and evaluate the options available for individual watercourses.

~~(1) The provisions of this section apply when the District does not own the riparian land. When planning, designing, and constructing flood abatement projects, the District shall include features or use techniques that restore stream habitat, improve water quality, protect wetlands, and enhance public access to and use of watercourses, to the maximum extent practical.~~

This subsection corresponds to existing sec. 13.204(1).

(2) Riparian landowners shall maintain their land as required by Wisconsin law. The listing of a watercourse in an appendix to this chapter does not, by itself, modify the responsibilities of riparian landowners to maintain their land. The District shall maintain land owned by others only to the extent necessary to comply with any applicable recorded easement, permit, intergovernmental cooperation agreement, or condition of a grant or other funding assistance.

~~The District shall utilize non-structural flood abatement techniques, such as conservation easements, whenever practical. The District shall manage conservation easements according to land trust practices.~~

This subsection corresponds to existing sec. 13.204(3).

(3) ~~The District may straighten a channel, line a channel with an impervious material, or take other activities that merely accelerate flow rates only if no feasible alternative exists.~~ Along watercourses listed in an appendix, the District may remove debris if all the following conditions are present.

(a) The riparian owner requests removal.

(b) The debris would cause a significant increase in the regional flood elevation.

(c) The riparian owner does not:

1. impose unreasonable restrictions upon the manner or timing of the District's work,

2. impose fees, or

3. require a bond or insurance.

This subsection corresponds to existing sec. 13.204(4). Requests for debris removal are routine. The text is revised to be consistent with current Commission policy and District practice.

(4) If debris creates an imminent and substantial endangerment to public safety, then the District may order the riparian owner to remove the debris. This order shall be in writing. If the riparian owner fails to remove the debris within a reasonable time, then the District may remove the debris without regard for any requirements established by the riparian owner and the District may recover the cost of removal from the riparian owner. ~~The District may not provide direct flood abatement services, such as the purchase of real property, to any property altered, built, or modified in a way that violates floodplain or shoreland zoning requirements, including pre-existing property allowed to continue as a nonconforming use. This prohibition does not apply to properties that are already included in projects planned by the District as of the date of adoption of this chapter.~~

This subsection corresponds to existing sec. 13.204(5).

(5) ~~Specific requirements in a Commission resolution related to a particular project supersede the requirements of subs. (1) to (4).~~

(6) ~~District action to improve a watercourse's bed or banks does not, by itself, create for the District an ownership interest in the bed or banks.~~

5. Section 13.204 is amended to read:

**13.204 Flood Risk Reduction Facilities with Supplemental Features Requested by Others  
Watercourse Maintenance when the District Does Not Own the Riparian Land**

Proposed sec. 13.203 now addresses watercourse maintenance. Proposed sec. 13.204 corresponds to existing sec. 13.205.

If a party other than the District has requested a purpose that supplements the flood risk reduction facilities identified in a Watercourse Management Plan, then the other party shall be responsible for maintaining these features, unless District maintenance is required to obtain an easement, permit, or funding assistance. ~~(1) The provisions of this section apply when the District does not own the riparian land.~~

A simplified approach to cost sharing is proposed in response to the District's experience. Generally, other parties are responsible for features unrelated to flood risk reduction. However, when working on land owned by others or as needed to obtain funding assistance, the District may need to maintain features beyond what is needed for flood risk reduction.

- ~~(2) District watercourse maintenance work shall be limited to watercourses listed in the appendix.~~
- ~~(3) The District shall limit its work to preventing harm from structures constructed or installed by the District and the removal of obstructions that create a threat of harm to structures, unless other work is explicitly authorized by the Commission or is specifically required by a recorded easement; a permit issued by the Department according to Wis. Stat. Chapter 30; a grant agreement; an intergovernmental cooperation agreement established according to Wis. Stat. sec. 66.0301; or an agreement with a donor of land.~~
- ~~(4) The District may remove an obstruction only if all of the following conditions are satisfied:~~
  - ~~(a) The riparian owner requests removal,~~
  - ~~(b) The obstruction would cause the regional flood to damage structures, and~~
  - ~~(c) The riparian owner does not:~~
    - ~~1. impose unreasonable restrictions upon the manner or timing of the District's work,~~
    - ~~2. impose access fees, or~~
    - ~~3. require a permit, bond, or insurance.~~

- (5) ~~If an obstruction in a watercourse creates an imminent and substantial endangerment to public safety, then the District may order the riparian owner to remove the obstruction or take other emergency action to eliminate the risk to public safety. The order shall be written, state the reasons for the order, describe the administrative procedures that are available to request modification or reversal of the order, and be hand delivered or delivered by certified mail, return receipt requested. If the recipient requests an administrative review of the order according to MMSD Rules, ch. 6, then the District shall undertake the review within the shortest reasonable time. If the riparian owner fails to remove the obstruction, then the District may remove the obstruction without regard for any requirements established by the riparian owner. If the District removes the obstruction, then the riparian owner shall reimburse the District's costs.~~
- (6) ~~Whenever practical, the District shall use maintenance techniques that minimize adverse effects upon fish or wildlife habitat.~~

6. *Section 13.205 is amended to read:*

**13.205 District Recreational Immunity at Dual Use Flood Risk Reduction Facilities Cost Sharing for the Maintenance of Dual Use Flood Abatement Facilities**

Proposed sec. 13.204 now addresses maintenance issues. Proposed sec. 13.205 rennumbers existing sec. 13.206.

- (1) For the purposes of this section, "recreational activity" has the meaning established by Wis. Stat. sec. 895.52. If a facility constructed for regional flood abatement also provides other functions, such as sports fields, picnic areas, other public park amenities, or best management practices for stormwater quality, then the District and the governmental unit where the facility is located shall establish a maintenance cost sharing agreement. According to this agreement, the District may reimburse a portion of the governmental unit's maintenance costs.
- (2) If an owner, lessee, co-tenant, or occupant of a flood risk reduction facility constructed according to this chapter imposes a fee for a recreational activity occurring at the facility and if the District does not receive any portion of this fee, then:
- (a) any person claiming injury from a recreational activity at the facility may not attribute the fee to the District; and
  - (b) the owner, lessee, co-tenant, or occupant shall indemnify the District and hold the District harmless from all claims or liability arising from the activity, except for claims of malicious acts committed solely by the District.
- (2) ~~Governmental units are responsible for all costs unrelated to flood abatement, including, but not limited to:~~

- (a) ~~the design, construction, maintenance, or repair of recreational facilities, restrooms, fencing, board walks, trails, lighting, play grounds, turf, landscaping, and signage regarding access restrictions or hazards, including the cleaning, repairing, and restoration of these features after flooding;~~
  - (b) ~~snow removal, mosquito control, grass cutting, landscaping maintenance, litter or debris removal for aesthetic purposes, and any other tasks incidental to or necessary for the maintenance of public land or a public right of way; and~~
  - (c) ~~all costs related to storms with a recurrence interval of 2 years or less and a probability of 50% or more, including costs for removing debris and sediment from basins and other costs related to best management practices for improving stormwater quality.~~
- (3) ~~Any written agreement with the District regarding the use of a facility shall incorporate the requirements of sub. (2). The District's share of costs shall be limited to: maintaining the structural integrity and operational effectiveness of the berms, retaining walls, or other facilities constructed by the District to abate the regional flood; removing debris deposited by floods caused by storms with a recurrence interval of more than 2 years and a probability of less than 50%; and removing obstructions to inlet or outlet structures.~~
- (4) ~~The District shall share only direct actual costs. The District may not share in the general operating expenses of governmental units, such as overhead or administrative costs.~~
- (5) — (a) ~~Governmental units shall pay a minimum of 60% of the total maintenance costs, with the District paying the remainder, except as otherwise provided by par. (b).~~
- (b) ~~A governmental unit may petition the Commission for the District to pay a larger fraction of the cost. The petition shall include facts and arguments showing that costs related to regional flood abatement comprise more than 40% of the total maintenance costs. The petitioner has the burden of persuasion regarding the proposed alternative cost allocation.~~
- (6) ~~Cost sharing agreements shall use multi-year cost averaging principles, as established for this purpose by the District.~~

7. *Section 13.206 is amended to read:*

**13.206 Responsibilities of Riparian Landowners and Other Governmental Units**~~District~~  
**Recreational Immunity at Dual Use Flood Abatement Facilities**

Section 13.205 is proposed to address recreational immunity, instead of this section. From various existing sections, proposed sec. 13.206 consolidates requirements regarding the responsibilities of entities other than the District.

(1) District action to reduce flood risks does not modify or eliminate any responsibility of other governmental units for local stormwater management or surface water drainage. For the purposes of this section, “recreational activity” has the meaning established by Wis. Stat. sec. 895.52.

This subsection corresponds to existing sec. 13.201(3).

(2) The listing of a watercourse in an appendix to this chapter does not, by itself, affect any riparian property interest. Riparian property owners retain all the benefits and burdens of ownership, including the duty to use their property in a manner that does not cause harm to or interfere with the rights of others. If an owner, lessee, co-tenant, or occupant of a flood abatement facility constructed according to this chapter imposes a fee for a recreational activity occurring at the facility and if the District does not receive any portion of this fee, then:

(a) any person claiming injury from a recreational activity at the facility may not attribute the fee to the District; and

(b) the owner, lessee, co-tenant, or occupant shall indemnify the District and hold the District harmless from all claims or liability arising from the activity, except for claims of malicious acts committed solely by the District.

This subsection corresponds to existing sec. 13.201(4).

(3) District action to modify a watercourse’s bed or banks does not, by itself, create for the District an ownership interest in the bed or banks. Any written agreement with the District regarding the use of a facility shall incorporate the requirements of sub. (2).

This subsection corresponds to existing sec. 13.202(6).



**COMMISSION FILE NO:** 20-055-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Approval of the Beaver Creek Watercourse Management Plan

**SUMMARY:**

The Commission is requested to approve the Beaver Creek Watercourse Management Plan (Plan).

Commission Policy 1-01.15, Flood Risk Reduction Policy, (Policy) (proposed policy title; updated policy proposed under a separate Commission request) directs staff as follows:

“For watercourses within its jurisdiction, the District will develop Watercourse Management Plans. These plans will identify flood risks and the preferred alternatives to reduce flood risks. District staff will present Watercourse Management Plans to the Commission for adoption.”

The District has jurisdiction of Beaver Creek between its confluence with the Milwaukee River and N. 64<sup>th</sup> Street south of Brown Deer Road. While the Beaver Creek watershed includes both the Village of Brown Deer (Village) and the City of Milwaukee, the jurisdictional portion only lies within the Village. To date, the Commission has not adopted a Beaver Creek Watercourse Management Plan.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  Map

*PDF\_Beaver\_Creek\_WC\_Plan\_W15001\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_



## SUMMARY (Cont'd)

### Approval of the Beaver Creek Watercourse Management Plan

---

The proposed Plan identifies 11 structures located within Beaver Creek's jurisdictional portion of the one percent annual probability floodplain. The Southeastern Wisconsin Regional Planning Commission (SEWRPC), with input from the District and the Village, has developed three alternatives to reduce structural flood risks. Following is a summary of those three alternatives.

- Voluntary Acquisition – Voluntary acquisition of private structures and voluntary replacement of municipal structures.
- Voluntary Floodproofing – Voluntary floodproofing of private and municipal structures with voluntary acquisition of structures where floodproofing appears impractical.
- Channel Daylighting – Replacing a long culvert under a shopping mall with an open channel to increase flood conveyance capacity and lower upstream flood levels; combined with voluntary acquisition of the remaining private structure and voluntary floodproofing of remaining municipal structures.

SEWRPC, the Village, and the District are still in the process of evaluating these alternatives and have not yet developed a final recommended alternative.

One of the structures in the floodplain is a vacant commercial structure located at 9223 N. Green Bay Road. For this structure, all three alternatives identify voluntary property acquisition/demolition as the method to eliminate its flood risk.

In 2019, the owner of 9223 N. Green Bay Road, in cooperation with the Village, approached the District about a possible voluntary property acquisition. District staff evaluated this approach and concurs, as it will be consistent with any recommendation among the three Plan alternatives and eliminates any future flooding risk.

Separate from this Commission document is a Commission request that addresses funding for this voluntary property acquisition.

District staff recommends adoption of the Plan. The Plan:

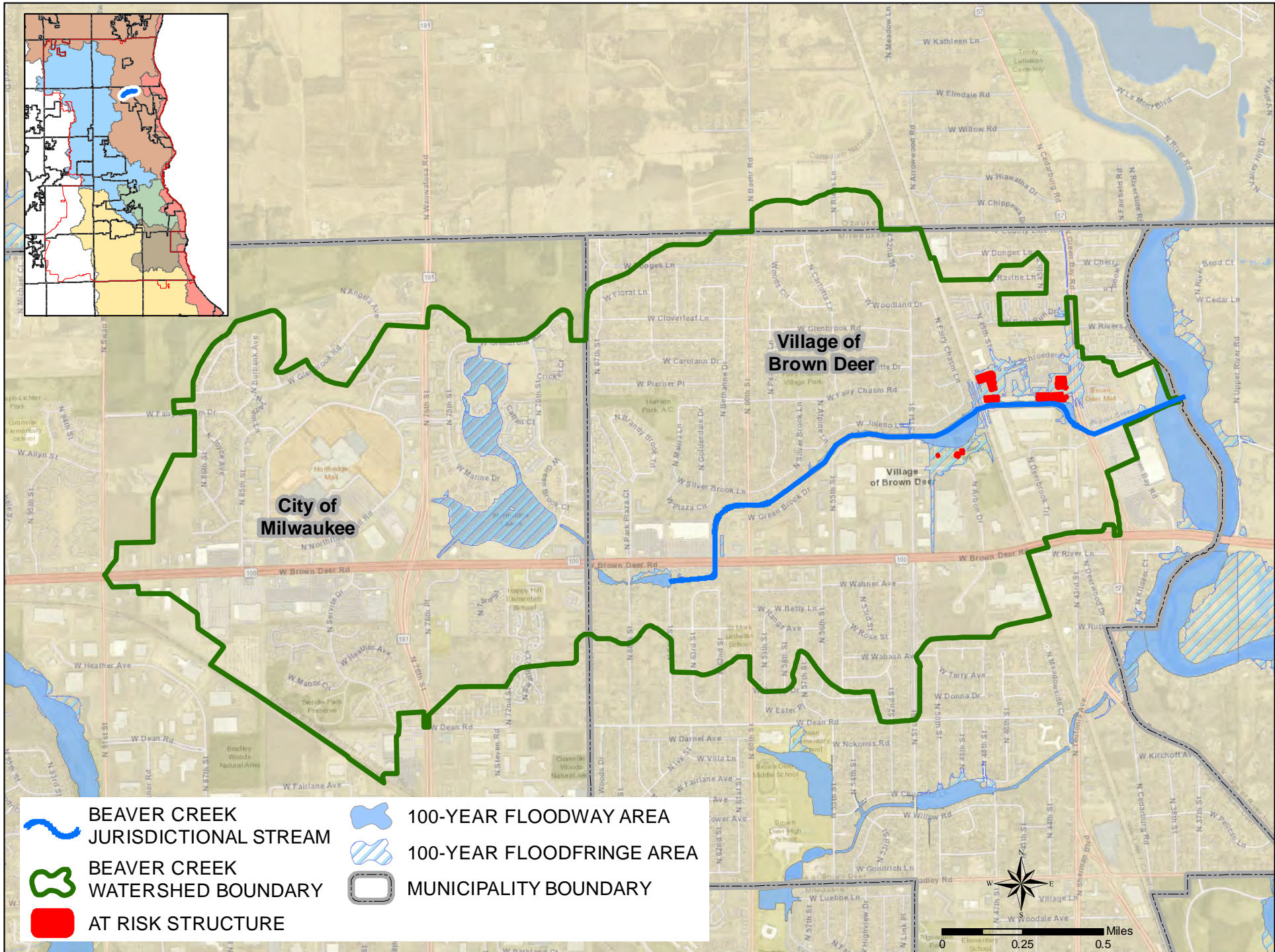
- Identifies 11 structures in the floodplain.
- Performs voluntary property acquisition/demolition for the commercial structure located at 9223 N. Green Bay Road.
- Indicates that SEWRPC, the Village, and the District will continue evaluating the alternatives to reduce flood risks for the remaining 10 structures and develop a full recommended Plan. Staff will bring forward that Plan for Commission approval once it is completed.

## RESOLUTION

### Approval of the Beaver Creek Watercourse Management Plan

---

**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Beaver Creek Watercourse Management Plan is approved and that the Executive Director is authorized to implement the plan, subject to Milwaukee Metropolitan Sewerage Commission budget approval.





**COMMISSION FILE NO:** 20-056-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Agreement between the Milwaukee Metropolitan Sewerage District and the Village of Brown Deer Regarding Voluntary Property Acquisition

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute an intergovernmental cooperation agreement (ICA) between the Milwaukee Metropolitan Sewerage District (District) and the Village of Brown Deer (Village) regarding voluntary acquisition of 9223 North Green Bay Road.

The Beaver Creek Watercourse Management Plan (BCWMP) (proposed under a separate Commission request) identifies the commercial structure located at 9223 North Green Bay Road, located in the Village, as being in the floodplain. The BCWMP further indicates voluntary property acquisition/removal of this structure as the preferred alternative to eliminate this flood risk.

Commission Policy 1-01.15, District Flood Risk Reduction Policy, (proposed policy title; updated policy proposed under a separate Commission request) indicates that, if voluntary acquisition is the preferred alternative, the District will collaborate with the local government and the property owner to determine the alternative to be implemented. In 2019, the owner of the subject property, in cooperation with the Village, approached the District about a possible voluntary property acquisition. District staff evaluated this request and concurs.

The District and the Village have negotiated the terms of a proposed ICA for voluntary acquisition of this property. Funding for this acquisition is being requested in closed session.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*PFPP\_Borwn\_Deer\_ICA\_Acquisitions\_W15001\_legislative\_file.docx  
03-24-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

### **Agreement between the Milwaukee Metropolitan Sewerage District and the Village of Brown Deer Regarding Voluntary Property Acquisition**

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Under this ICA, the Village will:

- Initiate and conduct all activities associated with purchasing the property and building removal.
- Provide updates to the District quarterly or more frequently if necessary on progress.
- Make a good faith effort to reduce the financial burden on the Village and District taxpayers and, whenever possible, apply for State or Federal grant funds to purchase the property and to meet all granting agency requirements.
- Obtain an appraisal of the property in accordance with Commission Policy 1-11.03, Executive Director-Real Estate, which will be the basis of property purchase negotiation.
- Follow all local and state requirements for completing building removal.
- Publicly bid the removal of buildings from the property.
- Own and maintain the property.
- Provide the District a recorded easement for the property.
- Keep records sufficient to define costs of the project.
- Invoice the District for costs incurred, less grant funding received.

The District will:

- Draft and execute an appropriate restrictive easement that keeps the property in undeveloped public ownership on property purchased.
- Routinely consult with Village officials.
- Reimburse the Village for acquisition and building removal costs. The ICA sets an upper dollar limit that the District will reimburse. This upper limit is identified in the associated closed session item.



## RESOLUTION

Agreement between the Milwaukee Metropolitan Sewerage District and the Village of Brown Deer Regarding Voluntary Property Acquisition

---

**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute an intergovernmental cooperation agreement between the Milwaukee Metropolitan Sewerage District and the Village of Brown Deer regarding the voluntary property acquisition of 9223 North Green Bay Road.



**COMMISSION FILE NO:** 20-057-4      **DATE INTRODUCED:** April 13, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:**      Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute on behalf of the District Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II, with the Northwest Side Community Development Corporation (NWSCDC) in an amount not to exceed \$169,500.

NWSCDC, through their core mission of community engagement and economic development, has been a public outreach and engagement partner to the District since project planning started in 2012. Under Contract W11031D06, NWSCDC will continue their green infrastructure (GI) based community engagement in support of the District design for Phase II of the 30<sup>th</sup> Street Corridor West Basin. Over the past two years, NWSCDC has been highly successful in establishing relationships in the neighborhoods surrounding the West Basin project area through the previous District Contract W11031D04. With a GI-based approach, NWSCDC has formed two new neighborhood groups, established a stormwater education curriculum component at the local elementary school, and completed several GI installation projects through supplemental grant funding independently secured by NWSCDC. NWSCDC will also support the engineering design consultant (contract to be presented to Commission for award later in 2020) with meeting organizing, communication, and planning. ~~NWSCDC is a small business enterprise registered with the District.~~

**ATTACHMENTS:**    **BACKGROUND**     **KEY ISSUES**     **RESOLUTION**   
                          **FISCAL NOTE**     **S/W/MBE**     **OTHER**  \_\_\_\_\_

*PFP\_Award\_W11031D06\_Community\_Outreach\_Services\_30th\_Street\_Corrido\_legislative\_file.docx  
03-26-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## BACKGROUND

### Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II

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The District completed Phase 1 of the North 30<sup>th</sup> Street Corridor Wet Weather Relief – West stormwater basin construction in 2017. Phase 1 consisted of deconstruction and demolition of a series of abandoned industrial buildings, with preliminary remediation of legacy environmental contamination on approximately eight acres of land. Phase II will complete the design and construction of the West Basin, the third of three basins providing a 100-year storm event level of stormwater flood protection for an area roughly bound by W. Capitol Drive, N. Sherman Boulevard, W. Atkinson Avenue, and Lincoln Creek. The first two basins were completed and placed in service on 2018. Approximately 40,000 residents and 1,000 jobs remain at risk of stormwater flooding in the N. 30<sup>th</sup> Street Corridor area.

NWSCDC has been working under contract to the District since 2017, providing focused public outreach services specific to the West basin project area. Since 2017, NWSCDC has been building the communication network and foundational stakeholder relationships to support the design phase of the project. In the past two years, NWSCDC has achieved the following:

- Assembled and implemented a GI- and stormwater-based education curriculum module with Samuel Clemens Elementary School that will be replicated with other project area organizations.
- Established and now maintain two new neighborhood organizations. The Little Canada Block Watch meets monthly to address ongoing neighborhood issues. The Little Canada Stormwater Basin Council meets quarterly to organize community events specific to the MMSD project and discuss community needs, wants, and visions for the MMSD project property areas that will be publicly accessible.
- Secured grant funding for community events and GI implementation.
- Collaborated with partner organizations to host six MMSD property and neighborhood cleanups and five GI workshops.
- Planned, organized, and hosted 10 miscellaneous community events themed around stormwater and GI.
- Assembled and now manage a 100+ member stakeholder list including engaged residential property owners, business owners/representatives, agency representatives, faith-based representatives, and partnering nonprofit organizations.



## **BACKGROUND (Cont'd)**

Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II

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NWSCDC has served the community engagement and economic development needs of Milwaukee's northwest side since being founded in 1983. NWSCDC has established relationships with property owners and stakeholders in the project area that can only be achieved through extensive and consistent work within the community. These relationships cannot be duplicated or replaced by an alternative service provider. NWSCDC is in a unique position to provide effective and efficient delivery of services through Contract W11031D06 due to the existing relationships and contacts in the project area built through three City of Milwaukee Neighborhood Service Provider contracts that NWSCDC holds for the neighborhoods surrounding the project area.

Under Contract W11031D06, NWSCDC will continue to support the District through the design phase of the West Basin with a continuation of the community outreach, communication, planning, engagement, and education services that have been established over the last two years. Additionally, NWSCDC will support the engineering design consultant (contract to be presented to Commission for award later in 2020) with meeting organization, communication, and planning. The following is a summary of tasks for NWSCDC under Contract W11031D06:

- Organize and support the monthly and quarterly meetings of the block watch and resident advisory groups.
- Organize and host the design phase stakeholder and public outreach meetings.
- Communicate project updates to stakeholders and residents through the established NWSCDC network.
- Submit grant funding applications and administrate awarded grants to fund neighborhood events.
- Engage residents through NWSCDC-organized neighborhood events as well as collaborate with other stakeholder events the following:
  - GI installations
  - Neighborhood and District property cleanups
  - GI and stormwater field trips/tours
  - Community-based art projects
  - Neighborhood safety and home improvement workshops
- Convey community feedback to the District and the engineering design consultant collected through neighborhood events, meetings, NWSCDC canvassing, and surveys.
- Continue to support use of the GI and stormwater-based education curriculum developed by NWSCDC and the District.
- Report quarterly on progress.

The term of the contract will be for three years to provide community outreach services to the District through the design phase of the West Basin extending into the planned start of West Basin construction.

## RESOLUTION

Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute on behalf of the District Contract W11031D06, Community Outreach Services, North 30<sup>th</sup> Street Corridor Wet Weather Relief – West, Phase II, with the Northwest Side Community Development Corporation in an amount not to exceed \$169,500.



**Contract W11031D06, Community Outreach Services, North 30th Street Corridor Wet Weather Relief – West, Phase II**



**Procurement & S/W/MBE Summary Information**

**Contract #** W11031D06 **Cost Center:** PRS

**Community Outreach Services, North 30th Street Corridor Wet Weather Relief – West, Phase II**

**NON-COMPETITIVE PROCUREMENT SUMMARY**

Procurement Review Date: 3/16/2020

Vendor	Price	% Sub	% SWMBE
Northwest Side Community Development Corporation Milwaukee, WI 53216 (SBE)	\$169,500.00	0.0%	100% 0%

**SUBCONTRACTOR INFORMATION**

Type	Subcontractor Name	Type of Work	%	Amount
n/a	n/a	n/a	n/a	n/a

**OUTREACH INFORMATION**

If no or low S/W/MBE participation, explain why:

n/a

Additional Comments:

~~n/a~~ As a non-governmental organization, Northwest Side Community Development Corporation will not be counted toward S/W/MBE participation for reporting purposes.

**AWARDEE INFORMATION**

Company: Northwest Side Community Development Corporation  
 Contact Person: Sarah Bregant  
 Phone Number: (414) 444-8200  
 E-mail Address: sarah.b@nwscdc.org

**EEO DATA**

4201 N. 27th Street  
 Location: Milwaukee, WI 53216

Total # of Employees 9

	<u>Total</u>	<u>%</u>
<b>Minorities</b>	<u>6</u>	<u>66.7%</u>
African American	<u>6</u>	<u>66.7%</u>
Asian	<u>0</u>	<u>0.0%</u>
Hispanic	<u>0</u>	<u>0.0%</u>
Native American	<u>0</u>	<u>0.0%</u>

	<u>Total</u>	<u>%</u>
<b>Females</b>	<u>5</u>	<u>55.6%</u>
African American	<u>4</u>	<u>44.4%</u>
Asian	<u>0</u>	<u>0.0%</u>
Hispanic	<u>0</u>	<u>0.0%</u>
Native American	<u>0</u>	<u>0.0%</u>

*Labor Market Availability - Minorities* 60.0%

*Labor Market Availability - Females* 52.0%



**COMMISSION FILE NO:** 20-058-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy

**SUMMARY:**

The Commission is requested to revise Commission Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration (PPII) Reduction Program Policy.

On February 28, 2011, the Commission approved the policy establishing the 2010-2020 PPII Reduction Program. The policy describes the eligible work and provides the procedures by which participating municipalities may plan, complete, and fund work that reduces infiltration and inflow to public sanitary sewer systems from private property sources. The Commission approved previous revisions to the policy on July 23, 2012, through Resolution 12-105-7, on December 16, 2013, through Resolution 13-119-12, and on February 27, 2017, through Resolution 17-022-2.

Further recommended policy revisions include:

- Removing the program term limits and revise the program title establishing the program as a long-term strategy for meeting proactive District goals.
- Establishing a standard annual cycle for program milestone dates providing municipalities with a consistent schedule for work and budget planning, incentivizing timely completion of work, and providing the District with a predictable program cash flow.
- Establishing a process to enable ambitious municipalities to acquire additional funding to complete PPII projects.
- Creating a second element of the program that facilitates participation by individual property owners while protecting program integrity.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION

FISCAL NOTE  S/W/MBE  OTHER  Statement of Policy

*PPF\_Revision\_4\_PPII\_Policy\_legislative\_file.docx  
03-26-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## SUMMARY (Cont'd)

### Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy

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- Revising program administrative processes to facilitate increased public outreach/education, contractor opportunity, small, women, and minority business enterprise contractor capacity, and local workforce opportunities.

The attached Statement of Policy revision for the Milwaukee Metropolitan Sewerage District's PPII Reduction Program incorporates lessons learned over the initial 10-year term of the program that is currently designated to expire on December 31, 2020. The revised policy also reflects the peripheral trends – changes and developments that have influenced the program and stakeholders through the past 10 years of the program. The following are the greatest influences on the program not directly related to the terms within the policy:

- Levy limits on municipal funding
- Restrictions on point-of-sale transactions
- Restrictions on municipal self-performed work
- District 2050 Facilities Planning
- Knowledge and awareness of precipitation pattern trends
- Development of the District green infrastructure (GI) goals and programs

The primary objectives of the revised Statement of Policy are to improve the efficiency and effectiveness of the program in consideration of this list of influential factors and to more precisely align the program with other related District programs such as the GI programs and the Wet Weather Peak Flow Management Program (WWPFMP).

There are five primary changes to the program. They include:

- Schedule and title change
- Workflow
- Incentives and flexibility
- Increased opportunity for property owners
- Program consistency and increased opportunity for contractors

**Schedule and title change:** The program term limit, as defined by the start and expiration dates, has been removed. Studies on work completed through the current program support previous industry research concluding that the primary source of clear water in sanitary sewers is from private property sources. Appreciable clear water reduction in the sewers will require a long-term commitment by the District to fund PPII reduction. The program title has been revised to reflect the removal of dates and to address minor inconsistencies with standard industry terminology.

## SUMMARY (Cont'd)

### Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy

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**Workflow:** Within the existing program component that focuses on municipality-contracted work with District reimbursement, a standard workflow has been established that sets consistent and predictable steps through the planning and implementation phases of a project proposed by a municipality. The workflow cycles through milestone dates starting with approval of the annual District budget and continues through execution of the project funding agreement. This cycle repeats on an annual basis aligned with the District budget process. The annual workflow cycle will also provide stability and predictability to the District program cash flow.

**Incentives and flexibility:** The program will now include a competitive application process whereby municipalities that have expended all allocated funding and desire to complete additional program-eligible work can request additional funds from a pool of unclaimed and unused program funds.

**Increased opportunity for property owners:** The revised Statement of Policy outlines a new component to the program whereby individual property owners can complete remediation work that reduces PPII through District-screened contractors. Individual property owners will have the opportunity for cost relief on expensive repairs, such as lateral replacement/rehabilitation and foundation drain disconnection, while the District will retain the core objective of the program (cost effective PPII reduction) through a flat rate District reimbursement based on similar successfully implemented programs.

**Program consistency and increased opportunity for contractors:** The revised program will include a contractor evaluation process (CEP) and a product evaluation process (PEP). The CEP will be a preapproval process administered through the District to evaluate contractors interested in bidding on District-funded projects (either District contracted, or municipality contracted) according to industry standards (e.g. insurance, bonding, safety, experience, skills, licenses, certifications, capacity, contract performance, etc.). The PEP will provide similar prebid evaluation of proprietary products and/or methods that are proposed to be used for PPII reduction work funded by the District. In consideration of lessons learned, District staff will create the CEP and PEP with criteria similar to processes used by similar agencies. The CEP and PEP are intended to provide equal opportunity for all contractors interested in bidding on District-funded projects, establish uniform criteria for evaluation and acceptance of contractors and products, and universally communicate the expectations of the District to contractors and suppliers for program work funded by the District.



## **SUMMARY (Cont'd)**

Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy

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The Statement of Policy as presented establishes the program as a long-term strategy for use in achieving the proactive goals of the District for delivery of sanitary collection and water reclamation services and meeting the regulatory requirements of the District. The revised program more closely aligns with and complements the objectives of GI and the WWPFMP in achieving District goals near-term and long-term.

The current policy authorizes the District to reallocate any remaining program funds that have not been disbursed as of January 1, 2021, (expiration of the current Statement of Policy) to other District capital expenditures. As authorized by the Commission through this action, as of January 1, 2021, the District will roll all remaining program funds into the revised PPII program as defined by the attached revised Statement of Policy with respect to the individual municipal account balances as of January 1, 2021.

## RESOLUTION

Revision of Resolution 17-022-2, the 2010-2020 Private Property Inflow and Infiltration Reduction Program Policy

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the revised Statement of Policy, Private Property Infiltration and Inflow Reduction Program, as attached, is adopted.

# Statement of Policy

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Milwaukee Metropolitan Sewerage District's  
Private Property Infiltration and Inflow Reduction Program



260 West Seeboth Street  
Milwaukee, WI 53204  
T: 414.272.5100

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## List of Abbreviations

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AMFA	Annual Municipal Funding Allocation
ARFA	Annual Residential Funding Allocation
CCTV	closed-circuit-televising
CEP	Contractor Evaluation Process
COB	close of business
District	Milwaukee Metropolitan Sewerage District
ESDC	engineering services during construction
II	infiltration and inflow
MOU	Memorandum of Understanding
PPII	Private Property Infiltration and Inflow
Program	Reduction Program
QA/QC	quality assurance/quality control
RFQ	Request for Qualifications
ROE	right-of-entry
SWMBE	Small, Woman, Minority, or Veteran-Owned Business Enterprise
TAT	Technical Advisory Team
WOFR	Work Order Funding Reservation



## Section 1

# Introduction

Infiltration is the water, other than wastewater, entering a sewer system more slowly through such sources as defective pipes, pipe joints, connections, or manhole walls via the surrounding soil. Inflow is the water, other than wastewater, entering the sewer system through connections such as area or foundation drains, connected downspouts, and catch basins. Most sources of inflow are illegal. During rain events, infiltration and inflow (“II”) dramatically increases the flows in the sanitary sewer system.

II increases the amount of flow in the sewer system that ultimately must be conveyed, stored, or treated by the Milwaukee Metropolitan Sewerage District (“District”) at a cost to the District’s tax and rate payers. By statute and regulation<sup>1</sup>, the District is required to manage flows within the system through II reduction to maintain a minimum level of service as defined by the Wisconsin Pollutant Discharge Elimination System (WPDES) permit. Beyond the minimum regulatory requirements, the District proactively seeks to offset the effects of aging infrastructure, changing precipitation patterns, and regional growth as outlined by the goals set forth in the District 2035 Vision. During significant rain events, II can lead to overflows from the sewer system into area waterways and can cause significant widespread property damage, as demonstrated in 2008, 2009, and 2010.

II can occur from sources on both public and private properties. Under Wisconsin law<sup>2</sup>, the District is not authorized to “operate, maintain, rehabilitate or preserve local sewers or appurtenant local facilities” (see Wis. Stat. § 200.33); therefore this Private Property Infiltration and Inflow (PPII) Reduction Program (“Program”) is not providing funding for work on local sanitary sewers that are owned and operated (i.e., public property) by the District’s member and customer municipalities. The District has determined that it may perform or fund work on private property to reduce II, and thereby reduce operating costs, reduce capital program expenditures, and reduce the risks of overflows and basement backups. (See Wis. Stat. § 200.35, storm sewers within general powers of the Commission).

There are a variety of ways to reduce II from private property sources. These include downspout disconnection, foundation drain disconnection, yard drain disconnection, lateral replacement, lateral rehabilitation, and improved surface water drainage. Evaluation of private property projects completed to date through the District program have reinforced that the majority of II resides in the private side of the collection system, and that private property work to reduce II is cost effective when properly planned, designed, and prioritized<sup>3</sup>.

This Program, as described by this Policy document, is focused on funding remedies for II to reduce the amount of flow that must be conveyed, stored, and treated by District facilities, thereby reducing the risk of basement backups and overflows. This Policy document sets forth a framework for the Program. As the Program matures and additional information is gathered, the District anticipates

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<sup>1</sup> Wis. Stat 281.41, 283.85; WAC NR110.09(5), NR110.10(4), NR210.12, NR210.21, NR210.23

<sup>2</sup> Wis. Stat. § 200.33(1)(b) states “[e]xcept as provided in sub. (2), ss. 200.21 to 200.65 do not authorize the commission to operate, maintain, rehabilitate or preserve local sewers or appurtenant local facilities constructed by a Municipality....”

<sup>3</sup> Brown and Caldwell, Wauwatosa Rehabilitation Pilot Project, 2013; MMSD/Brown and Caldwell, West Milwaukee Case Study, 2015; Brown and Caldwell, Milwaukee Work Plan 5 II Reduction Evaluations, 2018



that it will be necessary or desirable to modify this Policy document including the funding structure of the Program.

The District makes the following Legislative Findings as the rational basis for this Program:

1. Basement backups are a significant public health and safety issue.
2. Under many circumstances, removing I/I from private property is the most direct means to reduce the risk of basement backups because it removes excess flow at the source.
3. In most circumstances, basement backups are caused by sewer surcharging very close to the affected property. Therefore, a) I/I reduction work in the combined sewer area will help reduce the risk of basement backups in the combined sewer area, and b) separating combined sewers is likely to have a minimal effect, if any, on basement backups in the separated sewer area. Most basement backups in 2008-2010 occurred in separated sewer areas.
4. PPII work can result in lower capital and operating costs to the District and the 28 municipalities it serves, along with benefits including: the availability of sewer backup insurance, lower disaster recovery costs, and preventing the devaluation of properties.
5. Disconnecting foundation drains is a very effective strategy for reducing inflow. Rehabilitation or replacement of laterals is also one of the most effective strategies for reducing infiltration, especially in communities where deteriorated laterals can contribute very large quantities of clear water to the sanitary sewer system.
6. PPII work reduces the risks of combined and sanitary sewer overflows to surface water during wet weather by increasing the percentage of total flow that can be conveyed, stored and treated.
7. Deteriorated laterals are also a source of pollution to area surface and ground waters and pose public health issues other than basement backups. (due to exfiltration of sanitary water from the laterals)
8. Although privately owned, lateral sewers are a necessary part of the collection system. While lateral replacement or rehabilitation may be a benefit to the private property owner, any benefit to the private property owner is incidental to the public benefits and public purpose described above.
9. Climate change has caused an increase in average annual precipitation for Wisconsin and an increase in daily precipitation extremes for the region. As a result, the District has and will continue to have additional flows to manage.



## Section 2

# Definitions

**Account:** The Account of each Municipality will reflect the monetary balances accumulated through the **Annual Municipal Funding Allocation** and the **Annual Residential Funding Allocation**. The District will maintain a record of the funding available to each Municipality at any given time. The District will also maintain a record the funding encumbered through approved **Funding Agreements**, authorized funding transfers, surrenders, and disbursements.

**Annual Municipal Funding Allocation (AMFA):** The AMFA is the partition of funds from the total Program annual budget that is allocated to an individual Municipality in any given year of the Program for multi-property projects procured, contracted, managed, and administered by the Municipality or the District on behalf of the Municipality. Projects proposed by the Municipality to be funded through the AMFA will be initiated through the **Work Plan** process and, if validated through District review, awarded through the **Funding Agreement** process. Disbursements from the AMFA component of the **Account** for work completed through an awarded **Funding Agreement** will be made by the District to the Municipality or through direct debits for collective and/or shared contracting arrangements. Each individual Municipality AMFA will be determined as a percentage of the total annual Program AMFA budget by dividing the amount of equalized value of property in the Municipality by the total equalized value in the District's entire **Service Area**. The actual amount allocated to the Municipality will depend on the District's annual budget process and the equalized value calculations for the given budget year.

**Annual Residential Funding Allocation (ARFA):** The ARFA is the partition of funds from the total Program annual budget that is allocated to a Municipality in any given year for work on individual residential properties initiated by the property owner and contracted by the property owner with a contractor selected from the **ARFA Contractor List** following the guidelines set forth by this Policy. Disbursements will be made by the District to the **Authorized Contractor** from the corresponding Municipality **Account** for work completed according to the terms of the agreement between the District and the **Authorized Contractor**. Each individual Municipality ARFA will be determined as a percentage of the total annual Program ARFA budget by dividing the amount of equalized value of property in the Municipality by the total equalized value in the District's entire **Service Area**. The actual amount allocated to the Municipality will depend on the District's annual budget process and the equalized value calculations for the given budget year.

**AMFA Contractor List:** The AMFA Contractor List is the list of contractors that have successfully completed the **Contractor Evaluation Process (CEP)** and hold a valid **Memorandum of Understanding (MOU)** with the District. Contractors listed on the AMFA Contractor List are eligible to bid on District funded projects through the AMFA component of the **Program** as outlined in this Policy.

**Approved Products List:** The list of products that have been evaluated and approved by the District for Program project work based on a standard set of criteria for technical standards, performance record, references, and warranty terms.





**ARFA Contractor List:** The ARFA Contractor List is the list of contractors that have successfully completed the **CEP** and hold a current and active agreement with the District. Contractors listed on the ARFA Contractor List are eligible to contract work with owners of residential property within the District **Service Area** through the **ARFA** component of the **Program** and receive reimbursement from the District as outlined in this Policy.

**Authorized Contractor:** An Authorized Contractor may be listed on the **AMFA Contractor List**, the **ARFA Contractor List**, or both depending on the certifications the contractor qualifies for through the **CEP**.

**Contractor Evaluation Process (CEP):** The CEP is the standard process by which the District will pre-qualify contractors to be eligible to bid on and/or complete work funded by the District through the AMFA or ARFA components of the **Program**.

**Deliverables:** The Deliverables section of the **Funding Agreement** outlines the required documentation the Municipality must complete and furnish to the District throughout the project schedule for the proposed scope of work outlined in the **Work Plan** to be considered reimbursable by the District. The Deliverables typically include, but are not limited to, review milestones, reports, plans, specifications, meeting notifications, authorizations, contract documents, submittals, inspection reports, quality assurance/quality control (QA/QC) reports, pay applications, invoices, as-built information, and performance data.

**Design, Planning and Investigation Work:** Professional and/or non-professional services to plan an II reduction program, prioritize rehabilitation efforts, assemble bid packages, or design rehabilitations or replacements is considered Design, Planning, and Investigation Work. This includes property inspections, closed-circuit-televising (CCTV), dye testing, smoke testing, lateral cleaning, and maintenance work necessary to complete the investigative work, as well as pre-rehabilitation flow monitoring work. In summary, all professional services, non-professional services, and field work completed in preparation for an II reduction project prior to the award of a construction contract will be considered Design, Planning, and Investigation Work.

**Equalized Value:** The equalized value is the estimated value of all taxable real and personal property in each taxation district, by class of property, as of January 1, and certified by the Wisconsin Department of Revenue (DOR) on August 15 of each year.

**Funding Agreement:** The Funding Agreement is drafted upon validation of a Municipality submitted **Work Plan** for work proposed to be funded by the **AMFA** component of the **Account**. The Funding Agreement defines and assigns the administrative, technical, legal, and financial responsibilities of the work to be completed as outlined in the **Work Plan**. The Funding Agreement also defines the **Deliverables** of the Municipality to the District, as well as any responsibilities, roles, or deliverables of other project partners including the District. Responsibilities defined and assigned within the Funding Agreement will include requirements and provisions that protect the financial and legal interests of the District. The Funding Agreement is in force and the scope of work within the **Work Plan** may be executed upon endorsement of the Funding Agreement by the municipal and District authorities.

**Infiltration:** Has the meaning established by sec. NR 110.03(16), Wis. Admin. Code.

**Inflow:** Has the meaning established by sec. NR 110.03(17), Wis. Admin. Code.



**Lateral:** For the purpose of this **Program**, the entire pipe that carries wastewater flow from a privately-owned building to a publicly-owned sewer, also known as a “building sewer.” For the purpose of this **Program**, the definition of Lateral includes: the “upper” (generally the portion on private property) and “lower” (generally the portion in the public right-of-way) lateral, the building drain, and any portion of the pipe located beneath the building.

**Memorandum of Understanding (MOU):** The MOU is the good faith agreement between the District and a contractor that has been determined as qualified through the District **CEP** to bid on work funded by the District through the **AMFA** component of the Program or contracts let by the District for private property work.

**Municipality:** The Municipality refers to any municipality serviced by the District, either as a member or customer. Milwaukee County is not considered a Municipality for this Program.

**Private Property:** Property that is not owned by a governmental entity. Governmental entities include cities, villages, towns, counties, school districts, sewerage districts, park districts, federal agencies, and the State of Wisconsin. Private property is not exclusive to residential parcels and may include commercial and industrial parcels.

**Program:** The Private Property Infiltration and Inflow Reduction Program of the District.

**Program Funding:** The sum of money provided by the District to Municipalities under the **Program**. Additional funding proposed through District long-term finance plans beyond the current budget year does not constitute an increase in Program Funding until committed by the District through the annual District budget approval process or through specific Commission action.

**Service Area:** The geographical area served by the District’s wastewater treatment system.

**SWMBE:** Small, Woman, Minority, or Veteran-Owned Business Enterprise

**Table of ARFA Reimbursement Rates:** The table of PPII reduction work types that are reimbursable to Authorized Contractors by the District through the **ARFA** component of the Program will be assembled by the District to represent a short list of the most common and effective types of PPII work that would be typically initiated by an individual property owner. The table will include standard, non-negotiable, lump-sum rates for reimbursement of each work type listed. The reimbursement rates are based on a market rate analysis of the value of each work type. The unit rates are intended to be sufficient incentive for the property owner to choose comprehensive IIR-reducing rehabilitation in lieu of spot repairs or temporary repairs, yet require the property owner to substantially contribute to the full cost of the work. The lump sum reimbursement structure provides the property owner free choice in selection of the contractor (within the list of **Authorized Contractors**) while alleviating the property owner of the burden of securing multiple quotes. The lump sum reimbursement structure facilitates a competitive market for pricing and work quality while providing opportunity for new entries on the **Authorized Contractor** list. For the District, the lump sum reimbursement structure controls the District cost for the completed work providing a consistent return on investment towards meeting the Program objectives. The finance structure also reduces administrative overhead and minimizes the risk of fraud. The table will be re-evaluated and revised on a regular basis to adjust the rates according to market price trends and adjust for inflation. The list of items in the table will also be evaluated and revised, as necessary, to adjust for Program performance, technology advances, and industry trends in construction methods.



**Technical Advisory Team (TAT):** A cooperative effort with District staff and members of the 28 communities served by the District. The group also includes representatives of the Wisconsin Department of Natural Resources, Milwaukee County, and the Southeastern Wisconsin Regional Planning Commission. The TAT provides advisory level input for facility planning and other District projects, programs, and initiatives.

**USEPA:** United States Environmental Protection Agency

**WDNR:** Wisconsin Department of Natural Resources

**Work Order Funding Reservation (WOFR):** The WOFR represents the initial scope of work and estimated cost as initiated by a residential private property owner through an **Authorized Contractor** proposed to be funded through the **ARFA** component of the **Program**.

**Work Plan:** The Work Plan is submitted to the District by the Municipality outlining the proposed work for a specific project that the Municipality would like to seek reimbursement for through the **AMFA** component of the **Program**. The Work Plan provides information on geographical location, historical background, technical characteristics, project objectives, scope of work, cost estimate, schedule, and other pertinent project elements in sufficient detail for the District to determine the eligibility of the costs that are anticipated to be incurred within the context of the **Program**.



## Section 3

# Annual Municipal Funding Allocation (AMFA) Funded Work

### 3.1 Eligible Work

This Program component provides funding for work that reduces II from private property sources on a multiple property basis in prioritized areas of a Municipality through publicly let contracts. In order to receive funding, a Municipality must submit a Work Plan to the District and obtain approval from the District through a fully executed Funding Agreement prior to beginning work. In review of the Work Plans, preference will be given to construction work; however, design, planning, and investigation work are also eligible for reimbursement.

Generally, design, planning, and investigation work should not exceed 25 percent of the estimated total project cost; however, the variability of private property work is recognized and will be considered on a case-by-case basis during the Work Plan review process. Once design, planning, and/or investigation work have been completed by the Municipality, as approved and funded through the District Program, the District expects the defined rehabilitation work will be completed. Total professional services for the project including engineering services during construction (ESDC) should not exceed 35 percent of the total project cost. The status of any incomplete work will be a consideration for approval of subsequent Work Plans.

Planning and coordination of PPII reduction work with public sector work or other private property work, such as lead water service abatement or street reconstruction, has been shown to be efficient and cost effective and is highly encouraged. While contracting public sector and private property work funded by multiple agencies to take advantage of opportunities for efficiency and cost savings is encouraged, Work Plans and project documentation must clearly delineate unit cost items to be considered for reimbursement through the Program. The District expects Municipalities to prioritize work areas, where feasible, to focus on metersheds that do not comply with the District's rules on Peak Flow Rate Reduction (MMSD Rules §3.201 et seq.); on areas with basement back-up issues; on areas with a history of municipal or District wet-weather bypassing; on areas susceptible to wet-weather overflows; and on areas likely to be sources of high II because of age and type of infrastructure. Municipalities that demonstrate they have no contiguous or discrete II problem areas should utilize funding for II work across the Municipality. Equitable distribution of any potential or assumed direct benefit to individual property owners shall not be a criterion for planning, design, or prioritization of PPII reduction work.

1. The following list includes examples of work activities on private property that will be eligible for funding upon validation of a Work Plan and award of a Funding Agreement:
  - a. Disconnection of a foundation drain connected to the sanitary sewer system with installation of a sump pump and piping to discharge the drainage to a yard, rain garden, or storm sewer system.



- b. Comprehensive replacement of deteriorated sanitary lateral sewers through traditional or trenchless methods that are relevant, appropriate, and applicable to the local conditions, and approved by the District. Generally, comprehensive replacement includes the connection to the sewer main and the upper lateral to extents of the first practicable connection to the under-house plumbing.
- c. Complete disconnection or proper abandonment of unused existing laterals or service connections.
- d. Installation of privately-owned storm sewer laterals and/or privately-owned and located storm sewers where necessary to convey clear water that is removed from the sanitary sewer system.
- e. Downspout disconnection and redirection as typically identified, and remediated as part of a lateral rehabilitation/replacement project.
- f. Inspection/investigation costs, such as dye testing, smoke testing, home inspections, CCTV, flow monitoring and related field work, within typical proportions to the rehabilitation project, as outlined within this Policy and evaluated through the Work Plan and Funding Agreement processes.
- g. Professional services including planning, design work, and preparation of bid documents within typical proportions to the rehabilitation project as outlined here within this Policy and evaluated through the Work Plan and Funding Agreement processes.
- h. ESDC including construction field oversight within reasonable proportions to the rehabilitation project as determined through the Work Plan and Funding Agreement processes.
- i. Public education, outreach, and project communication work. This includes costs related to soliciting project participation, raising project awareness, and promoting the District and/or local program.
- j. Project evaluation work including data collection and analysis. Pre-construction project evaluation and data collection, including flow monitoring, are considered design, planning, and investigation work. Project evaluation and data collection post construction are considered construction work.

Generally, lateral replacement shall be comprehensive. Sectional or spot repairs of laterals has been documented through District studies of completed work to generally be ineffective at reducing II. Sectional lateral rehabilitation may be considered in cases where sections of the lateral can be shown to be structurally sound and relatively leak free, or where a technical case can be made for II reduction through sectional replacement or rehabilitation, such as where trench transfer between stormwater conveyance and sanitary sewers has been identified as a significant source of II.

Any proprietary products or rehabilitation methods proposed to be used for a project funded by the Program must be on the Approved Products List.

2. The following work activities on private property may be eligible for funding as determined by the District on a case-by-case basis through the Work Plan verification and Funding Agreement processes.
  - a. Comprehensive or sectional rehabilitation of deteriorated sanitary lateral sewers through trenchless methods approved by the District that are relevant, appropriate, and applicable to the local conditions. Generally, comprehensive rehabilitation includes the connection to the sewer main and the upper lateral to extents of the first practicable connection to the under-house plumbing.



- b. Facilities or practices for management of surface flooding in circumstances where surface flooding is a source of infiltration and/or inflow. Preference will be given to solutions that employ green infrastructure.
- c. II reduction, such as lateral replacement or rehabilitation on a publicly-owned building, that is part of a larger private property-based project and has been approved through the Work Plan and Funding Agreement processes.
- d. Remediation of illegal connections to the sanitary sewer system (previously unknown) that are identified during rehabilitation work being done pursuant to an approved Work Plan. The actual, reasonable costs of remedying the illegal connection may be approved through the change order process as described in the Funding Agreement.
- e. Disconnection of illegal connections to the sanitary sewer system, such as downspouts, yard drains, foundation drains, and sump pumps, in circumstances where the illegal connections were installed on an area-wide basis without the current homeowner knowledge. Before approving remedies for such illegal connections, the District will require the Municipality to demonstrate, to the satisfaction of the District, that remedy of the illegal connection(s) through this Program is the most efficient and effective pathway to permanent removal of the clear water source to the sanitary system. When the project includes multiple property owners to achieve the maximum benefit of the remediation, the Municipality will be required to provide a cost share proportional to the percentage of non-participating property owners in the project area, or equivalent thereof through in-kind services (such as work done by municipal staff).
- f. Construction of new or larger storm sewer infrastructure under the following circumstances:
  - i. The infrastructure must be for the primary purpose of conveying flows removed from the sanitary sewer system through PPII reduction efforts, such as foundation drain disconnection and lateral repair; and
  - ii. The Municipality has investigated the potential to manage this additional flow using pervious areas and green infrastructure, and has demonstrated to the satisfaction of the District that it is not feasible for the flows removed from the sanitary sewer system to be managed without additional storm sewer infrastructure
- g. Rehabilitation of residential storm laterals where it has been demonstrated that the backup of stormwater from the defective storm lateral is resulting in clear water entry to the sanitary system.
- h. Any other strategies for II reduction where demonstrated to be effective.
- i. Training and/or certification costs for staff related to the competent completion of private property related work tasks. Examples of training or certification costs that may be considered as reimbursable are certifications and training classes applicable to the completion of private property rehabilitation work that are held by industry standard setting organizations, such as the National Association of Sewer Service Companies (NASSCO) or the National American Society for Trenchless Technology (NASTT).

The District is more likely to approve work described within this “may be eligible” category when there is a significant municipal contribution through cost-share or in-kind services.

3. The following list of work activities are examples of items that are not eligible for funding:
  - a. Any work on private property served by a private sanitary treatment system.
  - b. Any work on private property not within the District Service Area.
  - c. Any work on public sanitary sewers.





- d. Backflow preventers, hung plumbing, and other basement backup prevention measures that do not result in a reduction in II.
- e. Sump pump emergency backup devices or systems.
- f. Replacement of existing clear water sump pumps.
- g. Spot or sectional repair of laterals where the primary objective is restoration of structural integrity with minimal, if any, II reduction.
- h. Municipal staff time, except as described in an approved Work Plan, specific to project activities the Municipality elects to self-perform rather than contract out (see Option 3 in the Funding Agreement section).
- i. Stormwater work not directly related to the reduction of clear water removed from the sanitary system.
- j. Sanitary collection system work on property where the status as private or public is questionable (local collection systems in a privately constructed housing development with public access).

This list of ineligible work activities is not comprehensive or all-inclusive. All proposed work will be subject to review by the District through the Work Plan verification and Funding Agreement processes.

## 3.2 Work Plan Initiation

For any project proposed to be funded through the AMFA component of the Program, the Municipality will assemble and submit a Work Plan to the District for verification.

Work Plans should include the following information:

1. A map of the general location of the work within the Municipality. The map should show the Municipality metersheds/sewersheds with streets, identifiable cross streets, a scale, a legend, and a north arrow. The project area(s) should be clearly delineated.
2. A larger scale map of the specific project area with parcel delineation and local utilities shown. Streets should be labeled, and the map should include a scale, a legend, and a north arrow.
3. A description of the work to be performed, including details for proposed phases as applicable, including planning, investigative, design, and construction. The description shall include the role assignments for each aspect of the work performed (staff, consultant, contractor)
4. A public information/outreach/communication plan including the role assignments for completing the work and any resources that are anticipated to be needed to complete the public information/outreach/communication.
5. For construction/remediation work, a plan for provision of construction inspection.
6. A project schedule, including approximate start and end dates of all phases and milestones, with sufficient consideration for project approvals and processes.
7. A detailed project budget that includes cost estimates based on the anticipated level of effort and estimated unit costs for the labor resources and expenses.
8. A project procurement plan that details how the Municipality anticipates obtaining necessary services (public bid, three quotes, self-perform, etc.).
9. A project performance evaluation plan. The plan shall include the metrics by which the project will be evaluated, the data collection strategy, and a report of the available pre-construction data that is available. The plan is expected to outline a strategy for capturing quantitative, tangible, and reportable results for II reduction.



The District will publish, and update as required, a technical resource manual that outlines in detail, the Work Plan process, and provides resources including standard forms and templates to the Municipalities for successful completion of the Work Plan process. The District will review the Work Plan submittal for completeness and compliance with the Policy to determine validation. Once validated, the Work Plan will be promoted to the Funding Agreement process.

### 3.3 Funding Agreement

Upon District verification of a Work Plan, the District and the Municipality will enter into a Funding Agreement that sets forth the specific terms and conditions of funding. A fully executed Funding Agreement can be implemented through a variety of procurement options:

**Option 1:** The Municipality may procure contractors and/or consultants to perform the work and receive reimbursement from the District. The District will reimburse costs as incurred by the Municipality and verified by the District as outlined in the Funding Agreement. The District will strive to reimburse all costs within 30 days of submission of an invoice and delivery to the District of all supporting documentation, as outlined in the Funding Agreement.

The selection of professional service providers must be performed in accordance with the terms of the Funding Agreement and the Municipality's ordinances and policies. All non-professional service work (e.g., construction, sewer inspection, post-construction restoration) must be procured in accordance with State of Wisconsin statutes and regulations, the terms of the Funding Agreement, and in accordance with the Municipality's ordinances and policies. Whenever work valued over \$25,000 is procured without the use of a public sealed bidding process, the District will require the Municipality to provide an opinion from a licensed attorney representing the Municipality stating that the procurement is in compliance with State of Wisconsin law and Municipal ordinances.

**Option 2:** The District can procure contractors and/or consultants to perform the work, and the District will make direct payments to the contractors and/or consultants with a corresponding deduction from the Municipality Account. The cost of District management and oversight will also be deducted from the Municipality Account. The use of Option 2 may be used at the discretion of the Municipality. Option 2 may be attractive for Municipalities that do not have the internal staff to manage bidding, contracting, and oversight of the work. Option 2 may also be implemented by the District where the Municipality is not eligible to decline, surrender, or transfer the AMFA, and has not met Program submittal deadlines.

**Option 3:** A Municipality can elect to utilize internal staff to perform planning, design, and/or remediation work. The District will reimburse actual labor (hourly rate plus a benefits multiplier), material, and equipment costs for self-executed work. The District will reimburse costs for training work crews on II reduction strategies. The District will not reimburse general administrative or indirect management costs.

**Option 4:** Municipalities may be able to combine Work Plans under District-let contracts for additional cost savings, consistency of work, and administrative efficiencies. The cost of District management and oversight will be equitably deducted from the Accounts of participating Municipalities. Where several municipalities are proposing similar types of work within a similar time period, the District prefers Option 4 and reserves the right to require the work to be completed under a District-let contract.

The Funding Agreement sets forth the following terms of project completion between the Municipality and the District:

1. The foundational objectives of the Program and the agreement.





2. The effective dates of the agreement that include the date from which the terms of the agreement become effective as well as the timeline in which the terms of the agreement expire. Generally, the District expects the scope of work defined by the agreement to be completed and all eligible expenses to be submitted for reimbursement within two years of the effective date of the agreement.
3. The terms of the District funding including the monetary value, the restrictions, and the requirements of the funding.
4. The procedures of the payment that include instructions for submitting reimbursement requests to the District for expenses incurred by the Municipality. The procedures will include restrictions and minimum requirements for details and supporting documentation.
5. The terms for changes in work and modifications to the agreement.
6. The ongoing obligations of the Municipality for reporting on the project after completion of the work beyond the term of the agreement.
7. The responsibilities of the Municipality to ensure compliance with federal, state, and local laws pertaining to permits, certifications, and licenses in implementing the work.
8. The requirements for adherence to public bidding laws, including distinctions between Municipal level and District level obligations, to comply with public bidding laws.
9. The responsibility assignments for work, insurance, and indemnification.
10. The terms for termination of the agreement by the District or the Municipality.
11. The terms of severability
12. The terms for resolving disputes
13. Other miscellaneous assignments of roles and responsibilities as appropriate for the specific project or as the Program evolves.

The Funding Agreement includes the following attachments:

**Attachment A:** Attachment A typically consists of the Work Plan as submitted by the Municipality in its entirety. Attachment A may be condensed to only include essential components of the Work Plan, such as background, scope, budget, and schedule, depending on the length of the Work Plan. Graphics are only included in Attachment A where deemed necessary to convey key project information that is not represented in text.

**Attachment B:** Attachment B is the list of Deliverables due the District by the Municipality for the scope of work agreed to in the Funding Agreement for eligible expenses to be fully reimbursable. Attachment B is drafted by the District and includes schedule milestone check points, review check points, and communication requirements along with tangible documents and data. The District reserves the right to deny payment or reduce payment for incomplete delivery of the Deliverables or failure to submit all Deliverables within the times set forth in the Funding Agreement.

### 3.4 Work Execution

The Municipality is authorized to proceed with the work as outlined in the Work Plan and documented in the Funding Agreement upon completion of the Funding Agreement process (all signatures have been completed). The Municipality has the sole responsibility to be familiar with terms of the Funding Agreement, including the Deliverable check points. As delegated in the Funding Agreement, the Municipality is responsible to set forth specific mechanisms for inspection and verification of the work depending on the size, scope, and nature of the work to be performed. For construction work, this typically will be full-time inspection by qualified, experienced staff, particularly



where data collection is critical and/or where unproven, high risk, and/or historically problematic conditions exist.

In addition, the District may, at its sole cost and without debit to a Municipality's Account, perform periodic checks of construction projects to ensure that the work is proceeding according to the approved Funding Agreement.

### 3.5 Authorized Contractors

Contractors interested in bidding on work funded by the AMFA component of the Program are required to complete the CEP. The CEP will consist of a standard review of technical, financial, and risk criteria such as trade experience, work force capacity, equipment capacity, trade certifications, training certifications, insurance limits, and bonding capacity. The CEP will also include a review of performance criteria such as safety record, customer satisfaction, work integrity, and contract performance. As part of the CEP, the District may require the contractor to provide project and/or customer references. Contractors may express interest in participating in the Program through a Request for Qualifications (RFQ) process as publicly advertised by the District, or they may contact the District directly. Upon successful completion of the CEP, the contractor will be required to complete the following to be an Authorized Contractor and listed on the AMFA Contractor List:

1. District contractor training specific to AMFA funded work. The contractor training will familiarize the contractors with the District Program, the objectives of the Program, and the responsibilities the contractor will typically have to the District for Program work awarded to the contractor through either a Municipality-let contract, or a District-let contract.
2. Memorandum of Understanding (MOU). The MOU will outline the expectations of the District for the contractor in completing work funded through the AMFA component of the Program regardless of the owner of the contract. The MOU will include commitments by the contractor such as, but not limited to, the following:
  - a. Meet District safety requirements
  - b. Pursue District SWMBE goals
  - c. Pursue District local workforce goals
  - d. Communicate and report with/to the District
  - e. Meet District standards for communication with property owners
  - f. Maintain the minimum requirements as set forth by the CEP

The MOU will define the terms for which the District or the contractor may terminate the agreement with removal from the AMFA Contractor List.

The District reserves the right to consider waiving the Authorized Contract requirements for specific individual projects under unique circumstances.

### 3.6 Access

Access to private properties shall be obtained through a voluntary right-of-entry (ROE) agreement. The District has a template ROE agreement that can be customized by the Municipality. Obtaining access is the responsibility of the Municipality, except under the District-let procurement Options 2 or 4 (described in Section 3.3 Funding Agreement), District-led QA/QC work, District-led research work, and/or District-led pilot projects.

ROE agreements shall include terms that provide the Municipality and/or the District access to the completed work for a post construction period of at least three years for completion of the warranty



inspection. Communication, notification, and coordination with the property owner will be implemented prior to any entry to a property for any aspect of work completed through this Program.

If a Municipality or the District identifies an II contributing property and the property owners will not voluntarily allow access, either the Municipality or the District may apply to the appropriate court for enforcement of the District's or Municipality's rules.

### **3.7 Design, Planning and Investigation**

The focus of this Program is on actual remediation work to reduce II from private property sources. While no universal cap on spending for design, planning, and investigation work will be set, each Work Plan will be evaluated on a case-by-case basis. As general guidance, design, planning, and investigation costs should not exceed 25 percent of the total estimated project costs. While costs for ESDC are considered a construction cost, all costs for professional services for a project including ESDC should not exceed 35 percent of the total project cost.

In addition, the District will enter into contracts for regional engineering, field investigative services, construction services, and/or public outreach related to PPII reduction work as the need arises. As available, the regional services provided by these District contracts are available to all Municipalities for completion of PPII reduction projects. Each of the District's Municipalities may obtain services from the contracts, subject to the District's budget, pending Funding Agreement completion and the individual Municipality Account balance. The cost of service obtained from the regional contracts will be deducted from the Municipality's Account.

### **3.8 Public Education and Outreach**

Public education and outreach are critical to the success of this Program. Property owners will need to understand the importance of their buried infrastructure and the objectives for having this work completed on their property. Where new infrastructure is being installed (e.g., foundation drain disconnects with sump installation), property owners need to understand the new components, the related risks, and the new maintenance requirements.

It is imperative that property owners understand the limitations of the work being completed and understand any remaining risks, particularly where defects and/or code violations are identified through the course of the work that are outside of the scope of work and are likely to cause problems for the property owner in the future.

Public education and outreach performed in a specific Municipality in conjunction with II reduction work is eligible for reimbursement under this Program.

The District will produce public outreach materials for Municipality use. The District will maintain online resources for information on PPII reduction for property owners, as well as Program information and resources.

A post construction survey for participating property owners will be a standard deliverable for all District funded AMFA projects.



## Section 4

# Annual Residential Funding Allocation (ARFA) Funded Work

### 4.1 Eligible Work

The ARFA Program component provides funding through District Authorized Contractors to individual residential property owners for the completion of work that reduces II from private property sources. To receive funding through the ARFA Program, an individual property owner must initiate the process by contacting an Authorized Contractor. Once the Authorized Contractor has determined that the property owner is eligible to participate in the Program, the contractor shall confirm the following: 1) that the property owner is willing to have a Clear Water Evaluation completed, 2) the property owner is willing to complete the remediation work identified in the Clear Water Evaluation, 3) the property owner is willing to sign the District participation waiver, and 4) there is a sufficient ARFA Account balance to complete the anticipated scope of work. Upon confirmation of items 1 through 4 above, the Authorized Contractor shall negotiate the terms of the contract for the proposed scope of II reduction work with the property owner and have the property owner sign the District participation waiver. The contractor shall then submit a Work Order Funding Reservation (WOFR) via the District reservation system.

The Clear Water Evaluation will identify any direct clear water connections to the sanitary system (legal and illegal), including foundation drains, downspouts, sump pump discharges, and yard drains. To be eligible for District-funded II reduction work on their property, the property owner must first remediate all items identified through the Clear Water Evaluation. The costs for the remediation of Clear Water Evaluation items may be eligible for reimbursement to the limit of the items and values listed in the Table of ARFA Reimbursement Rates. Not all Clear Water Evaluation work will be eligible for District funding and may be the responsibility of the property owner.

While the Authorized Contractor may complete any scope of work requested by the property owner within the contract between property owner and Authorized Contractor, the District reimbursable work must be itemized, priced, and documented separately. Any proprietary products or rehabilitation methods proposed to be used for ARFA funded work must be on the Approved Products List.

1. The following list of work activities on private property are examples of items that may be eligible for funding through the ARFA component of the Program contingent upon the terms of the agreement between the District and Authorized Contractor and the current Table of ARFA Reimbursable Rates:
  - a. Clear Water Evaluation.
  - b. Comprehensive replacement or rehabilitation of the sanitary lateral through traditional excavation or trenchless methods recognized by the Wisconsin Standard Specifications for Sewer and Water Construction or listed on the Approved Products List. The lateral replacement and/or rehabilitation must extend from the sanitary main connection and include the upstream lateral to the limits of the first practicable connection to the



- under-house plumbing. Exceptions will be considered where the right-of-way section of the lateral has either been replaced/rehabilitated or the right-of-way section of the lateral is free of structural and operation/maintenance defects.
- c. Disconnection of a foundation drain connected to the sanitary sewer system with installation of a sump pump and piping to discharge the drainage to a yard, rain garden, or storm sewer system. The typical work necessary to disconnect the palmer valve and redirect the foundation drain piping to the new sump pump is included.
  - d. Electrical circuit installation for a new sump pump as part of a foundation drain disconnection that is completed within the scope of Program work.
  - e. Complete disconnection or proper abandonment of existing unused sanitary laterals, and/or extraneous connections to the lateral or lateral connection riser.
  - f. Installation of privately-owned storm sewer laterals for the conveyance of sump pump discharge as part of a foundation drain disconnect under the same WOFR.
  - g. Disconnection of a downspout that has been identified as a direct connection to the sanitary system.
  - h. Wisconsin State Plumbing Code compliant clean-out (internal or external) as part of the lateral replacement/rehabilitation work as necessary for access to the lateral.
  - i. Replacement or rehabilitation of the stormwater lateral where the backup from the lateral has been identified as a source of clear water to the sanitary system. (will require a dye test or equally acceptable positive identification and verification).
2. The following activities are not eligible for funding:
- a. Any work on private property served by a private sanitary treatment system.
  - b. Any work on private property not within the District Service Area.
  - c. Backflow preventers, hung plumbing, and other basement backup prevention measures that do not directly result in a reduction in II.
  - d. Sump pump emergency backup devices or systems.
  - e. Electrical service upgrades.
  - f. Sectional or spot replacement or repair of sanitary laterals.
  - g. Replacement of an existing clear water sump pump.
  - h. Plumbing to correct illegal connections of sump pump discharge to the sanitary sewer.
  - i. Work required to correct non-compliant plumbing in the course of completing the lateral replacement/rehabilitation work or the foundation disconnect work.
  - j. Foundation drain installation or repair outside of the typical work necessary to abandon the palmer valve and redirect the foundation drain to the new sump pump.
  - k. Multiple clear water sump pumps as may be necessary due to extraordinary building or foundation drain configurations and/or extraordinary clear water flows.
  - l. Work that has already been completed prior to contractual arrangements with an Authorized Contractor
  - m. Work performed by the property owner or work completed by any other entity other than the Authorized Contractor
  - n. Work where the actual value of the work is less than the lump sum reimbursement rates as listed in the current Table of ARFA Reimbursable Rates.



## 4.2 Authorized Contractors

Contractors interested in participating in the ARFA component of the Program are required to complete the CEP. The CEP will consist of a standard review of the experience, capacity, trade certifications, and training certifications of the contractor. The CEP will consist of a standard review of technical, financial, and risk criteria such as trade experience, experience with residential customers, work force capacity, equipment capacity, trade certifications, training certifications, insurance limits, local residential contractor licenses, and bonding capacity. The CEP will also include review of performance criteria such as safety record, customer satisfaction, consumer satisfaction survey ratings, work integrity, customer communication, and customer responsiveness. As part of the CEP the District may require the contractor to provide customer references. Contractors may express interest in participating in the Program through an RFQ process as publicly advertised by the District or they may contact the District directly. Upon successful completion of the CEP, the contractor will be required to complete the following to be an Authorized Contractor and listed on the ARFA Contractor List:

1. District contractor training specific to ARFA funded work. The contractor training will familiarize the contractors with the District Program, the objectives of Program, and the responsibilities of the contractor to cooperatively meet the Program objectives while keeping the ARFA component of the Program as streamlined as possible. The training will include instruction on District processes, information platforms, and communication platforms that the contractor will need to utilize for successful navigation of the Program workflow. The contractor will receive instruction in completing the Program processes from the initial contact with a property owner to successful reimbursement by the District for work completed within the terms of the Program. The training will include instruction on the Approved Products List and the Table of ARFA Reimbursement Rates.
2. An agreement with the District. The agreement will outline the terms of work completed on behalf of property owners that is reimbursable to the Authorized Contractor by the District through the ARFA Program component. The agreement will define the typical terms of an agreement such as value, scope, invoicing, insurance, etc. The agreement will define the deliverables and data due the District by the Authorized Contractor for reimbursable work. The agreement will include the responsibilities of the Authorized Contractor to meet the District defined standards for compliance, customer service and work integrity. The agreement will define the terms for termination of the agreement by the District or the Authorized Contractor. Upon execution of an agreement with the District, the contractor will be placed on the ARFA Contractor List and will be eligible to complete work with interested property owners and submit to the District invoices for work completed as defined by the terms of the District/Authorized Contractor agreement.

## 4.3 Program Eligibility

Any eligible property owner (residential, two unit or less, within the District Service Area) may participate in this program. The Program is limited to the availability of funds as allocated annually through the ARFA to the Municipality in which the property resides. Funding will be available on a first come-first serve basis as managed by the WOFR system to the annual limits of the funding. Property owners may be placed on a waiting list pending availability of subsequent annual allocations to the ARFA once the yearly allocation has been exhausted.





## 4.4 Work Execution

Eligible property owners may initiate a Work Order through any Authorized Contractor. The Authorized Contractor is responsible for explaining the terms of a contract to complete work through the Program to the property owner. The property owner and Authorized Contractor contract directly for the scope of work the property owner requests to be completed. The scope of work completed by the Authorized contractor for the property owner is not restricted to the work eligible for reimbursement through this Program; however, the reimbursement by the District is limited to eligible work. All costs exceeding the terms and restrictions of this Program are the responsibility of the property owner. The District reimburses the Authorized Contractor directly for work completed, submitted, and verified within the guidelines of this Policy, and the terms of the District/Authorized Contractor contract according to the values listed in the Table of ARFA Reimbursement Rates.

Once the property owner and the Authorized Contractor have agreed upon the scope of work to be completed and identified the portions of the scope of work eligible for ARFA reimbursement, the Authorized Contractor shall confirm that sufficient funds remain in the corresponding Municipal ARFA Account to cover the value of the reimbursable work. Once funds have been confirmed, the Authorized Contractor will reserve funding allocation on behalf of the homeowner through a WOFR. The WOFR reserves sufficient funding to reimburse the Authorized Contractor based on the estimated scope of work as agreed upon between the property owner and the Authorized Contractor. The WOFR monetary value is reserved for 60 days beyond submittal. Upon completion of the work, the Authorized Contractor will invoice the District directly for the portion of the work that is reimbursable based on the Table of ARFA Reimbursement Rates. Any value of the WOFR beyond the actual reimbursement to the Authorized Contractor is returned to the corresponding Municipal Account. The reimbursement for actual work completed may exceed the WOFR value; however, the Authorized Contractor is at risk for non-payment if the value of reimbursable work exceeds the value of the WOFR and the Municipal Account has been exhausted for the current budget year. The Authorized Contractor is responsible for the payment terms of the contract between property owner and the contractor including collection of all due payments from the property owner for work completed outside the limits of this Program.

## 4.5 ARFA Program Component Options

**Option 1:** The ARFA component of the Program may also be utilized by Municipalities that have limited financial or staff resources and/or prefer to limit the risk and liabilities associated with private property work. The Municipality may consider utilizing the ARFA component to focus PPII reduction in a target area by actively promoting and advertising the ARFA component to property owners within the designated project area. While the Municipality effort may be limited to facilitating the initial contact and communication between the property owners and the Authorized Contractors, the contracting, implementation, and administration of the work is left to the property owners, the Authorized Contractors, and the District.

## 4.6 Access

The terms of access to the property by the Authorized Contractor is the responsibility of the Authorized Contractor. A standard District statement of Program conditions and disclaimer (waiver) will be a required component of contracts between property owners and Authorized Contractors.



## 4.7 Verification of Work Completed

The requirements of the District for documentation, verification, and submittals for the work will be outlined through the contractor training process. The District will be relying on the terms of the District/Authorized Contractor agreement and the integrity of the Authorized Contractors to maintain sustainable, minimal, and successful administration of the ARFA component of the Program. The performance of the Authorized Contractors will be monitored through a scoring system that will include demerit points for non-compliance and/or poor performance. The District will reserve the right through the terms of the agreement to remove contractors from the ARFA Contractor List for poor performance including compliance. Final verification of the completed work to comply with industry quality standards, integrity standards, manufacturer standards, and regulatory standards will be provided by the Municipal residential inspectors through the Municipal permitting processes. All reimbursable work will be required to have an inspection completed through the applicable Municipal permitting process. District inspectors will also perform spot inspections during construction and on completed work.

## 4.8 Public Education and Outreach

All materials for information, promotion, and property owner guidance for the Program shall be produced or approved by the District prior to distribution. Authorized Contractors may not distribute advertising or promotional material exclusive to their company for the Program. Authorized Contractors may not independently advertise or solicit work exclusive to the Program without express consent by the District and the Municipality. The District will be promoting the Program and providing informational materials for media distribution, District event distribution, and for distribution by Municipalities. Authorized Contractors may distribute District informational and promotional material upon contact from an interested property owner. A post construction customer survey will be a standard component of the Authorized Contractor and homeowner project closeout.





## Section 5

# Funding

### 5.1 Annual Municipal Funding Allocation (AMFA)

The AMFA is the amount of money from the Program annually allocated to a Municipality in any given year of the Program, based on the equalized value of the Municipality's service area as a percentage of the total equalized value of the District's entire Service Area. The AMFA is specific to the AMFA component of the Program as outlined in this Policy, and is discrete and separate from the ARFA component except when transfers occur within the terms of this Policy.

Annually, the District will approve the PPII Program budget through the District budget process, which is typically completed in October. The PPII Program budget will be split into two components, the AMFA component and the ARFA component, based on budget utilization data of budgets from previous years. Once the District has determined the share of the PPII Program budget that will be assigned to the AMFA component of the Program, the funds will be distributed to each individual Municipality AMFA account based on the previous year's equalized value formula. The Municipality specific AMFAs will be announced by the close of business (COB) of the first business day in February of the subject District budget year. Each Municipality will have until COB of the first business day in June to submit documents under one of the four following options (or combination thereof) to the District;

1. **Option 1. Intent to Commit Funds:** A statement of intent communicates the dollar amount the municipality intends to commit to a Work Plan and subsequent Funding Agreement within the current budget year to complete a proposed project(s). The details of the Work Plan are not necessary at this point. The value stated in the Intent to Commit Funds may include funds from a previous roll over. The Intent to Commit Funds may be for the full value of the current AMFA or it may be combined with one of the other three options. The maximum value of the Intent to Commit Funds is 100 percent of the current budget year AMFA and a 100 percent of the rollover from the previous budget year AMFA.
2. **Option 2. Request to Roll Over:** A request may be submitted to roll over part or all of the current AMFA. The maximum term for a rollover is one budget year. Any uncommitted balance of a roll over in the subsequent budget year is considered to be surrendered.
3. **Option 3. Statement of Decline:** A Statement of Decline is an explicit statement by the Municipality that all or part of the current AMFA will be declined and will not be submitted through a Work Plan. The funding that is declined will be applied to a subsequent District annual general capital budget. For a Statement of Decline to be considered by the District, the following conditions must apply to the Municipality:
  - a. Compliant with District Chapter 3 Rules; and
  - b. Not subject to administrative compliance orders from any regulatory agency such as the WDNR or the USEPA; and
  - c. No sub-metersheds or local collection system legs that have wet-weather peak flows and create system operational challenges or have negative impacts to property owners; and
  - d. No recurring sanitary sewer overflows or systemic basement backups occur; and



- e. No local sewers or pump stations surcharge or require by-pass pumping during wet weather; and
  - f. No private properties in the Municipality have foundation drains that discharge to the sanitary sewer system; and
  - g. Within reasonable methods of identification, no private properties in the Municipality have substantial contributions of clear water to the sanitary system due to deterioration and/or inflow, either individually or collectively; and
  - h. Within reasonable methods of identification, illegal connections of clear water flow to the sanitary system have been identified and remediated.
4. **Option 4. Request to Transfer:** The Municipality may request to transfer all or part of the current AMFA, as well as any rollover balance from the previous budget year, to a qualifying District program or the ARFA component to the Municipality Account. For a Request to Transfer to be considered by the District, the following conditions must apply to the Municipality:
- a. Compliant with District Chapter 3 Rules; and
  - b. Not subject to administrative compliance orders from any regulatory agency such as the WDNR or the USEPA; and
  - c. No sub-metersheds or local collection system legs that have wet-weather peak flows and create system operational challenges or have negative impacts to property owners; and
  - d. No recurring sanitary sewer overflows or systemic basement backups occur; and
  - e. No local sewers or pump stations surcharge or require by-pass pumping during wet weather; and
  - f. No private properties in the Municipality have foundation drains that discharge to the sanitary sewer system; and
  - g. Within reasonable methods of identification, no private properties in the Municipality have substantial contributions of clear water to the sanitary system due to deterioration and/or inflow, either individually or collectively; and
  - h. Within reasonable methods of identification, illegal connections of clear water flow to the sanitary system have been identified and remediated.

All AMFA funds that have not been accounted for by an Intent to Commit Funds, a Request to Rollover, a Statement of Decline, or a Request to Transfer will be assumed to be surrendered. The surrendered funding will be pooled for the Competitive Application Process.

### 5.1.1 Competitive Application Process

Each budget year, a Competitive Application Process will be conducted to provide municipalities the opportunity to acquire PPII funding in addition to the funding available through the annual allocations. Regardless of compliance status, all municipalities are eligible to submit an application for additional PPII funding through the Competitive Application Process. A Municipality that has submitted a Statement of Decline may not retract the Statement of Decline; however, it may participate in the Competitive Application Process. The Competitive Application Process and the total value of the funding available will be announced by COB of the first business day of July. Applications will be due by COB of the first business day in August. Applications will be evaluated by the District based on the II reduction goals of the proposed projects, the strategy for evaluating the results, the estimated cost/benefit ratio (II removal, cost share by applicant, effectiveness of proposed means/methods, etc.), innovation value, and public awareness value. Awards for funding through the Competitive Application Process will be announced by COB of the first business day in



September. At the end of the budget year, the District reserves the right to reevaluate all unsuccessful Municipality applications if additional surrendered funds have accumulated through the budget year PPII processes and deadlines.

### **5.1.2 Work Plan Submittal**

By COB of the first business day of October of the subject budget year, a Work Plan must be submitted to the District for any funds that the Municipality intends to commit to PPII projects. The Work Plan must include all funds that the Municipality has committed through an Intent to Commit Funds, has rolled over from the previous budget year, or has been awarded through the Competitive Application Process. All funds held by compliant municipalities (AMFA or awarded through the Competitive Application Process) not committed to a Work Plan by October 1 will be considered surrendered. All Work Plans must be secured by a Funding Agreement by COB of the last business day in December. All committed funds held by compliant municipalities not secured by a Funding Agreement by COB of the last business day in December will be considered surrendered.

### **5.1.3 Non-compliant Municipalities**

At COB of the last business day in December of the subject budget year, all funds remaining in the AMFA component of Accounts held by non-compliant municipalities that have not been secured by a Funding Agreement or rolled over will be considered surrendered.

### **5.1.4 Surrendered Funds**

At COB of the last business day in December of the subject budget year, all funds budgeted for the AMFA component of the Program that have not been accounted for through a Funding Agreement, a Rollover, or a Transfer will be considered surrendered.

At COB of the last business day in December of the subject budget year, all surrendered funds, at the discretion of the District, will either be returned to the District capital budget, utilized through District-let contracts as defined by Option 2 in the Funding Agreement section, or considered for award to Municipality applications to the Competitive Application Process that were initially unsuccessful.

### **5.1.5 Requests to Transfer**

Certain Municipalities serviced by the District may reach a point where further identification of private property sources of II is not feasible and/or further remediation of private property sources of II has diminishing returns on the investment. Municipalities that are eligible, may consider utilizing Option 4, Request to Transfer, under Policy section Funding/A. Annual Municipal Funding Allocation (AMFA).

Requests to Transfer may be made from the AMFA to the following:

1. Qualifying District programs are programs approved by the Commission, funded through an annual equalized value allocation structure, and designated by the District as a qualifying program. The annual equalized value allocation funding structure has proven to be a valuable resource for the Municipalities and the District to meet regulatory requirements and proactive regional goals to improve system performance. Green Infrastructure programs are an example of current programs that may be identified as qualifying District programs. Where opt-out options are part of an otherwise qualifying District program, Municipalities that have chosen to opt-out of such programs will not be able to transfer AMFA PPII funds into the qualifying program.
2. The ARFA component of the PPII Program.



The District will strive to issue a decision to the requesting Municipality within 30 days of submission of a Request to Transfer. All District decisions for Requests to Transfer will be issued by COB of the last business day in June of the subject budget year.

### **5.1.6 Spending Above the Annual Funding Allocation**

Municipalities may wish to spend more on private property work in a given year than the funds that are available through the current AMFA or Account balance (including roll overs). Pursuant to a verified Work Plan, a Municipality may spend more than the current Account balance, however the Municipality is at risk for being reimbursed for the completed work contingent on approval of subsequent District annual budgets. To facilitate Municipal requests to complete private property work with costs that exceed the current Account balance of the Municipality, the Municipality shall follow the standard Work Plan approval process. Upon approval of the Work Plan, one of the following will be completed by the District and the Municipality:

1. Where the Account balance of the Municipality is greater than \$0, a Funding Agreement will be completed with a maximum value equal to the current Account balance of the Municipality. In addition to the typical agreement terms and deliverable requirements, the agreement will outline the intent of the Municipality to request reimbursement for additional expenses, beyond the Funding Agreement value but within the Work Plan details, if additional funding may become available through subsequent AMFAs or awards through the Competitive Application Process.
2. Where the Account balance of the Municipality is \$0, a \$0 value Funding Agreement will be completed with the typical agreement terms and deliverable requirements with a statement of intent by the Municipality to request reimbursement for expenses within the terms of the Funding Agreement if additional funding may become available through subsequent AMFAs or awards through the Competitive Application Process.

It is important to note that no Program funding for any year is guaranteed until the District's Commission passes the District budget for that year (typically October of the year preceding the subject budget year).

### **5.1.7 Cost Match**

In general, the District is not requiring any matching funds from Municipalities in order to receive funding from the District under the AMFA component of this program. The District encourages Municipalities to contribute local and/or third-party funding toward PPII reduction to maximize the results that can be achieved through this Program.

A cost match may be required where a Municipality is using funding for the remediation of illegal connections or where the Municipality is using funding to construct additional storm sewer infrastructure. This will be considered on a case-by-case basis.

### **5.1.8 Appeals**

Appeals to the processes of this Program may be submitted under the following conditions:

1. An appeal may be submitted where a Municipality has met all Program deadlines throughout the budget year, including the Work Plan submittal, yet has not completed the Funding Agreement process prior to COB of the last business day in December. The Municipality may submit a one-time appeal for a 30-day extension. Where an extension has been granted, the Municipality may work to resolve outstanding issues withholding the Funding Agreement or elect to roll funds over. If, at the end of the 30-day extension, the Funding Agreement has not been completed nor a Request to Roll Over has not been submitted and approved, the funds will be considered surrendered.



2. An appeal may be submitted where a Municipality has submitted a Request to Transfer that was not approved by the District, prior to COB of the first business day in June. The Municipality may submit a one-time appeal for a 30-day extension. Where an extension has been granted, the Municipality may work to resolve outstanding issues withholding the Request to Transfer, may submit an Intent to Commit, or elect to roll funds over. As of COB of the last business day in June, all funds that are not accounted for by an approved Request to Transfer, an approved Request to Rollover, or an Intent to Commit will be considered surrendered.
3. An appeal may be submitted by a Municipality that wishes to submit a Request to Transfer funds from the AMFA component to the ARFA component where the Municipality has been determined ineligible to submit a Request to Transfer according to the terms of this Policy. Appeals in this category will be typically considered in cases where the Municipality AMFA is not sufficient to realistically complete a publicly bid project.

## 5.2 Annual Residential Funding Allocation (ARFA)

Annually, the District will approve the PPII Program budget through the District budget process which is typically completed in October of the year preceding the subject budget year. The PPII Program budget will include the ARFA component, based on budget utilization data of budgets from previous years. The total District budget for the Program and the assignment to ARFA component may vary year to year, depending on the overall prioritization of District capital projects and the Program specific goal to minimize the accumulation of unused funds. Once the District has determined the share of the PPII Program budget that will be assigned to the ARFA component of the Program, the funds will be distributed to each individual Municipality ARFA account based on the previous year's equalized value formula by February 1 of the subject budget year. The ARFA is specific to the ARFA component of the Program as outlined in this Policy, and is discreet and separate from the AMFA component except when transfers occur within the terms of this Policy.

Once ARFA funds are assigned to each Municipality, there is no option to decline or transfer. Municipalities may transfer AMFA funds to ARFA. The District will maintain records of allocated and available funds in "real time" which can be reviewed by Authorized Contractors and Municipalities on the District PPII website. No direct payments will be made to individual property owners. Reimbursements through the ARFA for work completed on individual properties will be made only to Authorized Contractors within the terms of this Policy.

Based on individual Municipality ARFA Account balances as of the COB of the last business day in December, all funds exceeding two times the current budget year ARFA allocation will be transferred to the AMFA Account of the Municipality for the subsequent budget year Program cycle.



## Section 6

# Rule Changes

In support of this PPII Program, the District may make changes to its rules. Should this occur the District will follow the notice and comment procedures required by Wisconsin Statutes § 200.45 and involve the Technical Advisory Team.







**COMMISSION FILE NO:** 20-059-4      **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Amend the 2020 Capital Budget and Create the Project M031049, Energy Plan for MMSD Facilities

**SUMMARY:**

The Commission is requested to amend the 2020 Capital Budget and create Project M03109, Energy Plan for MMSD Facilities, with a total project cost (TPC) of \$800,000 and to make a corresponding decrease to the TPC of Project M99001, Allowance for Cost and Schedule Changes. A two-thirds affirmative vote of the Commission is required for adoption.

In 2015, the District completed an energy plan with the goal of meeting the District's 2035 Vision. Many recommendations for renewable energy and energy conservation have been implemented or are being pursued, including maximizing digester gas production and use, increasing landfill gas use, implementing advanced controls, installing variable frequency drives, and installing high efficiency lighting.

The 2050 Facilities Plan is being completed, and that plan includes a review of the recommendations of the Energy Plan. The 2050 Facilities Plan analyzed some additional alternatives, including sharing power generation between Jones Island Water Reclamation Facility and South Shore Water Reclamation Facility (SSWRF) and a solar installation at SSWRF.

Various changes have occurred since the 2015 Energy Plan's evaluations were completed, including a new electric rate cost structure, a decrease in the cost of natural gas, a reinvigorated national conversation around carbon sequestration, and the adoption of the United Nations' Sustainable Development Goals (UNSDG). These changes necessitate updating the Energy Plan to generate new ideas and reflect the new conditions. This plan will expand upon addressing the UNSDG by increasing the share of renewable energy (Goal 7.2), increasing energy efficiency (Goal 7.3), and improving sustainability (Goal 9.4).

**ATTACHMENTS:**    **BACKGROUND**     **KEY ISSUES**     **RESOLUTION**   
                          **FISCAL NOTE**     **S/W/MBE**     **OTHER**

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

Amend the 2020 Capital Budget and Create the Project M031049 – Energy Plan for MMSD Facilities

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The scope of the project generally consists of the following:

- Conducting a planning study to review current energy usage at all District facilities.
- Performing a goal-setting exercise to review the 2035 Vision energy goals with District stakeholders.
- Analyzing alternatives and review existing renewable energy practices.
- Reviewing the cost effectiveness of landfill gas as it relates to the cost of natural gas.
- Reviewing carbon and greenhouse gas emissions as they relate to renewable energy alternatives.
- Reviewing MMSD assets within the water reclamation facilities and conveyance system and the opportunity to convert to a renewable fuel.
- Recommending projects to improve renewable energy use, increase energy efficiency, and improve sustainability.



## **RESOLUTION**

Amend the 2020 Capital Budget and Create the Project M03109 – Energy Plan for  
MMSD Facilities

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the 2020 Capital Budget is amended, that Project M03109, Energy Plan for MMSD Facilities, is created with a total project cost of \$800,000, and that a corresponding decrease is made to the total project cost of Project M99001, Allowance for Cost and Schedule Changes.





**COMMISSION FILE NO:** 20-060-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Award of Contract M01037C02, Standby Generator and Pavement Upgrades

**SUMMARY:**

The Commission is requested to award and to direct the Executive Director to execute on behalf of the District Contract M01037C02, Standby Generator and Pavement Upgrades, to NEXT Electric, LLC, in the amount of \$633,206. NEXT Electric, LLC, was the lowest responsible, responsive bidder among three bids received.

The District's Central Laboratory houses the District's Laboratory, Information Technology Services Division, and the Graphics Department. This building does not have an alternative measure to obtain power. Operating without a standby generator has caused major issues when power outages have occurred. Maintaining a continuous source of power for the Laboratory is critical for daily testing required under the District's permits. Also, the Information Technology Services Division is solely dependent on the continual electrical supply to operate the District's computer and network systems. The proposed contract will install a dedicated backup generator to provide electrical power during an interruption from the main power source to the Laboratory building. The District's Headquarters building already has a generator unit.

In addition, the project includes replacing the failing asphalt from the main south entrance to the main north entrance, as the parking area will be disturbed during generator installation.

The proposed generator is a Generac 625-kilowatt natural gas generator. There is five-month lead time to procure this equipment. All site work, including repaving, is planned to be completed prior to the generator's arrival. Upon generator delivery, the main gas and electrical source can be installed and tested. The generator can operate for 25 consecutive days without maintenance, providing substantial backup protection for the Laboratory.

**ATTACHMENTS:** **BACKGROUND**  **KEY ISSUES**  **RESOLUTION**   
**FISCAL NOTE**  **S/W/MBE**  **OTHER**  \_\_\_\_\_

*PFM\_M01037C02\_Standby Generator\_legislative\_file.docx  
03-12-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

### Award of Contract M01037C02 Standby Generator and Pavement Upgrades

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The scope of the proposed contract includes the following:

- Feeder and conduit installation.
- Electrical grounding grid.
- Concrete generator pad.
- Installation of bollards around generator pad.
- Concrete pad for auto transfer switch.
- Temporary standby generator.
- Replacement asphalt.
- Replacement of curb and gutter
- Installation of a new generator and transfer switch

The duration of this project is 255 days, primarily due to the lead time needed to order the generator unit.

## RESOLUTION

Award of Contract M01037C02 Standby Generator and Pavement Upgrades

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that Contract M01037C02, Standby Generator and Pavement Upgrades, is awarded to NEXT Electric, LLC, in the amount of \$633,206, and that the Executive Director is directed to execute this contract on behalf of the District.





## OUTREACH INFORMATION

The Procurement team performed the following outreach: advertised in the Daily Reporter, sent an e-mail notification to all registered firms in the Construction category, and sent targeted e-mails to 11 S/W/MBE electrical and paving contractors. The bid opportunity is also publicly accessible from the MMSSD website and Quest CDN. Quest CDN also performs outreach to its users when a bid is posted.

S/W/MBE Planholders:

Allcon Construction; Crowley Construction Corp; Hurt Electric, Inc.; Mid City Corp; Pro Electric, Inc.; Sirrah Construction

If no or low S/W/MBE participation, explain why:

The prime reached out to 8 S/W/MBE firms for quotes. Four (4) firms did not respond. One (1) S/W/MBE quote was accepted. Three (3) quotes received were either incomplete or not low bid. Staff is inquiring with Parking Lot Maintenance, Inc. to see if they qualify as an SBE.

Additional Comments:

n/a

## AWARDEE INFORMATION

Company:	Next Electric, LLC
Contact Person:	Leo Maney
Phone Number:	(262) 506-3271
E-mail Address:	leo.maney@nextelectricllc.com

## EEO DATA

	1121 Marlin Ct.			Total # of Employees		235
	Location: Waukesha, WI 53186					
	<b>Total</b>	<b>%</b>		<b>Total</b>	<b>%</b>	
<b>Minorities</b>	39	16.6%	<b>Females</b>	15	6.4%	
African American	8	3.4%	African American	0	0.0%	
Asian	1	0.4%	Asian	0	0.0%	
Hispanic	13	5.5%	Hispanic	1	0.4%	
Native American	1	0.4%	Native American	0	0.0%	
	<i>Labor Market Availability - Minorities</i>			<i>Labor Market Availability - Females</i>		
	20.0%			48.0%		





**COMMISSION FILE NO:** 20-061-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Approve Change in Total Project Cost for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, and Approval to Create One Senior Project Manager Position

**SUMMARY:**

The Commission is requested to approve an increase in the total project cost (TPC) for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, by \$823,578 for an amended TPC of \$1,713,968 and to make a corresponding change to the TPC for Project M99001, Allowance for Cost and Schedule Changes.

Further, the Commission is requested to authorize the Executive Director to create one Senior Project Manager position, pay grade 13.

The purpose of Project W10004 is to identify solutions to fish passage, habitat improvements, and sediment accumulation issues for a Milwaukee Estuary Area of Concern (AOC) funded project. The Wisconsin Department of Natural Resources (WDNR) will reimburse the District all labor and expenses of this AOC funded project, including the labor costs for the new Senior Project Manager position. The scope of the project involves expanding on an existing planning study by collecting additional inventory information, refining alternative concepts and designing solutions to meet Milwaukee Estuary AOC metrics for delisting. The project area is expanded to extend from North Avenue to Silver Spring Drive along the Milwaukee River.

The Milwaukee Estuary was designated as an AOC in 1987 by the International Joint Commission because of historical modifications and pollutant loads that contributed toxic contamination to the AOC and Lake Michigan. Five AOC's have been identified in the Great Lakes basin within Wisconsin. WDNR is responsible for developing and implementing plans that address the specific water quality impairments in AOC's in Wisconsin, and, for the Milwaukee Estuary, WDNR is the lead agency in the cleanup plans.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*PFPP\_W10004\_Approve\_TPC\_legislative\_file.docx  
03-23-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **SUMMARY (Cont'd)**

Approve Change in Total Project Cost for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, and Approval to Create One Senior Project Manager Position

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In December 2018, the Commission approved signing of a memorandum of understanding (MOU) among WDNR, Milwaukee County, Ozaukee County, City of Milwaukee, Fund for Lake Michigan, and Milwaukee Riverkeeper to develop and implement a management action list of projects for the Milwaukee Estuary AOC. The MOU describes the framework through which the partners will work together with WDNR to develop and implement the projects. The purpose of the projects is to improve the conditions in the AOC to a level where they are no longer degraded and the AOC can be delisted.

Project W10004 involves requested WDNR projects along the Milwaukee River between North Avenue and Silver Spring Drive that the District will manage by developing solutions to fish passage, habitat improvements, and sediment accumulation. The increase TPC for Project W10004 is for the project budget to perform the requested WDNR projects. The new Senior Project Manager position request will address workload issues from the requested WDNR projects and other projects as assigned by the Executive Director. The position will work for the Executive Director. The labor costs for WDNR requested projects are reimbursable and there is adequate capital and operations and maintenance budget to accommodate the new position.

## RESOLUTION

Approve Change in Total Project Cost for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, and Approval to Create One Senior Project Manager Position

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the total project cost for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, is increased by \$823,578 for an amended total project cost of \$1,713,968 and that a corresponding change is made to the total project cost for Project M99001, Allowance for Cost and Schedule Changes.

**FURTHER RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to create one Senior Project Manager position, pay grade 13.





## O&M Budget Fiscal Note

**RELATING TO:**

Approve Change in Total Project Cost for Project W10004, Milwaukee River – North Avenue to Silver Spring Drive, and Approval to Create One Senior Project Manager Position

<b>Cost Center:</b> Office of the Executive Director _____	<b>Line Item:</b> 511 _____
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<b>Line Item Impact</b>	
2020 Original Budget	\$732,395
Carryovers or Transfers	\$0
Adjusted Budget	\$732,395
Estimated Annual Expenditure including Request	\$799,977
Anticipated Year End Balance	(\$67,582)
Actual Year to Date Expenditures Through 3/16	\$105,088

For unfavorable Year End Balance, identify funding source:  Absorbed within the Division  
 Other Division  
 Unallocated Reserve

<b>Anticipated Expenditure Timing</b>	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2020)	\$67,682	\$0	\$67,682
Subsequent	\$101,523	\$0	\$101,523
Total Cost	\$169,205	\$0	\$169,205

**Comments:** The requested expenditures above represent the midpoint of pay grade 13, with the position being filled from May-December in 2020, and a full year of salary in "subsequent". The position will be included in the 2021 budget. The actual expenditures depend on the actual starting salary and start date. It is anticipated this expense can be absorbed within the division.

Budget Review by:	Date
Christine Durkin _____	3/16/2020 _____



**COMMISSION FILE NO:** 20-062-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Develop Administrative Policy Regarding Restroom Facility Reconstruction

**SUMMARY:**

The Commission is requested to direct the Executive Director to develop an Administrative Policy designed to ensure the availability of Americans with Disabilities Act (ADA)-compliant and gender neutral restroom facilities when constructing or remodeling facilities as part of District projects wherever feasible.

The Commission has expressed its commitment to ensuring that restrooms in District facilities and facilities that are modified by MMSD construction projects are both ADA-compliant and gender neutral wherever possible. The Executive Director shall create and implement an administrative policy that addresses this concern and promotes this effort where feasible.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*PFP\_Gender\_neutral\_policy\_legislative\_file.docx  
03-18-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## RESOLUTION

Develop Administrative Policy Regarding Restroom Facility Reconstruction

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is directed to develop an administrative policy designed to ensure the availability of Americans with Disabilities Act-compliant and gender neutral restroom facilities when constructing or remodeling facilities as part of District projects wherever feasible.



**COMMISSION FILE NO:** 20-063-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Approval of Paid-Time Leave During Business Continuity Plan

**SUMMARY:**

The Commission is requested to authorize a Business Continuity Plan compensation package during the implementation of the District's Business Continuity Plan in response to the Coronavirus Disease 2019 (COVID-19) pandemic.

The District implemented the Business Continuity Plan, effective March 14, 2020, in response to the COVID-19 pandemic and Governor Evers's Safer at Home orders.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*PFP\_Paid\_Time\_Leave\_legislative\_file.docx  
04-01-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_



## BACKGROUND

### Approval of Paid-Time Leave During Business Continuity Plan

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On March 14, 2020, the Executive Director implemented the Business Continuity Plan in response to the COVID-19 pandemic. At that time, all non-essential employees were asked to work from home.

A majority of MMSD employees can work from home. This resolution is meant to provide guidance on how to pay individuals who cannot work from home who might become sick; must provide family care at home; or cannot perform their normal job duties outside the office.

Pursuant to the federal Families First Coronavirus Response Act (FFCRA), which was signed into law on March 18, 2020, MMSD must provide up to 80 hours of paid sick leave to full-time employees if such leave is requested because an employee's absence is as a result of one of the six qualified COVID-19 reasons as defined by the FFCRA listed below. Qualified COVID-19 leave reasons include if an employee:

1. Is subject to a federal, state, or local quarantine or isolation order related to COVID-19.
2. Has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. Is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
4. Is caring for an individual who is subject to an order as described in 1 above or has been advised to self-quarantine as described in 2 above.
5. Is caring for his or her son or daughter because the school or place of care has been closed.
6. Is experiencing any other substantially similar condition as specified by the Secretary of Health and Human Services in consultation with the Secretary of the Treasury and the Secretary of Labor.

This resolution authorizes the District to pay employees as outlined below.

1. Employees who can work from home should charge the appropriate charge numbers.
2. Employees who have been asked to stay home due to local, state, or federal government orders and cannot work from home will charge a COVID-19 administrative leave charge number.
3. For employees who have been asked to stay at home by a medical practitioner due to COVID-19 or are self-quarantined or must care for a family member diagnosed with COVID-19:
  - a. The District will establish a charge number for the employee to charge up to 80 hours of COVID-19 leave. This benefit will not reduce an employee's vacation, personal, or sick days.

## **BACKGROUND (Cont'd)**

### Approval of Paid-Time Leave During Business Continuity Plan

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- b. Employees who are out longer than 80 hours can request regular Family and Medical Leave Act time for up to 12 weeks and, if approved, can concurrently use any available District leave balances to cover the period that they are unable to work. If the employee wishes to retain a portion of their vacation or sick leave, the employee can make a request to retain up to two weeks of leave balances (allocated between vacation and/or sick leave at the employee's direction). For any additional period that they do not have an available leave balance and the employee is unable to work, the employee will be paid 66% of their salary until a medical practitioner clears the employee to return to work.
4. Employees who cannot work from home and need to care for a child because the school or place of care has been closed or the child care provider is unavailable due to COVID-19 precautions will charge a COVID-19 administrative leave charge number up through June 5, 2020. If the employee needs to stay out longer than the June 5, 2020, deadline, they will be paid 66% of their salary through September 1, 2020.

## RESOLUTION

### Approval of Paid-Time Leave During Business Continuity Plan

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that, while the District's Business Continuity Plan is in effect, the District will provide regular compensation to employees in accordance with the federal Families First Coronavirus Response Act.

**FURTHER RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that, for the Business Continuity Plan initiated on March 14, 2020, all employees will be provided regular compensation as follows:

1. Employees who can work from home should charge the appropriate charge numbers.
2. Employees who have been asked to stay home due to local, state, or federal government orders and cannot work from home will charge a Coronavirus Disease 2019 administrative leave charge number.
3. For employees who have been asked to stay at home by a medical practitioner due to Coronavirus Disease 2019 or are self-quarantined or must care for a family member diagnosed with Coronavirus Disease 2019:
  - a. The District will establish a charge number for the employee to charge up to 80 hours of Coronavirus Disease 2019 leave. This benefit will not reduce an employee's vacation, personal, or sick days.
  - b. Employees who are out longer than 80 hours can request regular Family and Medical Leave Act time for up to 12 weeks and, if approved, can concurrently use any available District leave balances to cover the period that they are unable to work. If the employee wishes to retain a portion of their vacation or sick leave, the employee can make a request to retain up to two weeks of leave balances (allocated between vacation and/or sick leave at the employee's direction). For any additional period that they do not have an available leave balance and the employee is unable to work, the employee will be paid 66% of their salary until a medical practitioner clears the employee to return to work.
4. Employees who cannot work from home and need to care for a child because the school or place of care has been closed or the child care provider is unavailable due to Coronavirus Disease 2019 precautions will charge a Coronavirus Disease 2019 administrative leave charge number up through June 5, 2020. If the employee needs to stay out longer than the June 5, 2020, deadline, they will be paid 66% of their salary through September 1, 2020.



**COMMISSION FILE NO:** 20-064-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Authorizing the Transfer of Funds in the 2019 Operations and Maintenance Budget and the Transfer of Funds in the 2019 Capital Budget

**SUMMARY:**

The Commission is requested to approve the transfer of funds in the 2019 Operations and Maintenance (O&M) Budget. Commission Policy 1-15.01, Operations and Maintenance Budget, requires Commission approval to offset overruns in one division with a surplus from another division or the unallocated reserve, as appropriate.

Likewise, the Commission is asked to approve the transfer of funds between capital accounts in the 2019 Capital Budget. Commission Policy 1-15.02, Capital Budget, requires Commission approval to offset overruns in one capital account with a surplus from another capital account.

The amount of requested transfers is based on preliminary financial reports for 2019. A preliminary analysis of the 2019 surplus, subject to final audit, indicates a yearend surplus of \$3,199,626. The surplus is to be used in the 2021 O&M Budget as surplus applied and a reduction to user charge billings.

A two-thirds affirmative vote of the Commission is required for adoption.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  \_\_\_\_\_

*PFP\_2019\_OM\_and\_Capital\_Transfer\_legislative\_file.docx  
03-19-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## SUMMARY (Cont'd)

### Authorizing the Transfer of Funds in the 2019 Operations and Maintenance Budget and the Transfer of Funds in the 2019 Capital Budget

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**Division:** Technical Services Division

**Transfer Amount:** \$4,410,000

The transfer is needed to offset the unfavorable variance of \$4,400,413 within the Technical Services Division. The unfavorable variance results primarily from the Office of Contract Compliance cost center and is due to higher than anticipated contract operator costs, permit costs, and the cost center completing more Material Capital Repair and Replacements (MCRR's) than budgeted. In 2019, the number and costs of MCRR's exceeded the 2019 budgeted level because of unplanned needed repairs. These result in a \$4.6 million unfavorable variance in the Office of Contract Compliance cost center which is partially offset by favorable variances in the Division's other cost centers. A transfer of \$4,410,000 is requested from the Unallocated Reserve and Fringe Benefits accounts.

**Division:** Planning, Research, and Sustainability Division

**Transfer Amount:** \$257,000

The transfer is needed to offset the unfavorable variance of \$256,102 within the Planning, Research, and Sustainability Division. In 2019, the Division spent more on O&M funded research projects than originally anticipated. A number of contracts are multiyear and had received no cost time extensions. The extensions spread the cashflow into 2019, which was not anticipated at the time the budget was prepared. The Division also awarded an unbudgeted professional services contract to complete the District's Asset Management Plan. A transfer is requested from the Unallocated Reserve and Fringe Benefits accounts.

**Division:** Legal Services Division

**Transfer Amount:** \$92,000

The transfer is needed to offset the unfavorable variance of \$91,078 within the Legal Services Division. In 2019, additional unbudgeted external counsel services were required to assist in the We Energies rate setting matter. A transfer of \$92,000 is requested from the Unallocated Reserve and Fringe Benefits.

## BACKGROUND

### Authorizing the Transfer of Funds in the 2019 Operations and Maintenance Budget and the Transfer of Funds in the 2019 Capital Budget

#### O&M Transfers

	2019 Adopted Budget	2019 Preliminary Actual	2019 Preliminary Variance	Transfer From	Transfer To	2019 Amended Budget
<b>Commission</b>	\$236,282	\$207,197	\$29,085			\$236,282
<b>Office of Executive Director</b>	\$2,872,288	\$2,773,992	\$98,296			\$2,872,288
<b>Information Technology Services</b>	\$4,888,076	\$4,330,596	\$557,480			\$4,888,076
<b>Legal Services</b>	\$678,786	\$769,864	(\$91,078)		\$92,000	\$770,786
<b>Finance</b>	\$2,280,081	\$1,987,292	\$292,789			\$2,280,081
<b>Technical Services</b>	\$64,728,130	\$69,128,273	(\$4,400,143)		\$4,410,000	\$69,138,130
<b>Planning, Research, &amp; Sustainability</b>	\$2,694,960	\$2,951,062	(\$256,102)		\$257,000	\$2,951,960
<b>Water Quality Protection</b>	\$5,232,412	\$4,515,626	\$716,786			\$5,232,412
<b>Community Outreach &amp; Business Engagement</b>	\$6,715,451	\$6,457,990	\$257,461			\$6,715,451
<b>Fringe Benefits</b>	\$11,726,051	\$9,941,822	\$1,784,229	(\$1,759,000)		\$9,967,051
<b>Unallocated Reserve</b>	\$3,000,000	\$0	\$3,000,000	(\$3,000,000)		\$0
<b>Total</b>	<b>\$105,052,517</b>	<b>\$85,467,330</b>	<b>\$4,297,868</b>	<b>(\$4,759,000)</b>	<b>\$4,759,000</b>	<b>\$105,052,517</b>

In the 2019 Capital Budget, the Watercourse and Flood Management capital account exceeded the budgeted level by \$7.219 million. The unfavorable variance is due primarily to the timing of expenditures and an unbudgeted land purchase. Project W40002, Kinnickinnic River Real Estate Deconstruction/Demolition, completed more construction work than anticipated and project W40009, Jackson Park, had a purchase of a land parcel that was unplanned in 2019. The unfavorable variance does not affect the project's 2020 approved total project cost. These unfavorable variances do not negatively affect the District's Six-year Financing Plan. If approved, \$7.3 million of unspent budgeted funds will be transferred from the Water Reclamation Facilities capital account and the Conveyance Facilities capital account to the Watercourse and Flood Management capital account to offset overruns.

	2019 Adopted Budget	2019 Actual	Year-End Variance	Transfer From	Transfer To	2019 Amended Budget
<b>Water Reclamation Facilities</b>	\$44,898	\$38,155	\$6,743	(\$5,300)		\$32,955
<b>Conveyance Facilities</b>	\$8,055	\$5,641	\$2,414	(\$2,000)		\$3,641
<b>Watercourse &amp; Flood Management Projects</b>	\$14,534	\$21,753	(\$7,219)		\$7,300	\$29,053
<b>Other Projects</b>	\$25,388	\$24,591	\$797			\$24,591
<b>Totals</b>	<b>\$92,875</b>	<b>\$90,140</b>	<b>\$2,735</b>	<b>(\$7,300)</b>	<b>\$7,300</b>	<b>\$90,140</b>

Note, all dollars are in thousands.

## RESOLUTION

Authorizing the Transfer of Funds in the 2019 Operations and Maintenance Budget and the Transfer of Funds in the 2019 Capital Budget

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that funds from the 2019 Operations and Maintenance Budget be transferred as follows:

1. A total of \$4,410,000 from Unallocated Reserve and Fringe Benefits to the Technical Services Division;
2. A total of \$257,000 from Unallocated Reserve and Fringe Benefits to the Planning, Research, and Sustainability Division;
3. A total of \$92,000 from Unallocated Reserve and Fringe Benefits to the Legal Services Division,

and that funds from the 2019 Capital Budget are transferred as follows:

4. A total of \$7.3 million from the the Water Reclamation Facilities capital account and the Conveyance Facilities capital account to the Watercourse and Flood Management capital account.



**COMMISSION FILE NO:** 20-065-4 **DATE INTRODUCED:** April 15, 2020

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000 General Obligation Refunding Bonds, and Certain Related Details

**SUMMARY:**

The Commission is requested to authorize the preparation and marketing of general obligation refunding bonds of up to \$28,000,000 for the purpose of refunding the 2021 through 2030 maturities of the Milwaukee Metropolitan Sewerage District’s outstanding Taxable General Obligation Sewerage System Bonds, Series 2010L (“2010L Bonds”). The 2010L Bonds were designated as “build America bonds”; therefore, the 2010L Bonds qualify for refunding with tax exempt debt. The authorization provides for engagement of rating agencies and a fiscal agent and procurement of printing services and underwriter services. The sale of refunding bonds may be presented to the Commission for approval as early as May 2020.

A recent calculation by the District’s financial advisor indicated a potential net present value savings of more than \$2.6 million by refunding the 2021 through 2030 maturities of the 2010L Bonds (“Refunded Maturities”) and redeeming the Refunded Maturities on the first possible redemption date. The Refunded Maturities are callable on October 1, 2020, and on any date thereafter.

It would be advantageous to the District to affect a current refunding of the Refunded Maturities, meaning that the Refunded Maturities will be redeemed within 90 days after the date the proposed refunding bonds are issued. The proposed refunding bonds must, therefore, be issued no earlier than 90 days before the October 1, 2020, redemption date for the Refunded Maturities. An amount from the proceeds of the proposed refunding bonds, together with amounts already on deposit in the debt service fund account for the 2010L Bonds, will be applied to redeem the Refunded Maturities on October 1, 2020, and to pay all interest due on the Refunded Maturities on the redemption date. A two-thirds affirmative vote of the Commission is required for approval.

**ATTACHMENTS:** BACKGROUND  KEY ISSUES  RESOLUTION   
FISCAL NOTE  S/W/MBE  OTHER  Initial Resolution

*PFP\_GeneralObligationRefucingBonds\_legislative\_file.docx  
03-30-20*

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_



## KEY ISSUES

### Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000 General Obligation Refunding Bonds, and Certain Related Details

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#### **Financing Objectives**

Governments undertake refundings for a number of reasons, such as to achieve savings on debt service costs (e.g., the District's Series 2015C Refunding Bonds), to restructure outstanding debt (e.g., the District's Series 2007A Refunding Bonds), or to change burdensome bond covenants.

In an advance refunding, the refunded obligations are redeemed more than 90 days after the date the refunding bonds are issued. Advance refundings are no longer permitted on a tax exempt basis. It would be advantageous to the District to affect a current refunding of the Refunded Maturities and issue the proposed refunding bonds on a tax exempt basis within 90 days before the redemption date. Commission Policy 1-73.18, Debt Policy, sets a standard of achieving two percent net present value savings for advance refundings and states that current refundings that produce net present value savings of less than two percent will be considered on a case by case basis.

A recent calculation by the District's financial advisor, Robert W. Baird & Co., indicated that a potential gross savings of over \$2.6 million in debt service costs with a net present value savings of 9.426% could be achieved by refunding \$27,690,000 in outstanding principal amount of the 2021 through 2030 maturities of the Series 2010L Bonds. These savings would be spread over the life of the proposed refunding bonds, from 2021 through as long as 2030, and would reduce the amount of tax levy needed to support the District's debt service requirements.

#### **Timing of the Current Refunding**

To take advantage of the low interest rates expected in the near term, staff will consider pricing the proposed refunding bonds in late May 2020 and close as early as July 13, 2020, or on another day within 90 days prior to the October 1, 2020, redemption date.

Staff recommends that the Commission authorize the Executive Director to procure all professional services necessary to proceed with the refunding including engagement of rating agencies and a fiscal agent and procurement of underwriter services and printing services. Further recommended is authorization for the District's financial advisor and bond counsel to perform all services necessary to complete the sale.

#### **Method of Sale**

The recommendation of staff and the financial advisor is that a negotiated sale be undertaken for the proposed refunding bonds. For refunding issues a negotiated sale is preferred over a competitive sale because it maximizes the District's flexibility to set the exact date, amount, and maturity schedule of the refunding bonds to ensure that the District achieves its desired savings on debt service costs.

## **KEY ISSUES (Cont'd)**

### **Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000 General Obligation Refunding Bonds, and Certain Related Details**

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The District's financial advisor will review the underwriting spread, interest rate component, and small, women, and minority-owned business enterprise participation of the proposed refunding bonds to confirm that all are acceptable to the District.

Staff will request Commission authorization in June for approval of a parameters resolution which will authorize the sale of the proposed refunding bonds, provided that the final pricing meets Commission policy and other defined parameters that will be set forth in said resolution.

## RESOLUTION

Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000  
General Obligation Refunding Bonds, and Certain Related Details

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the attached Initial Resolution titled, "Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$28,000,000 General Obligation Sewerage System Refunding Bonds, and Certain Related Details", is adopted.

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**Initial Resolution Authorizing the Sale and Issuance of Not to Exceed  
\$28,000,000 General Obligation Sewerage System Refunding Bonds,  
and Certain Related Details**

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**RECITALS**

The Milwaukee Metropolitan Sewerage Commission (the “**Governing Body**”) of the Milwaukee Metropolitan Sewerage District, Wisconsin (the “**District**”) makes the following findings and determinations:

1. The District needs funds to finance the current refunding of the 2021 through and including 2030 maturities (the “**Refunding**”) of its \$50,000,000 Milwaukee Metropolitan Sewerage District, Wisconsin Taxable General Obligation Sewerage System Bonds, Series 2010L, dated December 23, 2010 (the “**2010L Bonds**”).
2. The 2010L Bonds were designated as Build America Bonds; therefore, the 2010L Bonds qualify for refunding with tax-exempt debt.
3. The Governing Body has previously adopted a resolution setting forth the policy considerations to be used by the Governing Body and its staff in connection with the issuance of debt and the management of the debt portfolio (the “**Policy**”).
4. The Policy provides that a refunding to achieve an economic benefit will generally be undertaken when a net present value savings of at least 2% of the refunded debt can be achieved; however, a refunding that achieves less savings may be considered when supported by a compelling public policy or long-range financing policy objective.
5. The District’s staff has recommended that the District undertake the Refunding for the purpose of achieving an economic benefit and also has recommended that the District restructure the amortization of principal of the 2010L Bonds over a period not longer than 2030 (a period that the District’s staff has determined is consistent with the Policy provisions concerning the maturity of debt).
6. The District’s staff has advised that a negotiated sale is advantageous because of the complexity of the Refunding and has recommended the negotiation of the sale with an underwriting syndicate (the “**Purchaser**”) selected based on a review of responses to a request for proposals.
7. The Governing Body deems it in the best interests of the District that the funds needed for the Refunding be borrowed, pursuant to the provisions of Chapter 67 and Section 200.55 (2) of the Wisconsin Statutes, and upon the terms and conditions set forth below.

## **RESOLUTIONS**

The Governing Body resolves as follows:

### **Section 1. Authorization to Proceed.**

The Governing Body hereby finds and determines that, in accordance with the Policy, the benefit to the District from restructuring the amortization of principal of the 2010L Bonds under the circumstances set forth in the recitals above constitutes a long-range financing policy objective allowing consideration of the Refunding so long as a net present value savings is realized of not less than 2% of the refunded debt.

### **Section 2. Authorization of Issuance and Purposes of Obligations.**

Under and by virtue of the provisions of Chapter 67 and Section 200.55(2) of the Wisconsin Statutes, the District shall issue its negotiable, general obligation refunding bonds (the “**Obligations**”), in an aggregate principal amount of not to exceed \$28,000,000 to finance the Refunding; *provided, however*, that said Obligations shall be sold and issued (i) in compliance with the provisions of the Policy, and (ii) in whole or in part from time to time in such amount or amounts as shall be within the limits provided by law.

### **Section 3. Authorization of Sale of Obligations.**

The Obligations are hereby authorized and ordered to be sold by negotiated sale to the Purchaser.

### **Section 4. Preparation of Preliminary Official Statement.**

The Treasurer of the District (in consultation with the District’s financial advisor) is hereby authorized and directed to cause a preliminary offering document for the Obligations (the “**Preliminary Official Statement**”) to be prepared and distributed. The Chairperson and the Commission Secretary are hereby authorized, on behalf of the District, to approve the form of Preliminary Official Statement and authorize it to be deemed final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), and to supply copies of the Preliminary Official Statement to the Purchaser upon request.

### **Section 5. Further Actions.**

The issuance of the Obligations shall be subject to the condition that the Governing Body has adopted a resolution to set forth parameters for the purchase price and interest rate or rates on the Obligations, to provide for the form of the Obligations, to set forth any early redemption provisions, to levy taxes to pay the principal of and interest on the Obligations as required by law, to designate a fiscal agent for the Obligations, and to take such further action as may be necessary or expedient to provide for the preparation, execution, issuance, delivery, payment, and cancellation of the Obligations.

**Section 6. Authorization to Act.**

The officers of the District, attorneys for the District, and other agents or employees of the District are hereby authorized to do all acts and procedures required of them by this resolution for the full, punctual, and complete performance of all of the provisions of this resolution including arranging for the payment of the costs of issuance of the Obligations, including, but not limited to, bond counsel fees, financial advisory fees, printing fees for the Preliminary Official Statement, and rating agency fees.

**Section 7. Conflicting Resolutions; Severability.**

All prior resolutions, rules, or other actions of this Governing Body or any parts thereof in conflict with the provisions of this resolution shall be, and the same hereby are, rescinded insofar as the same may so conflict. In the event that any one or more provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this resolution.

**Section 8. Effective Date.**

This resolution shall take effect upon its adoption in the manner provided by law.

Adopted: April 27, 2020

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Secretary

**COMMISSION MEETING**

**April 27, 2020**

**EXECUTIVE DIRECTOR'S REPORT**

**20-003-01**

- A. Monthly Reports**
- B. Staff Recognition (Kevin Shafer)**
- C. 2050 Facilities Plan Update (Karen Sands)**
- D. Annual Performance Report (Christine Durkin)**

# April 2020

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10 <b>GOOD FRIDAY</b>	11
12 <b>EASTER</b>	13	14	15 Special Commission -1:30 p.m. Operations Committee- 1:35 p.m. PF&P Committee-1:40 p.m.	16	17	18
19	20	21	22	23	24	25
26	27 Commission-9:00 a.m.	28	29	30		