

ELECTRONIC PACKET

July 13, 2020 POLICY, FINANCE, & PERSONNEL COMMITTEE MEETING

RELEASED: Tuesday, July 7, 2020



Milwaukee Metropolitan Sewerage District

260 West Seeboth
Street
Milwaukee, WI
53204

Meeting Agenda

Policy, Finance & Personnel Committee

Jeff Stone, Chair

Corey Zetts, Vice Chair

Tim Carpenter, Cavalier C. Johnson, Eugene Manzanet

Dan Devine, Ex-Officio

Monday, July 13, 2020

9:05 AM

Skype Online Meeting/Conference Call

NOTICE IS HEREBY GIVEN, pursuant to Section 19.84, Wisconsin Statutes, that the Milwaukee Metropolitan Sewerage District's Policy, Finance and Personnel Committee will hold its regularly scheduled public meeting on Monday, July 13, 2020, at 9:05 a.m. or immediately following the Operations Committee meeting which begins at 9:00 a.m. via Skype online meeting. The weblink to access this meeting is <https://meet.lync.com/mmsd365/akettlewell/685KMZGH>; telephone dial-in is available through 414.909.9127, access code 971778622#.

PURSUANT TO SECTION 19.85(1)(g), Wisconsin Statutes, the Committee 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 Committee does convene in such a Closed Session, it is contemplated that the Committee will again, before adjourning the meeting, reconvene at the same place in Open Session at which time the Committee 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 Committee Meeting held June 8, 2020

NEW BUSINESS

- | | | |
|----|----------|---|
| 19 | 20-120-7 | Adoption of Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater |
| 20 | 20-121-7 | Award of Contract M01040D01 - Engineering Services for 13th Street Facility Upgrade Project |
| 21 | 20-122-7 | Adoption of the 2050 Facilities Plan |
| 22 | 20-123-7 | Restore the Executive Director's Original Delegated Authority, Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade |

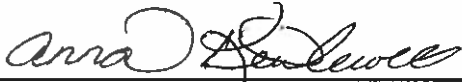
ORGANIZATION & ADMINISTRATION

20-002-1 EXECUTIVE DIRECTOR'S REPORT

- A. Monthly Reports
- B. Baker Tilly Report on the Financial Audit (Jodi Dobson)

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) 414.272.6360 or write to Office of the Commission, 260 W. Seeboth Street, Milwaukee, Wisconsin, 53204-1446.



Anna Kettlewell, Commission Secretary
Milwaukee Metropolitan Sewerage District



Milwaukee Metropolitan Sewerage District

260 West
Seeboth Street
Milwaukee, WI
53204

Meeting Minutes Policy, Finance & Personnel Committee

Jeff Stone, Chair
Corey Zetts, Vice Chair
Tim Carpenter, Cavalier C. Johnson, Eugene Manzanet
Dan Devine, Ex-Officio

Monday, June 8, 2020

9:05 AM

Skype Online Meeting/Conference Call

CALL TO ORDER

Committee Chair Commissioner Stone called the meeting to order at 10:30 a.m.

RECORD ROLL

Present 6 - Tim Carpenter, Dan Devine, Cavalier C. Johnson, Eugene Manzanet, Jeff Stone, and Corey Zetts

Other Commissioners present: Dan Bukiewicz, LaTonya Johnson, Bryan L. Kennedy, Ph.D., Kris Martinsek, and John Swan, III.

Approval of Proceedings of Regular Committee Meeting held May 4, 2020

A motion was made by Commissioner Carpenter, seconded by Commissioner Zetts. The motion carried by the following roll call vote:

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

NEW BUSINESS

Items 15-19 were taken as a block.

- 15** 20-096-6 Authorizing the Executive Director to Execute a Contract with SHI International for the Microsoft Enterprise Agreement

The Committee received a presentation from Scott Johanning, Director of Information Systems.

A motion was made by Commissioner Carpenter, seconded by Commissioner Devine, that this matter be approved by a roll call vote. The motion carried by the following roll call vote:

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

16 20-097-6 Revise Commission Policy 1-73.18, Debt Policy

The Committee received a presentation from Mickie Pearsall, Director of Finance and Human Resources/Treasurer.

A motion was made by Commissioner Carpenter, seconded by Commissioner Devine, that this matter be approved by a roll call vote. The motion carried by the following roll call vote:

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

17 20-098-6 Resolution Authorizing and Providing for the Issuance and Establishing Parameters for the Sale of Not to Exceed \$28,000,000 General Obligation Sewerage System Refunding Bonds, Series 2020D; Levying Taxes for the Payment Thereof, and Certain Related Details

The Committee received a presentation from Mickie Pearsall, Director of Finance and Human Resources/Treasurer.

A motion was made by Commissioner Carpenter, seconded by Commissioner Devine, that this matter be approved by a roll call vote. The motion carried by the following roll call vote:

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

18 20-099-6 Amend the 2020 Capital Budget, Create Project M01042 in the 2020 Capital Budget

The Committee received a presentation from Mickie Pearsall, Director of Finance and Human Resources/Treasurer.

A motion was made by Commissioner Carpenter, seconded by Commissioner Devine, that this matter be approved by a roll call vote. The motion carried by the following roll call vote:

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

19 20-100-6 Approval of Job Content Value and Job Title

The Committee received a presentation from Candace Richards, Human Resources Manager.

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

Yes: 6 - Commissioner Carpenter, Commissioner Devine, Commissioner Johnson, Commissioner Manzanet, Commissioner Stone and Commissioner Zetts

No: 0

ORGANIZATION & ADMINISTRATION

20-002-1 EXECUTIVE DIRECTOR'S REPORT

A. Monthly Reports

A. No report.

ADJOURNMENT

It was moved by Commissioner Carpenter, seconded by Commissioner Devine, to adjourn. The motion carried.

As there was no further business, the meeting was adjourned at 10:52 a.m.



Anna Kettlewell, Commission Secretary
Milwaukee Metropolitan Sewerage District



COMMISSION FILE NO: 20-120-7 **DATE INTRODUCED:** July 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: Adoption of Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

SUMMARY:

The Commission is requested to adopt proposed amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater. The proposed amendments make clarifications, updates, and process improvements.

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 that the District will perform. The Commission originally adopted Chapter 13 in 2001. Since then, the District has not updated the rules related to watercourse projects, Subchapter II, secs. 13.201 to 13.206.

ATTACHMENTS: BACKGROUND KEY ISSUES RESOLUTION
FISCAL NOTE S/W/MBE OTHER Attachment 1: Proposed Chapter 13 Amendments.
Attachment 2: Chapter 13 Rules

PFP_Chapter_13_Amendments_Adoption_legislative_file.docx
06-19-20

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

Adoption of Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

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.

Proposed Section	Subject	Purpose of the Amendments
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	Re-number from existing 13.206
13.206	Responsibilities of Riparian Landowners and Other Governmental Units	Reorganize provisions from existing secs. 13.201 and 13.202

In March 2020, District staff presented the draft amendments to the Technical Advisory Team (TAT) for review and comment. The current text responds to comments received from the TAT.

The Commission authorized a public hearing on April 27, 2020. The District published a public notice in the Milwaukee Journal Sentinel on May 3, 2020. The public hearing occurred on June 4, 2020. The period for written comments ended June 5, 2020. During the public comment period, the District received no comments.

Attached is both the proposed amended text (Attachment 1), along with the relevant part of Chapter 13 rules with amended text incorporated (Attachment 2).

RESOLUTION

Adoption of Proposed Amendments to MMSD Rules, Chapter 13, Surface Water and Stormwater

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that MMSD Rules, Chapter 13, is amended as shown in Attachment 1, and that the amendments are effective upon publication, as required by Wis. Stat. sec. 200.45(1)(c).

Proposed Amendments to MMSD Rules, Chapter 13, Subchapter II

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 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 renumbers 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).

Chapter 13, Subchapter II, as Amended

13.103 Definitions

- (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.

13.201 District Flood Risk Reduction Projects

- (1) The District may implement projects to reduce the number of structures within the regional floodplain.
- (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.
- (3) The District shall implement flood risk reduction projects consistent with Watercourse Management Plans approved by the Commission.

13.202 Location of District Flood Risk Reduction Projects

- (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.
- (2) 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.
- (3) 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.

13.203 Watercourse Maintenance when the District Does Not Own the Riparian Land

- (1) The provisions of this section apply when the District does not own the riparian land.
- (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 any applicable recorded easement, permit, intergovernmental cooperation agreement, or condition of a grant or other funding assistance.
- (3) 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.
- (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.

13.204 Flood Risk Reduction Facilities with Supplemental Features Requested by Others

If a party other than the District has requested features that supplement 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.

13.205 District Recreational Immunity at Dual Use Flood Risk Reduction Facilities

- (1) For the purposes of this section, “recreational activity” has the meaning established by Wis. Stat. sec. 895.52.
- (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.
- (3) Any written agreement with the District regarding the use of a facility shall incorporate the requirements of sub. (2).

13.206 Responsibilities of Riparian Landowners and Other Governmental Units

- (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.
- (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.
- (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.



COMMISSION FILE NO: 20-121-7 **DATE INTRODUCED:** July 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: Award of Contract M01040D01 – Engineering Services for 13th Street Facility Upgrade Project

SUMMARY:

The Commission is requested to award and to direct the Executive Director to execute on behalf of the District Contract M01040D01, Engineering Services for 13th Street Facility Upgrade Project, with Applied Technologies, Inc., in an amount not to exceed \$196,084. Applied Technologies, Inc., was the highest scoring proposer using a qualification-based selection method between two proposals received.

The purpose of this project is to provide design services to rehabilitate or replace outdated heating, ventilation, and air condition (HVAC) equipment to more energy efficient models at the District’s 13th Street Facility (Facility). The Facility houses staff from the Water Quality Protection Division. The staff are mainly the Field Monitoring Crew that provide services for the conveyance system and various water quality sites throughout the District’s service area. Staff locker room facilities and fleet vehicle maintenance for both Veolia Water Milwaukee and the District are located at the Facility.

The HVAC system is original to the 13th Street Facility, which was built in the 1980’s. The HVAC system is not providing adequate heating and ventilation needed for the locker room facilities and the building spaces. The locker rooms experience peak demand periods which have led to premature rusting of the lockers and other fixtures. A number of work orders have been placed to address the various issues; however, the HVAC is beyond its useful life. Additionally, the project scope includes a design for an energy efficient lighting upgrade in the office area of the building. The improvements made to the HVAC and lighting will aid the District in meeting its 2035 Vision Energy goals by reducing energy demand in favor of energy efficient models.

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

OP_M01040D01_13th_Street_Facility_Upgrade_Project_Design_Contract_Award_legislative_file.docx
06-19-20

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Award of Contract M01040D01 – Engineering Services for 13th Street Facility Upgrade Project

Additionally, a design for replacement of a portion of the roof on the 13th Street Facility is included in this project. This work was requested by Veolia Water Milwaukee as Material Capital Repair or Replacement (MCRR). The Office of Contract Compliance has requested to include the administration of this MCRR with this capital project to reduce staff time.

The general scope of work for this contract includes:

- Evaluating rehabilitation or replacement for the existing HVAC system.
- Providing a design for energy efficient light emitting diode lighting fixtures in the second floor office area.
- Replacing the roof as specified in the MCRR.
- Providing bid and award support and engineering services during construction.

Plans and specifications will be developed for the recommended design. The design will be advertised for public bidding of construction.

The duration of this contract is approximately 15 months.

RESOLUTION

Award of Contract M01040D01 – Engineering Services for 13th Street Facility Upgrade Project

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that Contract M01040D01, Engineering Services for 13th Street Facility Upgrade Project, is awarded to Applied Technologies, Inc., in the amount not to exceed \$196,084, and that the Executive Director is directed to execute a contract on behalf of the District.



O&M Budget Fiscal Note

RELATING TO:

Award of Contract M01040D01 – Engineering Services for 13th Street Facility Upgrade Project

Cost Center: Planning, Research, and Sustainability _____	Line Item: 645 Professional Services _____
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Line Item Impact			
2020 Original Budget		\$597,500	
Carryovers or Transfers		\$0	
Adjusted Budget		\$597,500	
Estimated Annual Expenditure including Request		\$772,500	
Anticipated Year End Balance		(\$175,000)	
Actual Year to Date Expenditures Through 6/12		\$514,451	
For unfavorable Year End Balance, identify funding source: <input checked="" type="checkbox"/> Absorbed within the Division			
<input type="checkbox"/> Other Division			
<input type="checkbox"/> Unallocated Reserve			
Anticipated Expenditure Timing	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2020)	\$15,000	\$0	\$15,000
Subsequent	\$10,000	\$0	\$10,000
Total Cost	\$25,000	\$0	\$25,000

Comments: The design contract for the lighting upgrades qualifies for O&M funding. The project was not budgeted but can likely be absorbed within the division.

Budget Review by:	Date
Christine Durkin _____	6/17/2020 _____

Award of Contract M01040D01 – Engineering Services for 13th Street Facility Upgrade Project



Procurement & S/W/MBE Summary Information

Contract # M01040D01 **Cost Center:** ENG

Engineering Services for 13th Street Facility Upgrade Project

PROPOSAL SUMMARY

Proposal Receipt Date: 5/26/2020

	Total	SWMBE	Local
# of Proposals	2	2	2
# of Acceptable Proposals	2	2	2

Proposals (listed by rank)	Negotiated Price	Acceptable?	% Sub	% SWMBE
	<i>Submitted Price</i>			
Applied Technologies, Inc. Brookfield, WI 53005 (SBE)	\$196,084.00	Acceptable	48.4%	100.0%
	<i>\$196,084.00</i>			
Fusion integrated Solutions, LLC Fox Point, WI 53217 (MBE)	-	Acceptable	42.0%	58.0%
	<i>\$188,874.00</i>			

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

SUBCONSULTANT INFORMATION

Type	Subconsultant Name	Type of Work	%	Amount
WBE	IBC Engineering Service, Inc. Waukesha, WI 53186	Mechanical Engineering	46.7%	\$91,571.23
SBE	Indoor Air Quality Diagnostics, Inc. Wauwatosa, WI 53226	Lead and Asbestos Testing	1.7%	\$3,333.43

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 the Engineering/Professional Services categories, sent targeted e-mails to 70 SWMBE Professional Services and Engineering Services 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, Dodge Data & Analytics, Fusion Integrated Solutions, LLC, K. Singh & Associates, Inc., Oneida Total Integrated Enterprises (OTIE), P.A. Roeper & Associates, Inc.

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

NA

Additional Comments:

NA

AWARDEE INFORMATION

Company: Applied Technologies, Inc.
 Contact Person: William Ericson
 Phone Number: (262) 784-7690
 E-mail Address: _____

EEO DATA

Location:	<u>13400 Bishop's Lane, Ste. 270, Brookfield, WI 53005</u>		Total # of Employees	<u>32</u>	
	<u>Total</u>	<u>%</u>		<u>Total</u>	<u>%</u>
Minorities	<u>1</u>	<u>3.1%</u>	Females	<u>7</u>	<u>21.9%</u>
African American	<u>0</u>	<u>0.0%</u>	African American	<u>0</u>	<u>0.0%</u>
Asian	<u>0</u>	<u>0.0%</u>	Asian	<u>0</u>	<u>0.0%</u>
Hispanic	<u>1</u>	<u>3.1%</u>	Hispanic	<u>7</u>	<u>21.9%</u>
Native American	<u>0</u>	<u>0.0%</u>	Native American	<u>0</u>	<u>0.0%</u>
	<i>Labor Market Availability - Minorities</i> <u>20.0%</u>			<i>Labor Market Availability - Females</i> <u>48.0%</u>	



COMMISSION FILE NO: 20-122-7 **DATE INTRODUCED:** July 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: Adoption of the 2050 Facilities Plan

SUMMARY:

The Commission is requested to adopt in its entirety the 2050 Facilities Plan (2050 FP) dated July 2020 (found at <https://www.mmsd.com/government-business/2050-facilities-plan>). The Facilities Plan for the period 2020 to 2040 follows guidance in Wisconsin Administrative Code NR 110 and also provides recommendations through the year 2050, or full build-out of the region.

It is the statutory duty of the Milwaukee Metropolitan Sewerage District (MMSD) to plan, design, construct, maintain, and operate a sewerage system for the collection, transmission, storage, and disposal of all sewage and drainage of the sewerage service area. Like others before it (most recently the 2020 Facilities Plan), the 2050 FP documents MMSD's existing facilities, identifies current and future needs, and provides a recommended plan to implement projects and programs to address those needs. The recommended plan is based on what is known at the time and projects future needs based primarily on historical trends. For this plan, the potential and uncertain effects of the changing climate were also taken into consideration. As a result, the recommended plan is designed to be a flexible roadmap that recommends projects and programs based on need and risk.

Implementing the 2050 FP is estimated to cost \$79.6 million in the short term (2021 to 2025) to address immediate needs and risks, and \$2.3699 billion through the year 2050 to meet long-term needs and risks if all projected growth occurs. As with past facilities plans, the total long-term cost through the planning period for all forecasted growth does not include projects that are already budgeted.

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

*PFP_Adoption_of_2050_Facilities_Plan_legislative_file.docx
07-01-20*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Adoption of the 2050 Facilities Plan

The implementation plan presented in the 2050 FP will help MMSD provide infrastructure stability and operational assurance, and will benefit these key performance indicators:

- Increase green infrastructure (GI) capacity from 40 million gallons (MG) (currently) to 740 MG by 2035.
- Increase renewable energy use from 33 percent to 60 percent.
- Maintain combined sewer overflow frequency at 3.25 events per year, despite future projected increase in flows.
- Implement all new recommended projects to address baseline conditions during the short term, without additional impacts to ratepayers as presented in the 2020 Operations and Maintenance (O&M) and Capital Budgets.

In addition to staff and consultant leadership on this plan, input was primarily through MMSD's municipal Technical Advisory Team and the Southeastern Wisconsin Watersheds Trust, Inc., Science and Policy committees. The public comment period extended through the month of June 2020. A public hearing to receive oral comments was held June 15, 2020, via Skype and telephone, and a recording of that hearing was made publicly available on the project's webpage on June 16, 2020. Written comment was accepted via United States mail and electronic comment form. To the extent feasible and agreed upon, input received was included in the latest version of the 2050 FP that staff requests that the Commission adopt. After adoption, the 2050 FP will go to the Wisconsin Department of Natural Resources and the Southeastern Wisconsin Regional Planning Commission for final review and approval.

BACKGROUND

Adoption of the 2050 Facilities Plan

The following overarching foundational goals guided the development of the 2050 FP:

- Change MMSD from an organization that impacts the environment to an organization that benefits the environment.
- Incorporate new technologies and operational improvements to minimize MMSD's financial burden on ratepayers.
- Integrate GI into all facets of development and redevelopment.
- Support urban biodiversity activities in the region.
- Provide adaptive leadership to climate change and the other drivers listed above.

Asset management provided a solid framework for the 2050 FP. This approach is based on effective planning supported by sound data and is reliant on an understanding of the potential risk of asset failure and expected level of service delivery. Risks were evaluated in terms of their likelihood and severity, but a true asset management risk optimization process was not fully employed in the 2050 FP. Instead, much of the analysis focused on a triple-bottom-line assessment that balanced environmental, social, and economic outcomes. More detailed risk optimization is part of the now separate asset management plan.

The concept of risk remains foundational to the plan. Risks in four major asset systems are assessed in the 2050 FP:

- **Conveyance and Storage:** The system is comprised of interceptor sewers, near surface collector systems, inline storage, and remote storage that convey and store wastewater and combined wastewater and stormwater for the region.
- **Water Reclamation Facilities and Biosolids:** Wastewater within MMSD's service area is reclaimed at the Jones Island (JI) and South Shore (SS) Water Reclamation Facilities (WRF). Biosolids at JI are processed into a fertilizer called Milorganite® and into a gas used for energy at SS.
- **Watercourse and Flood Management:** The system includes flood risk reduction work on streams for which MMSD has jurisdictional flood management authority within six watersheds focused on the Kinnickinnic River, Lake Michigan (direct drainage), Menomonee River, Milwaukee River, Oak Creek, and Root River.
- **Green Infrastructure:** Assets in this system include greenways, rain gardens, wetlands, trees, green roofs, bioswales, porous pavement, native landscaping, rainwater catchment, green alleys/streets/parking lots, soil amendments, and removal of structures/paving.

Besides individual assets, risks that may affect more than one asset are also assessed. These are referred to as systemwide risks.

KEY ISSUES

Adoption of the 2050 Facilities Plan

2050 FP Key Findings and Recommendations:

Future Demand

- The average dry weather flow in the Conveyance and Storage Asset System is projected to increase by 29.9 percent under future conditions. Projects identified to address projected increases in flow would only be implemented if projected growth is realized.
- Current and future discharge permit requirements resulted in recommending projects for managing total suspended solids and phosphorus and for E. coli.

Risks

- **Capacity:** Future demand projections resulted in the risk of exceeding capacity in over 21 miles of pipe in the Conveyance and Storage Asset System and in 17 unit processes at the Water Reclamation Facilities and Biosolids Asset System. There were no capacity risks identified in the Watercourse and Flood Management and GI Asset Systems.
- **Physical Mortality:** Risk of failure when an asset reaches the end of its useful life was identified for nearly one-half of the Conveyance and Storage Assets and three-fourths of the Water Reclamation and Biosolids Assets reviewed. Four high level physical mortality risks were identified in the Watercourse and Flood Management Asset System.
- **Level of Service:** The key risk identified for the Conveyance and Storage Asset System is the failure to achieve goals for infiltration and inflow reduction. The key risks identified for the Water Reclamation Facilities and Biosolids Asset System include meeting future Wisconsin Pollutant Discharge Elimination System (WPDES) permit E. coli limits and meeting renewable energy goals. There are 54 risks identified for the Watercourse and Flood Management Asset System, most of which are already being addressed through operation and maintenance plans, inspections, and existing projects. Most of the risks identified for the GI Asset System are associated with having an insufficient number of assets to meet the goal of 740 MG of GI storage.
- **Economic Efficiency:** Limited data were available to calculate economic efficiency at the asset level. Risks were addressed based on institutional knowledge; efficiency should be considered as recommendations are studied further.

Recommended Plans

The 2050 FP presents two recommended plans: one to meet regulatory guidance and permit requirements (Chapter 7 in the 2050 FP) and one to meet long-term goals (also known as Foundational Goals) (Chapter 8 in the 2050 FP). Recommendations to meet the goals of each of the two recommended plans fall into one of two categories:

1. Recommended new projects and programs to meet baseline conditions; or
2. Recommended new projects and programs to meet future/buildout conditions.

KEY ISSUES (Cont'd)

Adoption of the 2050 Facilities Plan

Costs

The estimated costs to meet regulations and permit requirements are presented in a table from the 2050 FP Executive Summary below. Table notes are on the following page.

Costs for Recommended New Projects and Programs to Meet Regulatory Guidelines and Permit Requirements¹

Asset System	Capital Costs (\$ millions) ²	Incremental Change in Annual Costs (\$ thousands) ^{2,3}	Present Worth (\$ millions) ^{2,4}
Baseline Conditions			
Conveyance and Storage	\$44.7	\$13.9	\$44.9
WRF and Biosolids	\$13.1	\$2,830.0	\$53.7
GI	\$30.0	\$0.0	\$30.0
Baseline Conditions TOTAL	\$87.8	\$2,843.9	\$128.6
Future/Buildout Conditions			
Conveyance and Storage	\$387.7	\$85.9	\$388.5
WRF and Biosolids	\$79.7	\$1,525.0	\$108.1
GI	\$312.6	\$0.0	\$312.6
Future/Buildout Conditions TOTAL	\$780.0	\$1,610.9	\$809.2
TOTAL	\$867.8	\$4,454.8	\$937.8

Table Notes:

1. Additional details for these projects are presented in Chapter 7 of the 2050 FP.
2. These costs represent December 2019 dollars at a projected Milwaukee Engineering News Record (ENR) of 14,700. Costs presented are facilities planning level estimates that have a range of accuracy from +50 percent to -30 percent, as established American Association of Cost Engineering (AACE) International for Class 4 (study or feasibility) estimates.
3. Costs represent an incremental change in operation, maintenance, and other annual costs (such as labor) to be added to future annual budgets once a project is implemented.
4. Costs represent annual costs, equipment replacement costs, and salvage value as appropriate over 20 years, discounted by 3.375 percent, plus capital costs.

KEY ISSUES (Cont'd)

Adoption of the 2050 Facilities Plan

The table above shows the costs for new projects and programs that are recommended even if there is no growth in the MMSD planning area. These projects can be grouped into the following risk types/categories:

- \$40.7 million in projects to address capacity risks, with an increase in annual operation and maintenance costs of \$2.1 million after the projects are implemented.
- \$4.7 million in projects to address physical mortality risks, with no anticipated increase in annual operation and maintenance costs. This cost includes \$2.6 million to conduct physical mortality evaluations but does not include the costs to repair or replace any equipment. The actual amount needed to address physical mortality risks will be determined in the recommended physical mortality evaluations related to asset management.
- \$42.4 million in projects to address level of service risks, with an increase in annual operation and maintenance costs of \$0.7 million after the projects are implemented.
- \$247.2 million in projects to address capacity risks due to future growth, with an increase in annual operation and maintenance costs of \$1.2 million after the projects are implemented.
- No specific projects have been identified to address physical mortality risks under future and buildout conditions. Recommended physical mortality evaluations under baseline conditions are anticipated to provide updated estimated physical mortality costs for years 2026 and beyond.
- \$532.8 million in recommended projects to address level of service risks, with an increase in annual operation and maintenance costs of \$0.4 million after the projects are implemented.

The previous table also lists the new projects and programs that are recommended to address risks of failure due to growth or new permit requirements. These recommendations have more flexible implementation dates as the projects will only be implemented if projected flow and wasteload growth is realized, if additional evaluations provide a change in assumptions, or if new permit requirements come to fruition.

KEY ISSUES (Cont'd)

Adoption of the 2050 Facilities Plan

The estimated costs to meet 2050 foundational goals are presented in the table below from the 2050 FP Executive Summary.

Costs for Recommended New Projects and Programs Needed to Meet 2050 Foundational Goals¹

Name of Analysis	Capital Cost (\$ millions) ²	Incremental Change in Annual Cost (\$ thousands) _{2,3}	Present Worth (\$ millions) _{2,4}
Baseline Conditions			
WRF's and Biosolids	\$234.1	(\$9,050.0)	\$99.7
Systemwide	\$1.7	\$0.0	\$1.7
Baseline Conditions TOTAL	\$235.8	(\$9,050)	\$101.4
Future/Buildout Conditions			
WRF's and Biosolids	\$48.5	\$1,120.0	\$64.6
GI	\$225.4	\$4,599.1	\$288.5
Systemwide	\$992.4	\$0.0	\$992.4
Future/Buildout Conditions TOTAL	\$1,266.3	\$5,719.1	\$1,345.5
TOTAL	\$1,502.1	(\$3,330.9)	\$1,446.9

Table Notes:

1. Additional details for these projects are presented in Chapter 8.
2. These costs represent December 2019 dollars at a projected Milwaukee ENR of 14,700. Costs presented are facilities planning level estimates that have a range of accuracy from +50 percent to -30 percent, as established AACE International for Class 4 (study or feasibility) estimates.
3. Costs represent an incremental change in operation, maintenance and other annual costs (such as labor) recommended to be added to future annual budgets once a project is implemented.
4. Costs represent annual costs, equipment replacement costs, and salvage value as appropriate over 20 years discounted, by 3.375 percent, plus capital costs.

KEY ISSUES (Cont'd)

Adoption of the 2050 Facilities Plan

The table above lists the new projects that are recommended, even if there is no growth in the MMSD planning area, and are estimated to have a total capital cost of \$235.8 million and a reduction in annual operation and maintenance costs of \$9.1 million once projects are implemented.

The vast majority of the capital costs – \$214.6 million – is to replace the dryers at JI, which also addresses a permit requirement to “properly operate and maintain all facilities and systems” (2019 WPDES Permit Section 9.2.10). Implementing this project is estimated to reduce annual operation and maintenance costs by \$8.2 million due to significant annual repair and replacement costs associated with the existing drying system.

The table above also lists the new projects that are recommended to meet 2050 foundational goals under future/buildout conditions, which are estimated to have a total capital cost of \$1,266.3 million and an increase in annual operation and maintenance costs of \$5.7 million if all projects are implemented. These recommendations have more flexible implementation dates as the projects will only be implemented if projected growth is realized or if additional evaluations provide a change in assumptions.

The majority of the capital costs – \$992.4 million – is to reduce combined sewer overflows through the use of high rate treatment at the water reclamation facilities, which also helps to address the permit requirement to have a maximum of six combined sewer overflows per year.

Financing Plan

The purpose of a financing plan is to help understand, in a general sense, the level of capital and annual O&M financing necessary to support a given capital improvement program. For the 2050 FP, a high level analysis was conducted to evaluate the potential financial impacts to ratepayers from capital and annual O&M costs as a result of implementing the recommended new projects. The expenditure recommended for new projects during 2021 to 2025 is estimated to be \$79.6 million, which is recommended to be added to the 2020 to 2025 long-range finance plan. All other projects already in the 2020 to 2025 long-range finance plan are assumed to be implemented as planned.

To finance the plan recommendations in the short term (2021 to 2025), capital costs for four existing allowance projects will be rescheduled from 2022 to 2024, to the years 2024 and 2025. This will allow the new recommended projects to address baseline conditions to be added to the 2020 to 2025 long-range finance plan without additional impacts to ratepayers over and above those published in MMSD’s approved 2020 budgets. Potential future increases, if any, will be determined when future annual budgets are developed. Impacts and financing for costs projected for the year 2026 and beyond were not determined due to inherent uncertainty in long-term projects.

RESOLUTION

Adoption of the 2050 Facilities Plan

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the 2050 Facilities Plan dated July 2020 is adopted in its entirety, and that the Commission hereby reserves judgement to amend the 2050 Facilities Plan as such needs may arise in the future.



COMMISSION FILE NO: 20-123-7 **DATE INTRODUCED:** July 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: Restore the Executive Director’s Original Delegated Authority, Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade

SUMMARY:

The Commission is requested to restore the Executive Director’s original delegated authority for Contract P-2760, Heating, Ventilation, and Air Condition (HVAC) Maintenance Services for a Period of Four Years and HVAC Network Control Upgrade.

Services for preventative and corrective maintenance of the HVAC systems at the District’s Headquarters and Central Laboratory facilities have been outsourced since 1996. In May 2018, the Commission awarded Contract P-2760 to Zone Mechanical North, LLC, (Zone) in an amount not to exceed \$555,000. The contract scope of services includes all preventative and seasonal maintenance activities, plus 24-hour/seven-day-a-week on-call services for corrective or emergency maintenance, ensuring that facilities are maintained at the necessary temperatures for personnel, laboratory, and computer infrastructure functions. Example services include:

- Routine inspection and adjustments on all HVAC equipment;
- Seasonal startup and shutdown of chillers and boilers;
- Replacement of air filters;
- Fan belt replacement; and
- Corrective and emergency maintenance as needed to maintain operations in the Headquarters and Central Laboratory buildings.

This contract also upgraded the HVAC network control system for the Headquarters and Central Laboratory. The network control upgrade was completed in September 2018.

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

*PFP_Restore_Authority_P-2760_HVAC_legislative_file.docx
06-25-20*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Restore the Executive Director's Original Delegated Authority, Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade

The District tasked Zone under Executive Director's authority to upgrade the HVAC air filter and purification systems in the Headquarters and Central Laboratory because of the Coronavirus Disease 2019 pandemic in May 2020. This work included installing the highest rated air filters and installing an ionized air purification system to air handling units the Headquarters and Central Laboratory buildings.

The Commission has delegated to the Executive Director the authority to make changes to other professional service contracts up to \$100,000 or 10 percent of the original contract price, whichever is less. For this contract, a limit of \$55,500 prevails. As of the writing of this Commission document, the Executive Director had utilized all this authority, leaving no balance. The request to restore the Executive Director's authority is in case any additional changes beyond the remaining Executive Director's authority are necessary.

	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY	SWMBE
Original Contract	\$555,000.00		Commission	0%
Change Orders	\$55,500.00	10%	Executive Director	0%
TOTAL	\$610,500.00			0%

RESOLUTION

Restore the Executive Director's Original Delegated Authority, Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director's original delegated authority is restored for Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade.



O&M Budget Fiscal Note

RELATING TO:

Restore the Executive Director's Original Delegated Authority, Contract P-2760, Heating, Ventilation, and Air Condition Maintenance Services for a Period of Four Years and Heating, Ventilation, and Air Condition Network Control Upgrade

Cost Center: Facilities _____	Line Item: 638 and 661 _____
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Line Item Impact			
2020 Original Budget		\$482,705	
Carryovers or Transfers		\$0	
Adjusted Budget		\$482,705	
Estimated Annual Expenditure including Request		\$482,705	
Anticipated Year End Balance		\$0	
Actual Year to Date Expenditures Through 6/9		\$124,277	
For unfavorable Year End Balance, identify funding source: <input type="checkbox"/> Absorbed within the Division			
<input type="checkbox"/> Other Division			
<input type="checkbox"/> Unallocated Reserve			
Anticipated Expenditure Timing	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2020)	\$0	\$0	\$0
Subsequent	\$55,000	\$0	\$55,000
Total Cost	\$55,000	\$0	\$55,000

Comments: The existing contract has sufficient funds for 2020, the contract amendment is for 2021 spending purposes and will be included in the 2021 budget request.

Budget Review by:	Date
Christine Durkin _____	6/9/2020 _____

POLICY, FINANCE & PERSONNEL COMMITTEE MEETING

July 13, 2020

EXECUTIVE DIRECTOR'S REPORT

20-002-01

- A. Monthly Reports**
- B. Baker Tilly Report on the Financial Audit (Jodi Dobson)**

July 2020

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3 INDEPENDENCE DAY (OBSERVED)- MMSD OFFICES CLOSED	4
5	6	7	8	9	10	11
12	13 Operations Committee-9:00 a.m. PF&P Committee- 9:05 a.m.	14	15	16	17	18
19	20	21	22	23	24	25
26	27 Commission-9:00 a.m.	28	29	30	31	