

ELECTRONIC PACKET

June 26, 2017 Commission Meeting

RELEASED: Tuesday, June 20, 2017



Milwaukee Metropolitan Sewerage District

260 West Seeboth
Street
Milwaukee, WI
53204

Meeting Agenda

Commission

John R. Hermes, Chair
Kris Martinsek, Vice Chair
James A. Bohl, Kathy Ehley, Ben Gramling,
LaTonya Johnson, Carl Krueger, Eugene Manzanet,
José G. Pérez, John Swan, III

Monday, June 26, 2017

9:00 AM

Dennis M. Grzezinski Conference Room

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, June 26, 2017 at 9:00 a.m. or immediately following the Special Policy, Finance, and Personnel Committee meeting, which begins at 8:55 a.m., at the District's Headquarters, 260 W. Seeboth Street, Milwaukee, Wisconsin, in the Dennis M. Grzezinski Conference Room.

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 May 22, 2017

NEW BUSINESS

17-004-1 Operations and Maintenance Report for May 2017 - Pat Obenauf & Scott Royer

OPERATIONS COMMITTEE MEETING REPORT

- 1 17-054-6 Award of Contract P-2712, Air Quality Engineering Services
- 2 17-055-6 Award of Contract C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, and Approve Changes in Total Project Costs

- 3 17-056-6 Authorizing the Executive Director to Execute a Purchase Order for Material Capital Repair or Replacement No. 892, Jones Island Water Reclamation Facility Grit Mechanism #2
- 4 17-057-6 Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19
- 5 17-058-6 Amendment Number One, Contract M01019P01, Development of Air Monitoring Plans for Certain Conveyance and Water Reclamation Facilities Project
- 6 17-059-6 Approval of Funding Agreement WB04 under Project M03044, 2017 Village of Whitefish Bay Private Property Inflow and Infiltration Reduction Project

POLICY, FINANCE & PERSONNEL COMMITTEE MEETING REPORT

- 7 17-048-5 Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection
- 8 17-061-6 Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation
- 9 17-062-6 Revisions to Commission Policy 1-77.35, Compensation Policy
- 10 17-064-6 Authorizing the Executive Director to Execute a Revised Memorandum of Understanding with Waste Management of Wisconsin, Incorporated, Memorializing Tentative Terms of a Future Agreement for the Supply and Purchase of Landfill Gas from the Metro Recycling and Disposal Facility

ORGANIZATION & ADMINISTRATION

17-003-1 EXECUTIVE DIRECTOR'S REPORT

- A. Monthly Reports
- B. Staff Recognition (Kevin Shafer)
- C. 2018 Budget Update (Mark Kaminski & Mickie Pearsall)
- D. 2017 Affirmative Action Plan - Comparison of Market Availability Data (Kevin Shafer)

CLOSED SESSION

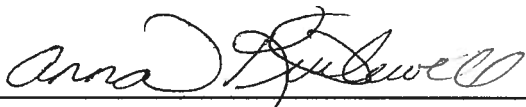
PURSUANT TO SECTION 19.85(1)(e) and (g), Wisconsin Statutes, the Commission will go into Closed Session regarding deliberations and/or negotiations on contracts which for bargaining reasons require a Closed Session and for conferring with Legal Counsel with respect to litigation in which the District is or may become involved.

- CS1 17-060-6** State of Delaware Biosolids Permit Matter for Milorganite® Fertilizer
- CS2 17-063-6** Deliberating the Investment of Public Funds for Project W97002, the Greenseams® Program: Two Easement Acquisitions of Real Property in the Milwaukee River Watershed through a Partnership with the Ozaukee Washington Land Trust.

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) 225-2088, (FAX) (414) 272-5057 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

Commission

John R. Hermes, Chair
Kris Martinsek, Vice Chair
James A. Bohl, Kathy Ehley, Ben Gramling,
LaTonya Johnson, Carl Krueger, Eugene Manzanet,
José G. Pérez, John Swan, III

Monday, May 22, 2017

9:00 AM

Dennis M. Grzezinski Conference Room

CALL TO ORDER

Commission Chair Commissioner Hermes called the meeting to order at 9:00 a.m.

RECORD ROLL

Present 8 - James A. Bohl, Kathy Ehley, Ben Gramling, John R. Hermes, LaTonya Johnson, Carl Krueger, Eugene Manzanet, and John Swan III
Excused 1 - Kris Martinsek
Absent 1 - José G. Pérez

Approval of Proceedings of Regular Commission Meeting held April 24, 2017

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

NEW BUSINESS

17-004-1 Operations and Maintenance Report for April 2017 - Pat Obenauf & Scott Royer
The Commission received a PowerPoint presentation from Patrick Obenauf, Manager of Contract Compliance, and Scott Royer, General Manager, Veolia Water Milwaukee, LLC.

OPERATIONS COMMITTEE MEETING REPORT

Items 1-5 were taken as a block.

1 17-043-5 Award of Contract J04040C01, Jones Island Dewatering and Drying Building Freight and Passenger Elevators Modernization, and Approve Changes in Total Project Costs
A motion was made by Commissioner Krueger, seconded by Commissioner Bohl, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.

- 2 17-044-5 Award of Contract J04051C01, Jones Island Water Reclamation Facility Main Recycle Air Belt Feed Screw Replacement Project, and Approve Changes in Total Project Costs
- A motion was made by Commissioner Krueger, seconded by Commissioner Bohl, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 3 17-045-5 Modification Number Two, Contract S04025C01, South Shore Water Reclamation Facility Hot Water Boiler Control Systems Improvements, Restore the Executive Director's Original Delegated Authority, and Approve Changes in Total Project Cost
- A motion was made by Commissioner Krueger, seconded by Commissioner Bohl, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 4 17-046-5 Approval of 2017 Green Infrastructure Partnership Program Projects W96001P22, W96001P24, W96001P25, W96001P29, and W96001P31
- A motion was made by Commissioner Krueger, seconded by Commissioner Bohl, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 5 17-047-5 Amendment Number Six, Contract M03043P01, MMSD Energy and Greenhouse Gas Emissions Data Management Project, and Restore the Executive Director's Original Delegated Authority
- A motion was made by Commissioner Krueger, seconded by Commissioner Bohl, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.

POLICY, FINANCE & PERSONNEL COMMITTEE MEETING REPORT

Items 7-9 and 11 were taken as a block.

- 7 17-049-5 Authorizing Application for a Wisconsin Department of Natural Resources Urban Nonpoint Source and Storm Water Program Planning Grant on Behalf of the Southeastern Wisconsin Watersheds Trust, Inc.
- A motion was made by Commissioner Manzanet, seconded by Commissioner Swan, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 8 17-050-5 Revision to Commission Policy 1-01.07, Commission Chairpersonships
- A motion was made by Commissioner Manzanet, seconded by Commissioner Swan, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.

- 9 17-051-5 Extension of Professional Services Agreement with Broydrick & Associates for Federal Lobbyist Services, Contract No. P-2562
- A motion was made by Commissioner Manzanet, seconded by Commissioner Swan, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 11 17-053-5 Declaration of the Public Necessity and Approval of the Revised Acquisition Plat (Relocation Order) for the Estabrook Dam Removal Project, W10002
- A motion was made by Commissioner Manzanet, seconded by Commissioner Swan, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.
- 12 17-038-4 Authorizing and Providing for the Sale and Issuance of \$80,000,000 General Obligation Sewerage System Bonds, Series 2017A, Levying Taxes for the Payment Thereof, and all Other Related Details
- Without objection, this matter was heard after the Executive Director's report and a recess from 9:55 a.m. to 10:16 a.m.*
- The Commission received a presentation and handouts from Mark Kaminski, Director of Finance/Treasurer, with comments by Kevin L. Shafer, P.E., Executive Director.*
- A motion was made by Commissioner Manzanet, seconded by Commissioner Hermes, that this resolution be adopted by a roll call vote. The motion carried by the following roll call vote:
- Yes: 8 - Commissioner Bohl, Commissioner Ehley, Commissioner Gramling, Commissioner Hermes, Commissioner Johnson, Commissioner Krueger, Commissioner Manzanet and Commissioner Swan III
- No: 0
- Excused: 1 - Commissioner Martinsek
- Absent: 1 - Commissioner Pérez

ORGANIZATION & ADMINISTRATION

17-003-1

EXECUTIVE DIRECTOR'S REPORT

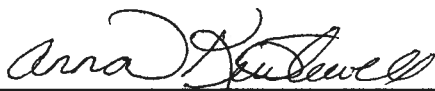
A. Monthly Reports

B. Staff Recognition (Kevin Shafer)

C. Presentation of the Public Policy Forum's "Milwaukee Region's Water Infrastructure Challenges" Report (Rob Henken)

D. Leading Utilities of the World Award (Kevin Shafer)

E. Update on Estabrook Dam (Tom Chapman)

*A. No report.**B. No report.**C. The Commission received a PowerPoint presentation from Rob Henken, Public Policy Forum President, and Ben Juarez, Public Policy Forum Researcher, with comments and a handout from Kevin L. Shafer, P.E., Executive Director, and Mark Kaminski, Director of Finance/Treasurer.**D. The Commission received a presentation from Kevin L. Shafer, P.E., Executive Director.**E. The Commission received a PowerPoint presentation and handouts from Tom Chapman, Senior Project Manager.***ADJOURNMENT***It was moved by Commissioner Swan, seconded by Commissioner Manzanet, to adjourn. The motion carried.**As there was no further business, the meeting was adjourned at 10:31 a.m.*

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

COMMISSION MEETING

June 26, 2017

**OPERATIONS AND MAINTENANCE REPORT FOR MAY 2017 – PAT OBENAUF &
SCOTT ROYER**

17-004-01

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



COMMISSION FILE NO: 17-054-6 **DATE INTRODUCED:** June 12, 2017

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 P-2712, Air Quality Engineering Services

SUMMARY:

The Commission is requested to authorize the Executive Director to execute on behalf of the District Contract P-2712, Air Quality Engineering Services, with Short Elliot Hendrickson, Inc., in an amount not to exceed \$423,913. Short Elliot Hendrickson, Inc., was the highest scoring proposer based on a qualifications-based selection method between two proposals received.

The Wisconsin Department of Natural Resources (WDNR) issues air permits to entities that are sources of certain types of air emissions. An air permit protects public health and the environment by requiring that sources comply with all applicable state and federal air regulations. As the District is a source of air emissions, it is required to maintain an air permit for the Jones Island Water Reclamation Facility and South Shore Water Reclamation Facility. These facilities have several emission sources that fall under WDNR's air permit requirements; wastewater treatment systems, biosolids dryers, turbines, engine generators, boilers, etc. all fall under the WDNR regulations as they emit certain regulated pollutants (e.g. particulate matter, nitrogen oxides, sulfur oxides, carbon monoxide) and other hazardous air pollutants.

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

OP_Award_P-2712_Air_Quality_Engineering_Services_legislative_file.docx
05-23-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Award of Contract P-2712, Air Quality Engineering Services

As air permitting is a highly technical and regulatory-based program, the District utilizes the services of firms with the requisite specialized expertise to assist District technical and legal staff. Work under this contract includes:

- Evaluating and advising the District on potential impacts of new and proposed air regulations.
- Assisting with and advising the District on required air emissions reporting, recordkeeping, and monitoring necessary to maintain compliance with the District's air permits.
- Performing WDNR required source emission testing, test result assessment, and documentation for the Landfill Gas Turbines and the Dryer Burner Upgrade project.
- Providing technical support in review of District stack testing results.
- Providing technical support on air permit and quality issues as requested by the District, including responses to WDNR inspections and capital and facilities planning.

The anticipated duration for this contract is three years.

RESOLUTION

Award of Contract P-2712, Air Quality Engineering Services

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute Contract P-2712, Air Quality Engineering Services, with Short Elliot Hendrickson, Inc., in an amount not to exceed \$423,913.



O&M Budget Fiscal Note

RELATING TO:

Award of Contract P-2712, Air Quality Engineering Services

Cost Center: OCC _____	Line Item: 645 - Professional Services _____
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Line Item Impact			
2017 Original Budget		\$690,000	
Carryovers or Transfers		\$0	
Adjusted Budget		\$690,000	
Estimated Annual Expenditure including Request		\$650,700	
Anticipated Year End Balance		\$39,300	
Actual Year to Date Expenditures Through 5/10/17		\$63,293	
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 (2017)	\$50,000	\$0	\$50,000
Subsequent	\$331,522	\$0	\$331,522
Total Cost	\$381,522	\$0	\$381,522

Comments: The requested expenditures are for air quality engineering services in the amount not to exceed \$423,913 over a period of three years. Typically 90% of the requested services are spent on Operations & Maintenance projects and 10% on Capital projects.

Budget Review by:	Date
Theresa Zwieg _____	5/10/2017 _____



Capital Budget Fiscal Note
Total Project Cost

RELATING TO:

Award of Contract P-2712, Air Quality Engineering Services

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

<u>Total Project Cost Analysis</u>	<u>Project Costs</u>
Adopted 2017 Total Project Cost	n/a
Previously Approved Changes	n/a
Approved Total Project Cost	n/a
Requested Total Project Cost	n/a
Requested (Increase)/Decrease	n/a

Action to be taken to Long-Range Financing Plan to address Total Project Cost change	
_____	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)
_____	Other _____
_____	Transfer to Allowance for Cost and Schedule Changes

Comments

* The expenses associated with this action are budgeted within individual projects and will be charged to these projects when the services are rendered. The requested expenditures are for air quality engineering services in the amount not to exceed \$423,913 over a period of three years. Typically 90% of the requested services are spent on Operations & Maintenance projects and 10% on Capital projects.

Budget Review by:	Date:
Theresa Zwieg _____	5/10/2017 _____



Proposal & S/W/MBE Summary Information

Award of Contract P-2712, Air Quality Engineering Services

Cost Center: 41

Proposal Receipt Date: April 17, 2017

	<u>Total</u>	<u>S/W/MBE</u>	<u>Local</u>
No. of Firms Solicited	328	182	158
No. of Proposals	2	0	1
No. of Acceptable Proposals	2	0	1

Proposals (listed by rank) (Name/City/State/Zip)	Negotiated Price [Submitted Price]	Acceptable/ Conditionally Acceptable/ Unacceptable	% Sub- Contractor	% S/W/MBE
Short Elliot Hendrickson Inc. Sheboygan, WI 53081-4032	\$423,913	Acceptable	46.3% 45.7%	40.6%
Symbiont Milwaukee, WI 53214	\$424,496	Acceptable	44.3%	34.1%

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

Low Bid Information Subcontractor MBE/WBE/SBE/VBE Firms		Type of Work	%	Amount	
MBE:					
WBE: Saga Environmental & Engineering, Inc. Lake Mills, WI 53551					
		Documentation/ Reports	<u>6.3%</u> 5.7%	\$26,910	
SBE: Environmental Technology & Engineering Elm Grove, WI 53122					
		Emission testing, permit compliance, performance specification	34.3%	\$145,380	
VBE:					
Non- MBE/WBE/SBE/VBE Subcontractors					
		Wenck Associates, Inc. Maple Plain, MN 55359	Emissions testing, evaluation	5.7%	\$24,030

List reason(s) if no MBE/WBE/SBE involvement:

Local Office Preference: YES

Proposal Comments :

S/W/MBE Solicited: Complete Electronic Notification Listing is on file in Procurement.

Media Ads: Yes No

Name of Publication: Daily Reporter

Information for Recommended Proposal (Over \$10,000)

Company Name: Short Elliott Hendrickson Inc.

Contact Person: Tom Henning, PE Phone: 920-287-0677

EEO DATA:

a) Total Number of Employees: 766

	<u>Total</u>	<u>Percentage</u>
b) Minorities	<u>37</u>	<u>5.0%</u>
Hispanic	<u>17</u>	<u>2.0%</u>
African American	<u>2</u>	<u>0.3%</u>
Native American	<u>1</u>	<u>0.1%</u>
Asian	<u>17</u>	<u>2.0%</u>

	<u>Total</u>	<u>Percentage</u>
c) Female	<u>200</u>	<u>26.0%</u>
Hispanic	<u>5</u>	<u>0.7%</u>
African American	<u>0</u>	<u>0.0%</u>
Native American	<u>0</u>	<u>0.0%</u>
Asian	<u>9</u>	<u>1.0%</u>

d) Labor Market Availability:

Minorities: 20%

Females: 48%



COMMISSION FILE NO: 17-055-6 **DATE INTRODUCED:** June 12, 2017

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 C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, 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 C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, with J.F. Ahern Company in the amount of \$2,069,500. J.F. Ahern Company was the lowest responsible, responsive bidder between two bids received.

Further, the Commission is requested to decrease the total project cost for Project C98053, Conveyance Gate Rehabilitation Phase 4 Project, by \$359,069 for an amended total project cost of \$3,008,711, and to make a corresponding change to the total project cost for Project M99001, Allowance for Cost and Schedule Changes.

The District owns 24 junction and 29 diversion chambers to control the flow of wastewater to the Inline Storage System, Jones Island Water Reclamation Facility, or South Shore Water Reclamation Facility. These chambers are part of the District's major conveyance system improvements constructed in the late 1980's and early 1990's. Based on inspections performed by Veolia Water Milwaukee, LLC, (VWM) some components in these chambers have deteriorated, are at or near the end of their useful service lives, and need to be replaced or rehabilitated. District staff has created a series of contracts to replace or rehabilitate these components based on their condition and criticality.

Under three previous phases, the District has rehabilitated or replaced components in 24 structures.

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

OP_Award_C98053C01_Gate_Rehab_Ph4_legislative_file.docx
05-23-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Award of Contract C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, and Approve Changes in Total Project Costs

The Conveyance Gate Rehabilitation Phase 4 Project provides an additional 20 years of service life to 10 gate systems at drop shaft sites and diversion chambers identified in the table below. All work is located within the City of Milwaukee.

Structure Identification	Location	No. of Gate Cylinders, Accumulators or Actuators
DC0409	N. Sidney Place/W. Mill Road	1 Cylinder
DC0508	N. Milwaukee River Parkway/Villard Avenue (Extended)	3 Cylinders
DC0509	W. Hampton Avenue/N. Lydell Avenue	1 Cylinder
DG0802 (NS11-JC01) DC0502 (NS11)	820 East Capitol Drive	3 Cylinders
DG0813 (NS6)	1349 East Park Place	8 Accumulators
DC0304 (CT1)	8900 West Watertown Plank Road	3 Accumulators
DC0814 (NS7-JC01)	1942 North Commerce Street	2 Cylinders
DG0815 (NS8-JC01)	1733 North Commerce Street	2 Cylinders
DC0402 (CT2-JC01)	N. 59 th Street (Extended)/West State Street	2 Cylinders
DC0306	1500 S. 124 th Street/Greenfield Pump Station	2 Actuators

Work at the sites includes replacement of hydraulic gate cylinders, hydraulic accumulators, electric accumulators, gate positioners, hydraulic and electrical systems, and grating. Not all work is applicable to each structure.

The contract duration is 21 months.

The low bid received by the District is less than budgeted, and staff requests to reduce the total project cost accordingly.

Consistent with the Agreement for Management, Operations and Maintenance Services between the District and VWM, VWM will make a \$170,000 contribution to the District for this project.

RESOLUTION

Award of Contract C98053C01, Conveyance Gate Rehabilitation Phase 4 Project,
and Approve Changes in Total Project Costs

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that Contract C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, is awarded to J.F. Ahern Company in the amount of \$2,069,500, and that the Executive Director is directed to execute a contract on behalf of the District.

FURTHER RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the total project cost for Project C98053, Conveyance Gate Rehabilitation Phase 4 Project, is decreased by \$359,069 for an amended total project cost of \$3,008,711, and that a corresponding change is made to the total project cost for Project M99001, Allowance for Cost and Schedule Changes.



**Capital Budget Fiscal Note
Total Project Cost**

RELATING TO:

Award of Contract C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, and Approve Changes in Total Project Costs

Capital Project Number(s)	Impact of Requested Action on Total Project Cost:
<u>C98053</u>	<input type="checkbox"/> Increase <input checked="" type="checkbox"/> Decrease <input type="checkbox"/> New Project <input type="checkbox"/> No Change

<u>Total Project Cost Analysis</u>	<u>Project Costs</u>
Adopted 2017 Total Project Cost	\$3,367,780
Previously Approved Changes	\$0
Approved Total Project Cost	\$3,367,780
Requested Total Project Cost	\$3,008,711
Requested (Increase)/Decrease	\$359,069

Action to be taken to Long-Range Financing Plan to address Total Project Cost change	
_____	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)
_____	Other _____
X	Transfer to Allowance for Cost and Schedule Changes

Comments
The change in total project cost is the result of actual bids received lower than budgeted.

Budget Review by:	Date:
<u>Theresa Zwieg</u>	<u>5/17/2017</u>



Bid & S/W/MBE Information

Award of Contract No. C98053C01, Conveyance Gate Rehabilitation Phase 4 Project, and Approve Changes in Total Project Costs

Cost Center: 41

Bid Opening Date: April 13, 2017

	<u>Total</u>	<u>S/W/MBE</u>	<u>Local</u>
No. of Bids	2	0	1
No. of Responsive Bids	2	0	1

Bids (listed low to high) (Name/City/State/Zip)	Price	Responsive/ Non-Responsive/ Not Reviewed	% Subcontractor	% S/W/MBE
J.F. Ahern Co. Fond du Lac, WI 54935	\$2,069,500.00	Responsive	<u>7.3%</u> 6.9%	<u>2.7%</u> 2.3%
Butters-Fetting Co. Milwaukee, WI 53204	\$2,987,213.00	Responsive	77.5%	73.3%

Low Bid Information

Subcontractor MBE/WBE/SBE/VBE Firms

Subcontractor MBE/WBE/SBE/VBE Firms	Type of Work	%	Amount
MBE: Sanchez Coatings & Environmental LLC Wausau, WI 54401	Painting	1.9%	\$40,020.00
WBE: <u>QSP Utility, LLC</u> <u>Waterford, WI 53185</u>	<u>Install 80' HDD of 1.5" conduit/cut trench and asphalt repair</u>	<u>0.2%</u>	<u>\$3,710.00</u>

SBE: Metropolitan Services, Inc. Brookfield, WI 53004	Traffic Control	0.39%	\$8,000.00
<u>Hoffman Landscape LLC</u> <u>Caledonia, WI 53108</u>	<u>Restoration Services</u>	<u>0.16%</u>	<u>\$3,484.00</u>
VBE:			
Non- MBE/WBE/SBE/VBE Subcontractors	Type of Work	%	Amount
Next Electric Brookfield, WI 53045	Electrical	4.6%	\$95,320.00

List reason(s) if no or low MBE/WBE/SBE Involvement: Approximately 75% of this contract is for equipment, resulting in low SWMBE participation for prime bidders and subcontractors.

Local Workforce Participation Requirement:

A. Sanitary Sewer Service Area Employment:	<u>45%</u>
B. Target Area Employment:	<u>20%</u>
Apprentice Utilization As Bid:	<u>2</u>
Bids Non-Responsive:	

Comments:

S/W/MBE Planholders: Thomas A. Mason Co., Inc., Automation Solutions of WI, Inc., Price Erecting Co. Inc

Media Ads: Yes No

Name of Publication: Daily Reporter

Information for Low Bid (Over \$10,000)

Company Name: J.F. Ahern

Contact Person: James Jarvis Phone: 920-921-9020

EEO DATA:

a) Total Number of Employees: 1,347

	<u>Total</u>	<u>Percentage</u>
b) Minorities	<u>45</u>	<u>3.34%</u>
Hispanic	<u>22</u>	<u>1.63%</u>
African American	<u>12</u>	<u>.89%</u>
Native American	<u>8</u>	<u>.59%</u>
Asian	<u>3</u>	<u>.22%</u>

	<u>Total</u>	<u>Percentage</u>
c) Female	<u>184</u>	<u>13.66%</u>
Hispanic	<u>2</u>	<u>.15%</u>
African American	<u>1</u>	<u>.07%</u>
Native American	<u>1</u>	<u>.07%</u>
Asian	<u>0</u>	<u>0.0%</u>

d) Labor Market Availability:

Minorities: 16.2%

Females: 48%



COMMISSION FILE NO: 17-056-6 **DATE INTRODUCED:** June 12, 2017

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

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Authorizing the Executive Director to Execute a Purchase Order for Material Capital Repair or Replacement No. 892, Jones Island Water Reclamation Facility Grit Mechanism #2

SUMMARY:

The Commission is requested to authorize the Executive Director to execute a purchase order with Veolia Water Milwaukee, LLC, (VWM) for Material Capital Repair or Replacement Number 892, Jones Island Water Reclamation Facility (JIWRF) Grit Mechanism #2, in an amount not to exceed \$178,839.

At JIWRF, the final step in preliminary treatment prior to primary clarification is grit removal. Grit is small, inorganic material, such as sand and gravel. Six grit channels receive flow from preliminary screening processes and direct the flow to six concrete, 24-foot diameter grit basins. Mounted along the vertical axis of each circular basin is a steel grit mechanism, which is two concentric tubes that serve two functions. The function of the outer tube (drive tube) is to rotate paddles that create a vortex flow sending grit to the bottom of the grit basin. The function of the inner tube (suction tube) is to pump the settled grit from the bottom of the grit basin to downstream equipment for dewatering and eventual disposal at an offsite landfill. Grit is removed before primary clarification to prevent excessive wear on the primary sludge removal and pumping system.

Grit Mechanism #2 is currently out of service due to severe corrosion. Several components of the grit mechanism (drive and suction tubes) are continuously submerged under water, and the components that are above water (motors, suction pump, drive system) are outside and continuously subjected to the weather elements. The grit mechanisms have an expected useful life of 15 years, and Grit Mechanism #2 is 17 years old.

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

OP_Auth_Purchase_MCRR892_JIGretMechansim2_legislative_file.docx
05-19-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Authorizing the Executive Director to Execute a Purchase Order for Material Capital Repair or Replacement No. 892, Jones Island Water Reclamation Facility Grit Mechanism #2

The purpose of this project is to restore Grit Mechanism #2 to full functionality to prevent grit from moving into downstream processes. The scope of the project is to replace the entire Grit Mechanism #2, which includes the drive tube, suction tube, suction pump, motors, drive system, and controls.

VWM competitively bid the work, and Butters Fetting Co. was the lowest responsible and responsive, with one bid received. The purchase order will be issued to VWM, which is responsible for managing and overseeing the contract with Butters Fetting Co.

Consistent with the Agreement for Management, Operations, and Maintenance Services between the District and VWM, VWM will make a \$10,000 contribution to the District for this project.

RESOLUTION

Authorizing the Executive Director to Execute a Purchase Order for Material Capital Repair or Replacement No. 892, Jones Island Water Reclamation Facility Grit Mechanism #2

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a purchase order with Veolia Water Milwaukee, LLC, for Material Capital Repair or Replacement Number 892, Jones Island Water Reclamation Facility Grit Mechanism #2, in an amount not to exceed \$178,839.



**Veolia Procurement Bid
& S/W/MBE Summary
[For all bids over \$20,000]**



Award of Contract

Authorizing the Executive Director to Execute a Purchase Order for Material Capital Repair or Replacement No. 892, Jones Island Water Reclamation Facility Grit Mechanism #2

Cost Center: _____

Bid Opening Date: _____

Monday, April 24, 2017

	<u>Total</u>	<u>S/W/MBE</u>	<u>Local</u>
No. of Bids	1	0	1
No. of Responsive Bids	1	0	1

Bids Submitted to Veolia (listed low to high) (Name/City/State)	Price	Responsive/ Non-Responsive/ Not Reviewed	% Sub-Contractor	% S/W/MBE
Butters Fetting, Milwaukee WI	\$175,700	Responsive	7.4%	7.4%

Low Bid Information Subcontractor MBE/WBE/SBE Firms	Type of Work	%	Amount
WBE: Price Erecting, Milwaukee, WI	Millwright & Rigging	5.1%	\$8,900
MBE: Rockwell Mechanical, Port Washington, WI	Mechanical Work	0.9 %	\$1,536
MBE: Porta Paint, Waukesha, WI	Painting Work	1.4%	\$2,470

Non-MBE/WBE/SBE Subcontractors	Type of Work	%	Amount
N/A			

List reason(s) if no or low MBE/WBE/SBE involvement: SWMBE percentage is low due to equipment replacement cost. There were no SWMBE suppliers that could supply this equipment and since 83% of this contract cost is for all the equipment and materials there is only a small fraction (17%) available for any SWMBE participation. The SWMBEs are performing all the subcontracted tasks associated with installing this new equipment. Price Erecting will provide the millwrights and rigging for installation. Rockwell Mechanical will supply the mechanical work. Porta Painting will paint the elements needed for this project. All these SWMBE responded to Butters Fetting. Butters requested participation from 6 SWMBE contractors and 3 SWMBEs responded for this project.

Local Workforce Participation Requirement:

- A. **Sanitary Sewer Service Area Employment** 45%
- B. **Target Area Employment:** 20%

Apprentice Utilization As Bid: n/a

Bids Non-Responsive:

None

S/W/MBE Firms Solicited: Yes

Media Ads: Yes No

Name of Publication: Daily Reporter

Information for Low Bid (Over \$10,000)

Company Name: Butters Fetting Co., Milwaukee, WI

Contact Person: David Ruffalo (414) 645-1535

EEO DATA:

a) Total Number of Employees: 281

	<u>Total</u>	<u>Percentage</u>		<u>Total</u>	<u>Percentage</u>
b) Minorities	11	3.9%	c) Female	10	3.6%
Hispanic	8	2.8%	Hispanic	0	0
African American	3	1.1%	African American	0	0
Native American	0	0	Native American	0	0
Asian	0	0	Asian	0	0

d) Labor Market Availability:

Minorities: 16.2%

Females: 48%



COMMISSION FILE NO: 17-057-6 **DATE INTRODUCED:** June 12, 2017

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

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

SUMMARY:

The Commission is requested to authorize the Executive Director to approve seven projects, M03076P52, M03076P53, M03076P54, M03076P55, M03076P56, W96001P17, and W96001P19, under the 2017 Green Solutions Program and Zoo Interchange Funding in a total amount not to exceed \$3,038,678. The 2017 Green Solutions Program funding was allocated in the approved 2017 Capital Budget. Additional funding is provided by a memorandum of understanding with the Wisconsin Department of Transportation (WisDOT) regarding stormwater management related to the Zoo Interchange Reconstruction Project and approved by the Commission in June 2013. WisDOT provided funding to the District for the design and construction of facilities within the Menomonee River Watershed to facilitate reduction of the volume and rate of runoff and to stabilize stream banks.

The primary goal of the Green Solutions Program is to achieve compliance with the District's current Wisconsin Pollutant Discharge Elimination System Permit requirement of providing green infrastructure (GI) retention capacity of 12 million gallons. Additionally, this program helps to form mutually beneficial partnerships to generate quantitative data on the effectiveness of GI in managing stormwater runoff in the District's service area and qualitative data on the implementation and feasibility of various GI practices. This program also supports the District's 2035 Vision and implementation of the Regional GI Plan.

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

*OP_2017_Green_Solutions_Program_legislative_file.docx
05-19-17*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

The following projects and partners are recommended for funding and are requested for Commission approval:

Project Name	Applicant	Award \$	Project Number
West Edgerton Avenue Bioswales	City of Greenfield	\$166,161	M03076P52
36 th Street Biofilter	City of Franklin	\$171,858	M03076P53
2017 Green Alleys	City of Milwaukee	\$636,744	M03076P54
West Allis Library	City of West Allis	\$192,715	M03076P55
Green Alleys Phase 5	City of Wauwatosa	\$319,200	M03076P56
Green Alleys Phase 4	City of Wauwatosa	\$1,020,000	W96001P17
Wauwatosa West Parking Lot	City of Wauwatosa	\$532,000	W96001P19
	Total	\$3,038,678	

These projects are summarized below.

“West Edgerton Avenue Bioswales,” submitted by City of Greenfield (M03076P52)

This project will reconstruct 1.4 miles of a minor arterial roadway, including five bioswales to capture stormwater before it discharges into the storm sewer network. The bioswales will be placed along the terrace between the back of the curb and the front of the sidewalk. The five bioswales will have a combined area of 10,200 square feet. The bioswales provide much needed storage to prevent localized stormwater flooding throughout the project area. Stormwater will also filter through the engineered soil, removing particulates and pollutants.

Location: West Edgerton Avenue, between West Loomis Road and South 27th Street, Greenfield, WI
Gallons Captured: 179,340
GI Strategies: Bioswale

SUMMARY (Cont'd)

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

“36th Street Biofilter,” submitted by City of Franklin (M03076P53)

This project will reduce the nuisance concerns from continuous standing water in the swales along South 36th Street. High groundwater has caused persistent drainage issues in this location. The proposed grass swale replacement involves filling the ditch with approximately two feet of clear stone and adding a perforated underdrain. The stone will be covered with a geotextile fabric and a minimum of four inches of soil. These ditches will be routed to a bioretention facility on the corner of South 36th Street and West Madison Boulevard with a 10,000-square-foot area.

Location: Northwestern corner of the intersection of South 36th Street and West Madison Boulevard, Franklin, WI
Gallons Captured: 75,000
GI Strategies: Bioswale

“2017 Green Alleys,” submitted by City of Milwaukee (M03076P54)

This project will replace nine alleys with green alleys. This will involve replacing approximately 96,000 square feet of pavement, 17,500 square feet of which will be permeable pavers. The entire lengths of the alleys will be excavated and removed to install the pavers in the center four feet of each alley over a strip of .75-inch bedding layer placed over a two-foot depth of storage with 2.5 inches of crushed stone. Stormwater runoff from garages and surface runoff will infiltrate through the pavers and into the storage area.

Location: Milwaukee, WI

1. West Cleveland Avenue, West Montana Street, South 49th Street, and South 50th Street
2. West Greenfield Avenue, South Layton Boulevard, West Scott Street, and South 28th Street
3. West Main Street, South 61st Street, South 62nd Street, and lands north
4. West Auer Avenue, West Concordia Avenue, North 87th Street, and North 88th Street
5. West Keefe Avenue, West Nash Street, North 99th Street, and North 100th Street
6. West Chambers Street, West Locust Street, North 76th Street, and North 77th Street
7. West Keefe Avenue, West Medford Avenue, West Roosevelt Drive, West Scranton Place, and North 45th Street
8. West Fiebrantz Avenue, West Hope Avenue, North 82nd Street, and North 83rd Street
9. West Auer Avenue, West Burleigh Street, North 54th Street, and North 55th Street (north/south leg)

Gallons Captured: 500,000

GI Strategies: Porous Pavement

SUMMARY (Cont'd)

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

“West Allis Library,” submitted by City of West Allis (M03076P55)

This project will reconstruct a parking lot at the West Allis Library. The site has approximately 1.25 acres of impervious concrete surface. This will be replaced by asphalt pavement and 13,408 square feet of pervious pavers. The asphalt areas will drain to the permeable pavers that will capture the runoff. The stone under the pavers will be designed to capture a 3.5-inch rainfall event on the site.

Location: 7421 West National Avenue, West Allis, WI
Gallons Captured: 46,928
GI Strategies: Porous Pavement

“Green Alleys Phase 5,” submitted by City of Wauwatosa (M03076P56)

This project will replace four alleys with green alleys. Each green alley will consist of an approximately six-foot-wide strip of pervious pavers down the center of alleys, for a total of 6,433 square feet of permeable pavers. Surface water flow will drain through the voids in the pavers to an aggregate storage area beneath. Depending on soil conditions, water will either infiltrate the native soils or be routed by an underdrain to the storm sewer system. An observation well will be installed at each alley that will be inspected quarterly and after extreme events to evaluate whether the subbase layer is properly draining.

Location: Wauwatosa, WI
1. West Center Street, West Clarke Street, North 68th Street, North 69th Street
2. West Center Street, West Clarke Street, North 69th Street, North 70th Street
3. West Meinecke Avenue, West North Avenue, North 90th Street, North 91st Street
4. West North Avenue, Jackson Park Boulevard, North 90th Street, North Swan Boulevard
Gallons Captured: 19,299
GI Strategies: Porous Pavement

SUMMARY (Cont'd)

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

“Green Alleys Phase 4,” submitted by City of Wauwatosa (W96001P17)

This project will replace seven alleys with green alleys. Each green alley will consist of an approximately six-foot-wide strip of pervious pavers down the center of the alley. Surface water flow will drain through the voids in the pavers to an aggregate storage area beneath. Depending on soil conditions, water will either infiltrate the native soils or be routed by an underdrain to the storm sewer system. An observation well will be installed at each alley that will be inspected quarterly and after extreme events to evaluate whether the subbase layer is properly draining.

Location: Wauwatosa, WI:

1. Garfield Avenue to Gilbert Avenue between 116th Street and 117th Street
2. 122nd Street to 124th Street, south of North Avenue
3. South of North Avenue to 104th Street
4. West from 118th Street, South of North Avenue
5. 106th Street to 107th Street, south of North Avenue
6. 117th Street to 118th Street, south of North Avenue
7. 74th Street to 75th Street, between Wellauer Drive and Bluemound Road

Gallons Captured: 43,560

GI Strategies: Porous Pavement

“Wauwatosa West Parking Lot,” submitted by City of Wauwatosa (W96001P19)

This project will reconstruct the main parking lot between Eisenhower Elementary School and West High School. The existing parking lot has 360 spaces over 3.9 acres. The project will include permeable pavement and biofiltration basins. Since the parking lot is sloped from west to east, permeable pavement will be installed in the eastern parking spaces in selected rows to filter and infiltrate the runoff. Biofiltration basins will be installed in the vegetated islands between the rows to accomplish the same objective.

Location: 11400 West Center Street, Wauwatosa, WI

Gallons Captured: 656,545

GI Strategies: Porous Pavement and Bioswales

BACKGROUND

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

This program provides funding support for a series of GI projects to demonstrate the importance of GI as a sustainable practice in managing the volume, rate, and quality of stormwater runoff. These projects may also catalyze more widespread GI strategies that can benefit the operation of municipal storm and sanitary sewers as well as the MMSD system. They may also provide potential added benefits to the award partners including:

- Energy savings.
- Reduction of the urban heat island effect.
- Improved aesthetics.
- Improved air quality.
- Improved water quality.

The District's 2020 Facilities Plan recommended stormwater management demonstration projects to determine best practices that the District could recommend. The Green Solutions Program allows for a wide array of GI practices to be used to manage stormwater. Projects are evaluated from a qualitative standpoint post-construction, and that information is reported in District publications.

RESOLUTION

Approval of 2017 Green Solutions Program Projects M03076P52, M03076P53, M03076P54, M03076P55, M03076P56 and Zoo Interchange Funding Projects W96001P17 and W96001P19

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to approve seven projects under the 2017 Green Solutions Program and Zoo Interchange Funding, M03076P52, M03076P53, M03076P54, M03076P55, M03076P56, W96001P17, and W96001P19, and that the Executive Director is directed to execute contracts and agreements for projects in a total amount not to exceed \$3,038,678.



COMMISSION FILE NO: 17-058-6 **DATE INTRODUCED:** June 12, 2017

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

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Amendment Number One, Contract M01019P01, Development of Air Monitoring Plans for Certain Conveyance and Water Reclamation Facilities Project

SUMMARY:

The Commission is requested to authorize the Executive Director to execute Amendment Number One to Contract M01019P01, Development of Air Monitoring Plans for Certain Conveyance and Water Reclamation Facilities Project, with Symbiont Science, Engineering and Construction, Inc., (Symbiont) in an amount not to exceed \$102,473.

Amendment Number One to Contract M01019P01 includes the extension of the project completion date and changes to the contract scope. The scope includes modeling of the dust collection system in the Dewatering and Drying (D&D) Facility at the Jones Island Water Reclamation Facility.

The D&D Facility has been in service since 1994 and includes equipment that converts sludge to Milorganite® product. The Milorganite® production process includes 12 rotary sludge dryers used to heat-dry dewatered biosolids. The biosolids are transported from the dryers to other processes within the D&D Facility by conveyors and bucket elevators. During the production of Milorganite®, dust is generated and collected through a dust collection system. To ensure that the D&D Facility continues to process biosolids and manufacture Milorganite®, the District has implemented projects to protect against fire and explosion that could result from the presence of the combustible dust.

Since the D&D Facility was originally constructed, there have been two explosions within the facility. While the District has made significant safety improvements since those events, staff evaluates opportunities for risk reduction.

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

OP_Amdt1_M01019P01_MMSD_Safe_Atmosphere_Monitoring_legislative_file.docx
05-25-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Amendment Number One, Contract M01019P01, Development of Air Monitoring Plans for Certain Conveyance and Water Reclamation Facilities Project

The purpose of this amendment is to minimize risks associated with dust in the D&D Facility. The work includes development of a model of the dust collection system and analysis of the system. The analysis includes the existing system and the impacts from equipment changes. With the computer modeling of the dust collection system, the District can optimize operation of the dust collection system to minimize fugitive dust and use the model for future projects.

This amendment includes the following work:

- Conduct field surveys to document and measure the dust collection system from individual equipment through the D&D Facility to the bag houses.
- Develop 3D AutoCAD drawings of the dust collection system in the D&D Facility.
- Develop a testing/modeling plan for the D&D Facility.
- Develop a dust collection piping network software model for the D&D Facility using Design Flow Solutions.
- Coordinate D&D Facility dust system operations testing conditions for testing plan activities.

The project has a target completion date of August 31, 2018.

SUMMARY OF CONTRACT COST CHANGES

CONTRACT	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY
Original	\$ 279,523		Commission
Amendment No. 1	\$ 102,473	37%	Request of Commission
TOTAL	\$ 381,996		

RESOLUTION

Amendment Number One, Contract M01019P01, Development of Air Monitoring Plans
for Certain Conveyance and Water Reclamation Facilities Project

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute Amendment Number One to Contract M01019P01, Development of Air Monitoring Plans for Certain Conveyance and Water Reclamation Facilities Project, with Symbiont Science, Engineering and Construction, Inc., in an amount not to exceed \$102,473.



COMMISSION FILE NO: 17-059-6 **DATE INTRODUCED:** June 12, 2017

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

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Approval of Funding Agreement WB04 under Project M03044, 2017 Village of Whitefish Bay Private Property Inflow and Infiltration Reduction Project

SUMMARY:

The Commission is requested to authorize and to direct the Executive Director to execute on behalf of the District Funding Agreement WB04 in the amount of \$974,523 for work outlined in Work Plan WB04 as submitted by the Village of Whitefish Bay under project M03044, Private Property Inflow and Infiltration (PPI/I) Program. Including this Work Plan WB04, the Village of Whitefish Bay has obligated 100% of the funding available to the Village through 2017 in the PPI/I Program.

Through extensive prior investigations through the District program, the Village has identified three priority areas to implement private property rehabilitation work with the objective of reducing wet weather flows. Based on the completed studies, the Village proposes to rehabilitate approximately 200 sanitary laterals.

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

*OP_Whitefish_Bay_II_Reduction_Project_legislative_file.docx
05-19-17*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

Approval of Funding Agreement WB04 under Project M03044, 2017 Village of Whitefish Bay Private Property Inflow and Infiltration Reduction Project

The Village has completed extensive studies of sanitary and stormwater wet weather flows throughout the Village, including televising 95% of the public sanitary system. Since 2011, the Village has rehabilitated 25% of the sanitary mains through replacement or cured-in-place pipe (CIPP) lining. While mainline work has included replacement of sanitary laterals in rights-of-way, this project is the first work that the Village proposes to complete exclusively on private property. The three priority areas comprising the project area reside in metersheds WB5003 and WB5004. Metershed WB5003 has been identified as noncompliant with District Chapter 3 rules. Based on the aggregate recommendations of the completed studies and current observations of persistent wet weather flow patterns, three priority areas have been identified to initiate sanitary lateral rehabilitation through CIPP lining. Based on current unit cost estimates for lateral CIPP, the project scope is limited to 200 laterals by the availability of funds through 2017. The Village intends to continue rehabilitation work throughout the project area pending future District budget program allocations. The 2017 total project cost is estimated to be \$1,200,000. The Village intends to fund the engineering design and construction inspection as well as complete project management and public outreach with Village staff. The project is 100% voluntary. Based on recently completed public outreach, the Village has exceeded the response goal.

The project schedule is as follows:

- Bidding: May 2017
- Construction: June 2017 through October 2017
- Final Reimbursement: December 2017

Including this Work Plan WB04, the Village of Whitefish Bay has obligated 100% (\$1,229,944) of the funding available to the Village through 2017 in the PPI/I Program.

RESOLUTION

Approval of Funding Agreement WB04 under Project M03044, 2017 Village of Whitefish Bay Private Property Inflow and Infiltration Reduction Project

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized and directed to execute on behalf of the District Funding Agreement WB04 in the amount of \$974,523 for work outlined in Work Plan WB04 as submitted by the Village of Whitefish Bay under project M03044, Private Property Inflow and Infiltration Program.



COMMISSION FILE NO: 17-048-5 **DATE INTRODUCED:** May 8, 2017

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 to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

SUMMARY:

The Commission is requested to authorize and to direct the Executive Director to execute a five-year research agreement with Marquette University to establish a multidisciplinary research program to enhance the District's research program and improve capital project selection in an amount not to exceed \$1,375,000, or \$275,000 per year. The period of performance for the agreement is August 2017 to July 2022.

The goal of this agreement is to strengthen the District's research program by incorporating multidisciplinary expertise to meet District objectives and deliver more robust, ready-to-use research deliverables. A successful program will generate innovative technologies, enhance communication efforts, and develop policy information that will help the District advance a healthier Milwaukee region, maintain its position as an industry leader, strengthen its research section, and help promote a cleaner Lake Michigan. As part of the District's capital planning process, the data and results from this research will determine what specific capital improvement projects are needed.

Examples of potential research areas include, but are not limited to, hydrothermal processing, enhancements to anaerobic treatment systems, and nutrient recovery. These in turn may lead to capital investment in advanced biosolids handling and solids destruction technologies, renewable energy infrastructure, and systems with the potential to generate water quality trading credits. As part of the District's capital planning process, the results from research projects will help determine what specific capital improvement projects are needed to increase efficiency and save money.

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

PFP_Multidisciplinary_Research_Program_legislative_file.docx
05-23-17

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

To ensure that the District's interests are strongly represented in the program, key District personnel will be assembled to include their multidisciplinary research needs in a request for proposals (RFP) that will be released within the colleges of Marquette University. The faculty will then submit proposals to the District that will be evaluated for completeness and adherence to terms within the RFP. Further, proposers will collaborate with District staff on study design and execution to ensure meaningful projects and on-target deliverables that are aligned with regulatory requirements, the 2035 Vision, 2016-2018 Strategic Plan, and post-2050 Facilities Plan recommendations. Examples of potential topics are an audit of counting methods for green infrastructure gallons captured to optimize tracking of progress toward 740 million gallons; a baseline evaluation and comparison of MMSD research efforts to other similarly sized water reclamation districts; visualization and modeling of conveyance features and green infrastructure; evaluation of water reclamation district patent ownership practices, terms of negotiation, and royalty collections; and advancements in co-digestion, nutrient removal, and hydrothermal processing to eliminate waste and recover renewable energy.

BACKGROUND

Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

The District is seeking academic partners that can provide in-depth research and development of new technologies on a compressed schedule. District staff has consulted with Marquette University Associate Vice President for Research and Innovation Carmel Ruffolo to identify research opportunities in District treatment processes, overflow reduction, and rainfall capture goals. Marquette's local presence and significant research capabilities make their academic staff uniquely qualified to provide services under this program. As it relates to the District, Marquette offers numerous areas of study across several divisions, the faculty from which is expected to competitively apply for research funding, including faculty from:

- College of Arts & Sciences (Environmental Studies; Bioinformatics; Biological Sciences)
- College of Engineering (Civil, Construction and Environmental Engineering; Mechanical Engineering)
- Office of Research & Innovation initiatives (multidisciplinary research and development efforts at the Global Water Center and Innovation Campus)

Although Marquette is being selected for this program, its faculty will still have to competitively propose for research funding, fulfilling the District's objectives for securing the best services at the lowest possible price. Each faculty member (Principal Investigator) will have to declare any potential conflicts of interest in the proposed research (e.g., financial ties to the process or product, copyrights/patents held or applied for). The District will evaluate each proposal based on criteria similar to grant evaluations from the National Institutes of Health:

1. Significance. Is there convincing evidence in the application that the proposed program will significantly advance the stated goals of the program?
2. Investigator(s). Do the Principal Investigators have complementary and integrated expertise; are their leadership approach, governance, and organizational structure appropriate for the project; does the Principal Investigator possess preeminence in the field?
3. Innovation. Does the proposed project develop or utilize innovative approaches and latest best practices to improve the knowledge of the District?
4. Approach. Is there evidence that the proposal is based on a sound rationale, as well as sound engineering/scientific concepts and principles?

BACKGROUND (Cont'd)

Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

5. Environment. Will the scientific and educational environment of the proposed research education program contribute to its intended goals? Is there evidence of collaboration and buy-in among participating programs, departments, and institutions?

The funding level of \$275,000 per year for five years (total award of \$1,375,000) reflects an amount similar to other research projects of similar size and scope. The District expects these funds to support multiple projects in the \$50,000-\$100,000 range, although it is feasible that one large research project involving multiple faculty members across several disciplines could secure the bulk of the research funding. Each selected project will be referred to the Commission for approval if the research funding amount exceeds \$150,000 in accordance with the Executive Director's authority under Commission Policy 1-78.08, Contract Award Authority. Funding source will be determined on a case-by-case basis for projects recommended for funding. Unexpended Operations and Maintenance ~~and/or Capital Budget~~ funds in any given year will be reviewed for ~~carryover/ed-over~~ in to the following year in accordance with Commission Policy. Finally, it should be noted that this resolution does not commit funding to any particular project. Funding commitments will only be made after the RFP process is complete.

As part of the District's capital planning process, the data and results from each research project will help determine what specific District-wide capital improvement projects are needed to increase efficiency and conserve capital expenditures. District staff managing these research projects will be primarily housed in the Planning, Research, and Sustainability Division, although other Divisions (Technical Services, Water Quality Protection) may be involved, depending on the nature of the research project.

RESOLUTION

Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized and directed to execute a five-year research agreement with Marquette University to establish a multidisciplinary research program to enhance the District's research program and improve capital project selection in an amount not to exceed \$1,375,000, or an annual allocation of \$275,000 ~~per year~~.



O&M Budget Fiscal Note

RELATING TO:

Authorization to Execute a Professional Services Agreement with Marquette University to Develop a Multidisciplinary Research Program to Enhance the District's Research Program and Improve Capital Project Selection

Cost Center: Planning, Research and Sustainability _____	Line Item: 649 - Contract Services, N.O.C. _____
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Line Item Impact			
2017 Original Budget		\$661,140	
Carryovers or Transfers		\$0	
Adjusted Budget		\$661,140	
Estimated Annual Expenditure including Request		\$936,140	
Anticipated Year End Balance		(\$275,000)	
Actual Year to Date Expenditures Through 5/16		\$38,953	
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 (2017)	\$275,000	\$0	\$275,000
Subsequent	\$1,100,000	\$0	\$1,100,000
Total Cost	\$1,375,000	\$0	\$1,375,000

Comments: The request is for \$275,000 per year for five years, not to exceed \$1,375,000. The actual expenditures will depend on the nature of the proposed research, and may be funded by either the Capital or the O&M Budget. The Budget Office will monitor the cost center's year-end variance, and request a transfer of funds, if needed.

Budget Review by:	Date
Christine Durkin _____	5/16/2017 _____



Item 8
REVISED

COMMISSION FILE NO: 17-061-6 **DATE INTRODUCED:** June 12, 2017

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 Executive Director to Execute Enterprise Agreement with Microsoft Corporation

SUMMARY:

The Commission is requested to authorize the Executive Director to execute a contract with Microsoft Corporation to provide software, networking, storage and compute services to the District for a three-year period in an amount not to exceed ~~\$678,323~~ \$680,850.

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

*PFP_Microsoft_Enterprise_Agreement_legislative_file.docx
05-23-17*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation

The District runs a significant portion of its operations utilizing Microsoft software, including operating systems, databases, Exchange (email), SharePoint, and Office software. The District has transitioned primarily to a subscription model, whereby the District pays for software, networking, and some compute capacity on a user basis and in the case of compute capacity on a use basis. Microsoft software is provided both on premise and in the cloud, and the Office 365 subscription model includes significant cloud storage.

The current three-year Microsoft Enterprise Agreement expires June 30, 2017. The current three-year agreement for Microsoft licenses, maintenance, and subscriptions was \$136,036. There were some additional licenses or software subscriptions purchased in this timeframe to support expanded needs.

The proposed three-year Enterprise Agreement with Microsoft is for ~~\$226,108~~\$226,950 per year. The District has had some level of an enterprise agreement with Microsoft for six years and has utilized Microsoft products since the early years of Microsoft.

As the world shifts with technology, so is the District with the expanding capabilities of Microsoft on premise, mobile, and in the cloud. This three-year agreement for ~~\$678,323~~\$680,580 is more than the previous agreement, \$408,108; however, the District is utilizing more Microsoft products than three years ago and receives substantially more value for the dollars expended as outlined below.

1. There is significant value realized under current Microsoft agreement, and will continue/extend with proposed agreement:
 - a. The District receives significant government volume discounts versus consumer subscriptions.
 - b. Fewer software licenses under user subscription model versus device license model.
 - c. Ability to use Microsoft Office and other licensed software on a user's desktop, laptop, or other mobile device, including smart phone.
 - d. Ability to reassign subscriptions when needed.
 - e. Office 365:
 - i. Allow for anywhere, anytime access to a large volume of District documents.
 - ii. Collaborate on a single source version of a document.
 - iii. Microsoft continues to add additional functions at no additional subscription charge.
 - iv. Unlimited file storage with the agreement.
 - v. Use of tools to share documents outside the District, eliminating other specialized software.

BACKGROUND (Cont'd)

Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation

- f. Moved and consolidated approximately 20 million email records (one terabyte) from District local storage to Microsoft cloud storage.
 - i. Consolidated 10 years of email records in one place with a better Microsoft tool for records/legal search.
 - ii. Free up District on site storage, thereby extending the life of a \$500,000 storage array network (SAN).
 - iii. Unlimited email storage.
 - g. Mobile device management without direct physical access needed.
 - h. Resiliency of MMSD's email environment – in a District physical disaster, email is available from any device from the cloud.
 - i. Security:
 - i. Additional security being built into many of the Microsoft tools and services.
 - ii. MMSD has subscribed to additional tools that proactively capture and alert of malware and ransomware issues.
 - iii. Primary elements of the District's Microsoft services are in the highly secured Microsoft government only cloud.
 - iv. Files being transferred and in storage are encrypted.
 - v. Better capability to secure mobile devices.
 - j. 99.9% financially-backed uptime guarantee.
2. Extended value in progress as the District changes from old to new processes utilizing the Microsoft software, storage, compute capability, and networking:
- a. Microsoft Skype for Business: In the process of utilizing more bundled Skype screen communication and on line meeting software:
 - i. Utilizing less of other specialized and costlier online meeting software.
 - ii. Utilizing Microsoft dial in phone lines and removing other costlier contracted dial in phone lines.
 - iii. Ability to have online meetings with 250 participants as opposed to 25 participants with current costlier meeting subscription service.
 - b. Microsoft OneDrive for Business: Resiliency of file storage – in a District physical disaster, many of the District's files are available from any device from the cloud.
 - i. Remote access to many District files in the cloud precludes the need for costly remote desktop access subscription services.
 - ii. In the process of moving multiple terabytes of data to the Microsoft cloud, thereby extending the life of District's on site SAN.
 - c. Microsoft SharePoint Online and Exchange (email) Online
 - i. Cloud version of SharePoint and Exchange reduces hardware needs in District datacenter.
 - ii. Can access from any device, from the cloud.

BACKGROUND (Cont'd)

Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation

3. Future extended value anticipated as staff further explores the capabilities of the bundled software and services under this agreement:
 - a. Use of Microsoft Skype to broadcast to an online audience of 10 to 10,000
 - b. Flexibility for the District – pay as we go model provides predictability and flexibility.

4. Future cost effective add-ons that will be explored utilizing the Microsoft cloud platform and services:
 - a. Use of Microsoft cloud based phone private branch exchange (PBX) at the time the District's on site PBX is needed to be replaced.
 - b. Ability to extend the District's computer room to the cloud and pay for compute capability on an as needed basis – example some servers for 10 hours per day, five days per week, or for the next two hours, for testing purposes.
 - c. Advanced Microsoft security tools.
 - d. Other, as they become available.

RESOLUTION

Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a contract to provide software, networking, storage, and compute services with Microsoft Corporation for a three-year period, commencing July 1, 2017, in an amount not to exceed ~~\$678,323~~ \$680,850.



O&M Budget Fiscal Note

RELATING TO:

Authorizing the Executive Director to Execute Enterprise Agreement with Microsoft Corporation

Cost Center:	Line Item:
ITS _____	691 _____

Line Item Impact

2017 Original Budget	_____	\$1,084,751
Carryovers or Transfers	_____	\$0
Adjusted Budget	_____	\$1,084,751
Estimated Annual Expenditure including Request	\$1,163,931	\$1,163,089
Anticipated Year End Balance	(\$79,180)	(\$78,338)
Actual Year to Date Expenditures Through 5/18	_____	\$252,080

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

Anticipated Expenditure Timing	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2017)	\$226,108	\$0	\$226,108
Subsequent	\$452,215	\$0	\$452,215
Total Cost	\$678,323	\$0	\$678,323

Comments: The requested expenditures are to execute a three-year contract to provide software, networking, storage, and computer services with Microsoft Corporation.

Budget Review by:	Date
Christine Durkin _____	5/19/2017 _____



COMMISSION FILE NO: 17-062-6 **DATE INTRODUCED:** June 12, 2017

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: Revisions to Commission Policy 1-77.35, Compensation Policy

SUMMARY:

The Commission is requested to approve changes to Commission Policy 1-77.35, Compensation Policy. The changes recognize the District's move from three distinct compensation structures for employees to a single plan. The changes also provide for uniformity in the administration of the salary structure and the annual review process for all employees.

ATTACHMENTS: BACKGROUND KEY ISSUES RESOLUTION
FISCAL NOTE S/W/MBE OTHER Commission Policy 1-77.35

*PFP_CompensationPolicyRevision_legislative_file.docx
05-23-17*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

Revisions to Commission Policy 1-77.35, Compensation Policy

In February 2012, the Commission approved several insurances, benefits, and compensation policies to bring parity between represented and non-represented staff at MMSD in response to the enactment and implementation of the provisions of the 2011 Wisconsin Act 10. Since those changes, AFCSME Local 366 has decertified as the collective bargaining agent for employees represented by that local at MMSD effective May 1, 2016. All District employees are now considered non-represented employees.

In February 2017, the Commission approved a single compensation structure that covers all classifications of positions at MMSD. The current changes to Commission Policy 1-77.35, Compensation Policy, defines the District as having one salary structure and one uniform method of salary and performance appraisal administration. The changes also remove references to having three distinct compensation plans as “formerly represented, administrative clerical and management/professional”.

RESOLUTION

Revisions to Commission Policy 1-77.35, Compensation Policy

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the attached Commission Policy 1-77.35, Compensation Policy, as revised, is adopted effective June 26, 2017.



Commission Policy

<p>Subject: Compensation Policy</p>	<p>Index: 1-77.35</p> <p>Page: 1 of 10</p>
<p>Authority: Statute:</p> <p>Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11</p>	<p>Date Issued: 12/18/80</p> <p>Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u></p> <p>Date Effective: 11/28/16 <u>6/26/17</u></p>

Purpose: This policy serves to define the MMSD compensation structure and set forth guidelines for establishing and modifying pay grades and salaries for employees of the District. The following pay structure is subject to regular evaluation in order to maintain internal equity and market competitiveness. ~~The term “formerly represented positions” means MMSD positions that were represented by AFSCME Local 366 as of April 30, 2016.~~

I. Salary Structure

The MMSD compensation structure ~~is based on three distinct pay plans~~ for all employees. ~~One compensation plan supports the District’s management/professional staff. A separate plan serves the District’s administrative/support staff. A third plan covers those MMSD positions that were represented by Local 366 as of April 30, 2016 (“formerly represented positions”).~~

~~Under the management/professional compensation plan, pay increases are and~~ is based on a pay-for-performance model. Pay increases may will vary based on evaluated levels of performance.

Employees are evaluated and become eligible for performance increases once per year. Details concerning employee appraisal are found in this Policy, Section III-B. Employees must be currently employed or must have retired in that current year to be eligible for any salary adjustments.

~~The administrative/support plan and the formerly represented positions’ salary plan are step rate-based plans in which employees are eligible to move up one step in their respective pay range each year, assuming an employee meets performance expectations. Employees covered by this plan may also receive any across the board increases provided by the Commission. Further details concerning appraisals are found in this Policy, Section III-B. Employees must be currently employed or must have retired in that current year to be eligible for any salary adjustments.~~

The compensation plans delineates varying levels of responsibility through a pay grade system. A sufficient number of grades with corresponding pay ranges recognize important relative differences in position responsibilities and requirements.



Commission Policy

Subject: Compensation Policy	Index: 1-77.35
Authority: Statute:	Page: 2 of 10
Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80
	Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u>
	Date Effective: 11/28/16 <u>6/26/17</u>

II. Salary Pay Grade

A. Compensation Structure ~~1. Pay Range Assignments for Management/Professional and Administrative/Support Employees~~

The District's compensation structure ~~for management/professional~~ includes a total of twenty one total eighteen pay grades, ~~(4-21)~~. ~~Pay grades 1 through 7 are designated for the District's administrative/support employees while the remaining pay grades 8 through 21 are designated for the District's management/professional staff.~~

Individual compensation varies within each pay grade. The pay grade's variation is considered a grade's "pay range" and is marked by a minimum, market, and maximum dollar value. The median dollar value represents the labor market average as determined by the Carlson Dettmann compensation consultant recommendations and annual updates study.

~~Pay range for grades 1 through 7 are further defined by "steps" used to promote administrative/support compensation through its respective step based compensation structure.~~ Pay range spread is intended to recognize and reward different levels of performance and experience within each grade.

2. Pay Range Assignments for Formerly Represented Positions

~~The compensation structure for formerly represented positions includes pay grades 4FR through 11FR. These pay grades are further defined by "steps" used to move formerly represented staff through its step based compensation structure. Pay range structure is intended to recognize different levels of performance and experience within each pay grade.~~

B. Request for Position Classification



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 3 of 10
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Requests for position classification may coincide with the MMSD budgetary process. Upon division manager request, ~~an Internal Compensation Committee or~~ the Compensation Consultant will review positions proposed for reclassification. In addition, Human Resources may request positions to be evaluated to ensure all positions are reviewed at regular intervals. The ~~Internal Compensation Committee~~ recommendation will be forwarded to the Executive Director and the Policy, Finance & Personnel Committee for approval.

C. Position Classification – Appeals Process

If an ~~employee is not satisfied with the initial job evaluation recommendation, individual believes their position was not evaluated properly,~~ a formal appeals may be submitted for review. process is provided. An appeal is initiated by the affected employee who must complete a Job Content Appeal Form and review appeal reasoning with the appropriate division manager. Division managers, in turn, may submit appeals to the Human Resources Manager who conducts a formal review with the Compensation Appeals Committee.

The Compensation Appeals Committee is responsible for appeals. If the committee rules in favor of the appeal, the reclassification is forwarded to the Executive Director. The Executive Director will review the original evaluation and the appeal and submit his/her recommendation to the Policy, Finance & Personnel Committee. The current position classification remains when the Committee does not recommend reclassification.

III. Salary Administration

A. Annual Salary Policy Adjustment for All Employees

The Policy, Finance & Personnel Committee shall annually, as part of the budget process, consider and recommend to the Commission salary structure adjustments based on market data, as supplied by the Human Resources Manager and the Deputy Director of Finance. As salary structure adjustments occur, structural increases shall be applied to range midpoints, to reflecting current market values. Adjustments to range minimums and, maximums, ~~and~~



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 4 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

steps will follow accordingly. For employees below market, and in order to maintain their relative position in the pay grade and provide progression to the market rate in conjunction with job proficiency progression, the employee's salary will be adjusted by the structural adjustment percentage increases.

B. Annual Employee Performance Appraisal

Employee performance appraisals are conducted annually at the beginning of each calendar year by an employee's immediate supervisor and reviewed by their manager where-in which employees are evaluated on-in-terms-of job performance for the prior year. ~~Administrative/support and formerly represented position appraisals coincide with an individual's anniversary date, while management/professional staff appraisals are conducted at the beginning of each calendar year.~~ An employee's initial performance appraisal, ~~for both employee types,~~ follows a standard six month qualification period. ~~Subsequently, management/professional employees move to a calendar year appraisal process.~~

C. Salary Increases and Performance Appraisal

Achievement of various performance levels qualify employees for a merit-based salary increase, or pay raise.

~~Administrative/support employees and formerly represented positions, meeting performance expectations will be awarded a base salary step increase, provided their current salary is not at or above their pay range maximum. Administrative/support and formerly represented positions receiving an overall performance rating that is in need of development, below expectations or consistently below expectations may have the annual step increase (if eligible) denied or delayed as determined by the Division Director in consultation with the Human Resources Manager.~~

~~For management/professional staff members,~~ Percent increases correspond to associated performance rankings as annually established by the Executive Director. Individual



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 5 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

performance rankings may correspond to varying eligible pay increases, represented as a percentage of current salary. ~~Percent increases correspond to associated performance rankings as annually established by the Executive Director.~~ **Management/professional** Employees receiving an overall performance rating that is in need of development may have the annual salary adjustment denied, modified or delayed as determined by the Division Director, in consultation with the Human Resources Manager.

D. Initial Placement in the Salary Structure

The Human Resources Manager shall recommend the entry step for any position within an established pay grade based on internal equity and external employment market realities. Employees are typically hired between the minimum and midpoint (or market value) of a given pay range, with actual pay range placement to be based on individual qualifications.

Human Resources recommendation requires written concurrence of the responsible Division Director. An individual may be hired above the market value of a pay grade, provided substantial reasons are given to and approved by the Executive Director. The Policy, Finance & Personnel Committee will be notified when a new hire is hired above the market salary.

E. Acting Assignments

Employees who are assigned to an interim classification in a higher pay range for a period of at least 120 hours, and who are expected to perform a majority of the higher classification's duties and responsibilities, may receive a base compensation increase as determined by the Human Resources Manager.

Upon return to the employee's original classification, the employee's pay shall revert to their base compensation prior to receiving the interim assignment adjustment, plus any additional pay increases and pay structure increases the employee would have received in the original classification.



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 6 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

IV. Salary Adjustments - Movement Within and Between Pay Grades

A. Promotions and Job Content Evaluation Changes

Salary adjustments may be required when an employee is promoted or an employee's position includes new or changed job responsibilities and is reevaluated and with a job content values change resulting in an increase in pay grade ~~or pay range~~. ~~For management/professional staff, the a~~ Actual salary adjustments will be is determined on a case-by-case basis and determined by factors including employee qualifications, market value for the position, the employee's current salary range, and the position of others in the same or similar positions.

~~Management/professional staff~~ Any employee who receives a pay adjustment, as a result of a job content evaluation, will not be eligible to receive a structural salary adjustment the subsequent year.

~~For administrative support and formerly represented positions, the actual pay adjustment will depend on the step placement of the employee in the new pay range. Generally, employees within a pay step structure will be placed on the first step of the new pay range, or the step closest to their previous step in the old pay range provided that it does not result in a decrease in pay.~~

~~A Division Director may request that Human Resources advance the employee one additional step in the new pay range if placement on the first step, or closest step in the new pay range, as a result of a job content evaluation change, results in pay increase of less than 2.5% (or competitive rate) of the previous hourly rate.~~

Lateral Movement

Employees who transfer to a new position within the same pay range as their previous position will not receive a compensation adjustment.



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 7 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

B. Job Content - Downward Change in Job Content Value

~~In the event an employee's~~ ~~When a~~ position is reevaluated to a lower pay grade, ~~management/professional the~~ employees affected by ~~the~~ downgraded ~~positions~~ will maintain their current salary. If their salary is above the new pay grade maximum ~~their~~ the employee's salary will be red-circled until such time ~~that~~ their salary falls within the new pay grade. ~~Administrative/support positions and formerly represented positions will be adjusted to a pay step comparable to the nearest step in the new pay grade which does not result in a pay increase. If the employee's salary is above the new pay grade maximum, their salary will be red-circled until such time their salary falls within the new pay grade. They will then be placed on a step.~~

C. Downward Movement or Reassignment

When any employee voluntarily accepts a position in a lower pay grade or is voluntarily reassigned to a position in a lower pay grade, the employee's salary will be lowered to the maximum rate of the new appropriate pay grade, provided the employee's current salary exceeds the maximum of the new pay grade. ~~For administrative/support positions and formerly represented positions, if the employee's salary is within the lower pay grade their salary will be adjusted to the step closest to their current salary which would not result in a pay increase. Management/professional s~~Staff will retain their current salary if it falls within the new range.

When an employee involuntarily accepts a lower position, unrelated to performance (e.g., position elimination due to work load changes) and agrees to accept a position in a lower pay grade, the compensation rules are those identified for Job Content Downward Change, as detailed in above Section IV-B.

D. Demotion or Misconduct ~~for Management/Professional Positions~~



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 8 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

When an employee is assigned to a position in a lower pay grade, due to poor **employee** performance or as a result of misconduct, one of two rules will apply:-

If the employee previously held a lower MMSD position in a lower pay grade and does not successfully complete the qualification period in the new position, the employee's pay shall revert to their base compensation prior to their promotion, plus any additional pay increases ~~and pay structure increases~~ the employee would have received in the original classification.

If the employee is demoted from their original position to a lower pay grade, the employee's new salary will be calculated according to the following compensation ratio (CR):

$$CR = \frac{\text{Current Salary}}{\text{Max. Current Pay Range}}$$

$$\text{New Salary} = (CR) * (\text{Max. of New Pay Range})$$

If the calculated New Salary falls above the maximum of the New Pay Range, then the New Salary will be the maximum of the New Pay Range.

V. Miscellaneous

A. Salary Compression

When internal equity requires it, the Human Resources Manager shall have the authority to make individual salary adjustments to establish a reasonable salary differential between higher-level positions and directly subordinate positions. Salary compression exists when there is less than a 5% difference in direct salary between a supervisor and direct subordinate. This adjustment, accompanied by proper documentation, will be done in consultation with the Division Director and appropriate direct report to the Commission. Notification of these cases shall be made in writing to the Policy, Finance & Personnel Committee.



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 9 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

The District will provide a minimum 5% ~~base~~-pay differential between a manager/supervisor and his/her subordinates. In situations where the compression analysis requires a higher base salary than would normally be utilized under the compensation plan, the District may temporarily adjust the employee's pay upward in the range.

Any salary adjustments received during the time an employee is receiving a supervisory differential will be added to their normal ~~base~~-salary and the supervisory differential salary ~~will would~~ be again re-reviewed.

- B. If a unique situation arises that may warrant an individual salary adjustment (i.e., timing of job content approval, differential between higher level positions and direct subordinate positions, etc.) approval of a salary or step adjustment may be granted by the Human Resources Manager, Division Director and Executive Director. The Policy, Finance and Personnel Committee will be notified when an employee receives an individual salary or step adjustment under this section.

C. Certification Pay

If a certification is required for a position, the employee may be eligible for certification pay. If a certification is required, it may be taken into consideration in the job content value of the position and/or the employee may be eligible for certification pay. Certification pay is generally a payment given as a lump sum on a pre-established basis and not considered part of the base pay.

D. Employee Overtime

1. Employees in positions that are non-exempt and paid hourly are eligible to be paid overtime for hours credited in excess of 40 hours within a week. At the discretion of the Cost Center Manager, overtime may be exclusive of sick leave. Any overtime must have prior authorization by the supervisor or Cost Center Manager, with concurrence by the Division Director.



Commission Policy

Subject: Compensation Policy	Index: 1-77.35 Page: 10 of 10
Authority: Statute: Resolution: 88-113-7(2), 90-055-6(16), 92-024-2(02), 92-093-9(02), 96-184-12(02), 02-136-7, 04-165-10, 05-006-1, 05-131-10, 06-105-9, 09-052-4, 12-028-2, 13-042-5, 16-154-11	Date Issued: 12/18/80 Date Revised: 5/6/2013 11/28/16, <u>6/26/2017</u> Date Effective: 11/28/16 <u>6/26/17</u>

~~Overtime on Sundays and holidays will be paid at double time. Any overtime must have prior authorization by the supervisor or Cost Center Manager, with concurrence by the Division Director.~~

2. Overtime will be paid at time and one-half. Overtime on Sundays and holidays will be paid at double time.

~~3. Select exempt line supervisory positions are eligible to be paid straight-time overtime for hours when they are required to be on the job supervising employees or other work as assigned. Overtime on Sundays and holidays will be paid at double time. Any overtime must have prior authorization by the supervisor or Cost Center Manager, with concurrence by the Division Director.~~

~~Overtime will be paid at time and one-half. Overtime on Sundays and holidays will be paid at double time.~~

2. 4. Administrative support and formerly represented positions are eligible to be paid for overtime for over 40 hours in a week, exclusive of sick leave. Overtime will be paid at time and one-half. Overtime on Sundays and holidays will be paid at double time.



COMMISSION FILE NO: 17-064-6 **DATE INTRODUCED:** June 26, 2016

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 Executive Director to Execute a Revised Memorandum of Understanding with Waste Management of Wisconsin, Incorporated, Memorializing Tentative Terms of a Future Agreement for the Supply and Purchase of Landfill Gas from the Metro Recycling and Disposal Facility

SUMMARY:

The Commission is requested to authorize and to direct the Executive Director to execute a revised memorandum of understanding (MOU) with Waste Management of Wisconsin, Incorporated, (WM) memorializing tentative terms of a future agreement for the supply and purchase of landfill gas (LFG) from the Metro Recycling and Disposal Facility.

At the July 11, 2016, Commission meeting, the Commission approved a similar MOU with WM; however, additional engineering information and continued negotiations have revised the terms of that MOU. This MOU replaces the July 2016 MOU.

The District owns and operates a LFG pipeline that extends to the Emerald Park Landfill, which is across the road from the Metro Recycling and Disposal Facility. WM operates the Metro Recycling and Disposal Facility and has LFG available for beneficial reuse. Over the last few years, the District and WM have been discussing WM selling LFG to the District.

According to the MOU, the District will be responsible for all necessary capital improvements downstream from the WM delivery point. These capital improvements are identified as the conditioning plant. These capital improvements typically include, but are not limited to, pipelines, treatment systems (to condition the gas to approved specification), compressors, controls, and a metering station.

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

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06-20-17*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Authorizing the Executive Director to Execute a Revised Memorandum of Understanding with Waste Management of Wisconsin, Incorporated, Memorializing Tentative Terms of a Future Agreement for the Supply and Purchase of Landfill Gas from the Metro Recycling and Disposal

Under this MOU, both parties' basic terms are tentatively agreed upon and will be memorialized in a contract that will be brought to the Commission for approval at a future date.

A summary of the terms of this MOU (attached) are:

1. The term of the agreement will be for 20 years, commencing on a future date agreed to by both parties.
2. The price the District will pay for LFG under the agreement will be 36% of the natural gas New York Mercantile Exchange (NYMEX) last day settle price (\$/Million British Thermal Units (MMBTU)) with an LFG floor price of \$1.00 per MMBTU for the term of the agreement.
3. The parties will review the agreement after 10 years with adjustments allowed for changes in the minimum number of MMBTU's delivered and accepted, the percent of NYMEX paid, and the LFG floor price. Both parties must agree to any adjustments.
4. WM will grant the District an easement for the conditioning plant necessary to condition LFG from the Metro Recycling and Disposal Facility and for access to the capital improvements located on the Metro Recycling and Disposal Facility premises.
5. The District will design, procure, construct, inspect, and commission the conditioning plant.
6. WM will design and construct improvements at its own cost necessary to connect a supply of LFG from the Metro Recycling and Disposal Facility to the WM LFG delivery point.
7. The District will be responsible for operating and maintaining all equipment downstream from the WM delivery point, including the conditioning plant.
8. WM will be responsible for operating and maintaining all equipment upstream from the WM delivery point. This includes the LFG vacuum extraction system, including vacuum blowers, piping, and flare system.

SUMMARY (Cont'd)

Authorizing the Executive Director to Execute a Revised Memorandum of Understanding with Waste Management of Wisconsin, Incorporated, Memorializing Tentative Terms of a Future Agreement for the Supply and Purchase of Landfill Gas from the Metro Recycling and Disposal

9. WM will cooperate fully with the District's effort to develop and implement an LFG blending system, which will blend LFG from Advanced Disposal's Emerald Park Landfill with LFG from the Metro Recycling and Disposal Facility into the District-owned pipeline.
10. WM intends to offer to sell to the District all the LFG available from the Metro Recycling and Disposal Facility during the term of the agreement. Furthermore, WM guarantees to sell a minimum of 300,000 MMBTU's each year.
11. The District intends to buy all LFG available from the Metro Recycling and Disposal Facility during the term of the agreement. The District will guarantee to purchase a minimum of 300,000 MMBTU's in the first year and 430,000 MMBTU's in subsequent years. The District will have first right of refusal to purchase additional LFG beyond the 300,000 MMBTU's per year if it is available.
12. The parties agree that it is in their best financial interest to use their best efforts to deliver and to use all available Metro Recycling and Disposal Facility LFG during the agreement. Metro Recycling and Disposal Facility LFG will require treatment at the conditioning plant before delivery to turbines and dryers at MMSD.
13. The agreement is contingent on WM receiving Wisconsin Department of Natural Resources approval for a 9,000,000-cubic-yard (minimum) expansion to the Metro Recycling and Disposal Landfill.
14. The agreement is contingent upon the District's receipt of an approved air construction permit and operating permit for the dryer burner conversion at the Jones Island Water Reclamation Facility.

RESOLUTION

Authorizing the Executive Director to Execute a Revised Memorandum of Understanding with Waste Management of Wisconsin, Incorporated, Memorializing Tentative Terms of a Future Agreement for the Supply and Purchase of Landfill Gas from the Metro Recycling and Disposal

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is directed to execute the attached revised memorandum of understanding with Waste Management of Wisconsin, Incorporated, for the supply and purchase of landfill gas from the Metro Recycling and Disposal Facility.

**MEMORANDUM OF UNDERSTANDING BETWEEN WASTE MANAGEMENT of WISCONSIN, INC.
AND THE MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
REGARDING AGREEMENT TO PROVIDE LANDFILL GAS**

Waste Management of Wisconsin, Inc. ("WM"), a corporate entity located at W132N10487 Grant Drive, Germantown, WI 53022, and the Milwaukee Metropolitan Sewerage District ("District"), a municipal body corporate, authorized, organized and operating pursuant to sections 200.21 through 220.65, Wisconsin Statutes. WM and District are jointly referred to herein as the "Parties". The Parties agree to enter into this Memorandum of Understanding for the purpose of memorializing the terms of a tentative agreement between the parties for the sale of landfill gas ("LFG") from WM to the District.

WHEREAS, WM has a quantity of LFG which is collected at the Metro Recycling and Disposal Facility ("Metro"), located at 10712 S. 124th Street, Franklin, Wisconsin, and which LFG is available for beneficial reuse as fuel; and

WHEREAS, WM desires to sell its available supply of LFG generated at Metro to the District, to the extent that the LFG can be utilized by the District; and

WHEREAS, the District currently owns power generating equipment capable of using LFG as fuel at its Jones Island Water Reclamation Facility, and plans to further expand the use of LFG in its dryer burners at the facility; and

WHEREAS, the District currently purchases LFG from the Emerald Park Landfill owned by Advanced Disposal Services and located across the road from Metro Landfill, and the District owns and operates a LFG pipeline ("Pipeline") which is used to convey LFG from the Emerald Park Landfill to the Jones Island Facility; and

WHEREAS, the proximity of the Pipeline to Metro makes the sale of LFG from WM to the District physically and economically feasible; further, the District desires to purchase Metro LFG to supplement the LFG currently being purchased from Advanced Disposal; and

WHEREAS, the Parties have had discussions concerning the terms of a future agreement for the sale of LFG by WM to the District ("the Agreement"); have now reached a tentative agreement on certain basic terms of said Agreement, and wish to memorialize the basic terms tentatively agreed upon to date; and

WHEREAS, the Parties intend that the actual delivery of LFG into the District pipeline may start during 2019, with full utilization by the District occurring during 2021; and

WHEREAS, the undersigned representatives of the Parties are each duly authorized to enter into this Memorandum of Understanding on behalf of each respective Party.

NOW THEREFORE, IT IS HEREBY TENTATIVELY AGREED BY THE PARTIES AS FOLLOWS:

1. The term of the Agreement will be for 20 years, commencing on the date the District begins taking delivery and purchasing Metro LFG from WM. The Parties will review the Agreement after 10 years with adjustments allowed for changes in the minimum number of MMBTUs delivered and accepted, the percent of NYMEX paid and the LFG floor price. Both parties must agree to any adjustments.
2. The District will install at its own expense a "Conditioning Plant" for the purpose of receiving the Metro LFG, processing and compressing the LFG to the quality and degree required by the District, and delivering the Metro LFG to a connection point with the Pipeline.
3. WM will design and construct at its own expense improvements necessary to deliver Metro LFG at a positive pressure from the Metro LFG collection system to a point designated by the District at the Conditioning Plant ("WM LFG Delivery Point").
4. The Conditioning Plant improvements are defined as all capital improvements located downstream from the WM LFG Delivery Point and up to and including the connection to the Pipeline. These capital improvements typically include but are not limited to pipelines, treatment systems to condition the LFG to approved specifications, compressors, controls, meters, and any equipment or facilities needed to blend the LFG from Metro with the LFG from Emerald Park at the Pipeline.
5. WM will grant a temporary easement to the District on the Metro Landfill property as necessary to access, construct, and operate the Conditioning Plant and a pipeline from the Conditioning Plant to the Metro Landfill property boundary. The terms and conditions of the temporary easement will be negotiated between the parties in a final contract.
6. The District will be responsible to operate and maintain all equipment downstream from the WM delivery point including the Conditioning Plant.
7. WM will be responsible to operate and maintain all equipment upstream of the WM delivery point, including vacuum blowers, piping, and flare system.
8. The District may consider purchasing all or a portion of the existing LFG to Energy Plant ("LFGTE Plant") located at the Metro Landfill and owned by WM Renewable Energy, LLC, a sister company of Waste Management of Wisconsin, subject to the District's sole determination that the LFGTE Plant would be a cost-effective supply of electricity to the Conditioning Plant or otherwise be beneficial to the District, and subject to the Parties' negotiation of a purchase price and asset acquisition agreement. If purchased by the District, the District will be responsible for the operation and maintenance of the LFGTE Plant, and for capital improvements to the LFGTE Plant, including the electrical interconnection to the Conditioning Plant. If requested by the District, WM will operate and

maintain the LFGTE Plant under contract to the District, subject to the Parties' negotiation of the terms and conditions of an Operation and Maintenance Agreement.

9. The price the District will pay WM for LFG under the Agreement, whether the LFG is allocated for purchase for the Pipeline or the LFG is used as fuel at the LFGTE Plant, will be 36% of the natural gas NYMEX last day settle price (\$/MMBTU) with a LFG floor price of \$1.00 per MMBTU for the term of the Agreement.
10. WM will make available to the District on demand all LFG collected from Metro Landfill during the term of the Agreement. WM may utilize for its own purposes any excess LFG not being physically utilized by the District at any given time, provided that WM shall divert LFG from its own purposes immediately on demand by the District. The minimum LFG delivery quantity from WM to the District is 300,000 MMBTU per year, including LFG delivered to the District's LFGTE plant, if purchased and operated by the District.
11. The District will have the right of first refusal to purchase all of the LFG available from Metro during the term of the Agreement, and will make best efforts to maximize the quantity of LFG purchased. The minimum LFG purchase quantity by the District from WM is 300,000 MMBTU in the first year of operation and 430,000 MMBTU per year for the remaining term of the Agreement and subject to any mutually-agreed revisions after the first 10 years, as described in Item 1 of this MOU.
12. If the minimum delivery quantity of 300,000 MMBTUs is not offered for sale by WM in a given year, for reasons not related to District actions, both parties will concur on the WM LFG energy shortfall in MMBTU's at year-end. WM will pay the District an amount equal to the LFG energy shortfall multiplied by 36% of the average annual NYMEX Last Day Settle price for Natural Gas (or the \$1.00 floor, whichever is applicable) for the given year. WM will pay the District for the prior year's WM LFG energy shortfall by March 20th in the subsequent year.
13. If the applicable minimum LFG purchase quantity is not purchased by the District in a given year, for reasons not related to WM actions, both parties will concur on the District LFG energy shortfall in MMBTU's at year-end. The District will pay WM an amount equal to the LFG energy shortfall multiplied by 36% of the average annual NYMX Last Day Settle price for Natural Gas (or the \$1.00 floor, whichever is applicable) for the given year. The District will pay WM for the prior year's District LFG energy shortfall by March 20th in the subsequent year.
14. This MOU and other contracts between WM and the District will include conditions that limit liability, limit any damages for LFG shortfalls not delivered or not purchased, will hold each party harmless and indemnify each other from any design, construction and operational liabilities.

15. This MOU is contingent on WM receiving a WDNR approval for a 9,000,000 CY (min) expansion to the Metro landfill.
16. This MOU is contingent upon the District's receipt of an approved air construction permit and operating permit for the dryer burner conversion at the Jones Island Water Reclamation Facility.
17. This MOU does not constitute a binding agreement or create any legally binding or enforceable obligations on either WM or the District (including, but not limited to, any obligation for WM to sell or the District to buy LFG). This MOU is intended to outline the terms under which we would proceed toward further defining an LFG contract between WM and the District. The parties understand that any LFG contract is subject to the negotiation, execution and delivery of mutually acceptable binding definitive documentation, signed by each party. Each party acknowledges that neither party shall have any liability to the other party based upon this MOU, whether under contract, tort, law or equitable principles, for any reason whatsoever, including failure to enter into a binding agreement. If any such claim may arise, each party waives its right to pursue such claim at law or equity.

The Parties further agree that this Memorandum of Understanding contains all of the terms tentatively agreed on at this time, and that further negotiation and agreement will be needed between the Parties in order to reach a final Agreement for the Sale and Purchase of LFG.

Dated at Milwaukee, Wisconsin, this _____ day of XX 2017.

MILWAUKEE METROPOLITAN SEWERAGE DISTRICT

Kevin L. Shafer, P.E., Executive Director

WASTE MANAGEMENT of WISCONSIN, INC.

Thomas Beaulieu, President

COMMISSION MEETING

June 26, 2017

EXECUTIVE DIRECTOR'S REPORT

17-003-01

- A. Monthly Reports**
- B. Staff Recognition (Kevin Shafer)**
- C. 2018 Budget Update (Mark Kaminski & Mickie Pearsall)**
- D. 2017 Affirmative Action Plan – Comparison of Market Availability Data (Kevin Shafer)**

June 2017

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 Operations Committee-9:00 a.m. PF&P Committee- 9:05 a.m.	13	14	15	16	17
18	19	20	21	22	23	24
25	26 Special PF&P Committee-8:55 a.m. Commission-9:00 a.m.	27	28	29	30	