

ELECTRONIC PACKET

MAY 6, 2019 POLICY, FINANCE, & PERSONNEL COMMITTEE MEETING

RELEASED: Monday, April 29, 2019



Milwaukee Metropolitan Sewerage District

260 West Seeboth
Street
Milwaukee, WI
53204

Meeting Agenda

Policy, Finance & Personnel Committee

Eugene Manzanet, Chair

Dan Devine, Vice Chair

José G. Pérez, Jeff Stone, Corey Zetts

Kris Martinsek, Ex-Officio

Monday, May 6, 2019

9:05 AM

Dennis M. Grzezinski Conference Room

NOTICE IS HEREBY GIVEN, pursuant to Section 19.84, Wisconsin Statutes, that the Milwaukee Metropolitan Sewerage District's Policy, Finance and Personnel Committee will hold its regularly scheduled public meeting on Monday, May 6, 2019 at 9:05 a.m. or immediately following the Operations Committee meeting which begins at 9:00 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 Committee reserves the right to go into Closed Session on any item on the public portion of the agenda to confer with Legal Counsel when it appears the matter may involve the District in litigation. If the Committee does convene in such a Closed Session, it is contemplated that the Committee will again, before adjourning the meeting, reconvene at the same place in Open Session at which time the Committee may act upon any item(s) considered in the Closed Session and upon any unfinished items from the regular agenda.

CALL TO ORDER

RECORD ROLL

Approval of Proceedings of Regular Committee Meeting held April 8, 2019

NEW BUSINESS

- | | | |
|----|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14 | 19-066-5 | Authorization to Execute an Intergovernmental Cooperation Agreement with the City of Franklin for Ryan Creek Interceptor Odor Control |
| 15 | 19-067-5 | Authorizing Application for a Wisconsin Department of Natural Resources Urban Non-Point Source and Storm Water Program Planning Grant on Behalf of the Southeastern Wisconsin Watersheds Trust, Inc. |
| 16 | 19-068-5 | Revision to Commission Policy 1-76.02, Records Management |
| 17 | 19-069-5 | Authorizing and Providing for the Sale and Issuance of One Series of General Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment Thereof, and All Related Details |

Requires a 2/3 Affirmative Vote of the Commission for Adoption

ORGANIZATION & ADMINISTRATION

19-002-1 EXECUTIVE DIRECTOR'S REPORT

A. Monthly Reports

ADJOURNMENT

PLEASE NOTE: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aids. For additional information or to request these services, contact the Office of the Commission at 414.225.2264, (FAX) 414.272.6360 or write to Office of the Commission, 260 W. Seeboth Street, Milwaukee, Wisconsin, 53204-1446.



Anna Kettlewell, Commission Secretary
Milwaukee Metropolitan Sewerage District



Milwaukee Metropolitan Sewerage District

260 West
Seeboth Street
Milwaukee, WI
53204

Meeting Minutes Policy, Finance & Personnel Committee

*Eugene Manzanet, Chair
Dan Devine, Vice Chair
José G. Pérez, Jeff Stone, Corey Zetts
Kris Martinsek, Ex-Officio*

Monday, April 8, 2019

9:05 AM

Dennis M. Grzezinski Conference Room

CALL TO ORDER

Committee Chair Commissioner Manzanet called the meeting to order at 9:23 a.m.

RECORD ROLL

Present 6 - Dan Devine, Eugene Manzanet, Kris Martinsek, José G. Pérez, Jeff Stone, and Corey Zetts

Other Commissioners Present: Kathy Ehley, Cavalier C. Johnson, LaTonya Johnson, and Carl Krueger.

Approval of Proceedings of Regular Committee Meeting held March 11, 2019

A motion was made by Commissioner Devine, seconded by Commissioner Stone. The motion carried.

NEW BUSINESS

- 6 19-040-4 Authorization to Execute a Professional Services Agreement with Marquette University to Pilot an Advanced High Rate Treatment System, Project M03091P10

The Committee received a PowerPoint presentation from Karen Sands, Director of Planning, Research, and Sustainability, with comments by Kevin L. Shafer, P.E., Executive Director, Matt Magruder, Environmental Research Manager, and Dr. Dan Zitomer, Marquette University Professor of Civil, Construction, and Environmental Engineering and Onsite Director of NSF Industry/University Cooperative Research Center on Water Equipment and Policy.

A motion was made by Commissioner Devine, seconded by Commissioner Zetts, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.

- 7 19-041-4 Revision of the Policy Direction Regarding 2050 Facilities Plan
- The Committee received a presentation from Kevin L. Shafer, P.E., Executive Director.*
- A motion was made by Commissioner Pérez, seconded by Commissioner Devine, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 8 19-042-4 Approval of the 2019 Milwaukee Metropolitan Sewerage District Affirmative Action Plan
- The Committee received a PowerPoint presentation from Lilly Jovic, Human Resources Generalist, and Jeff Spence, Director of Community Outreach and Business Development, with comments by Candace Richards, Human Resources Manager, and Kevin L. Shafer, P.E., Executive Director.*
- A motion was made by Commissioner Martinsek, seconded by Commissioner Stone, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 9 19-043-4 Award of Contract P-2838 for the Purchase of Laboratory Chemicals and Supplies
- The Committee received a PowerPoint presentation from Sharon Mertens, Director of Water Quality Protection, with comments by Kevin L. Shafer, P.E., Executive Director.*
- A motion was made by Commissioner Pérez, seconded by Commissioner Zetts, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 10 19-044-4 Authorizing the Executive Director to Amend an Agreement with Ecoplast Packaging, LLC, to Provide Packaging Materials for the Bagging of Milorganite®
- The Committee received a presentation from Jaime Staufenbeil, Agronomist, with comments by Kevin L. Shafer, P.E., Executive Director, and Jeff Spence, Director of Community Outreach and Business Engagement.*
- A motion was made by Commissioner Devine, seconded by Commissioner Zetts, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 11 19-045-4 Intergovernmental Cooperation Agreement between the Milwaukee Metropolitan Sewerage District and the City of South Milwaukee for the Incorporation of South Milwaukee's Biosolids into Milorganite® Fertilizer
- The Committee received a presentation from Kevin L. Shafer, P.E., Executive Director.*
- Commissioner Zetts asked for details regarding why the proposed agreement duration was three years.*
- A motion was made by Commissioner Stone, seconded by Commissioner Pérez, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**

- 12 19-046-4 Adoption of Commission Policy 1-01.20, Environmental Justice Policy
- The Committee received a PowerPoint presentation from Joe Ganzer, Senior Staff Attorney, with comments by Kevin L. Shafer, P.E., Executive Director.*
- Commissioner Manzanet requested Envision framework information.*
- A motion was made by Commissioner Devine, seconded by Commissioner Zetts, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 13 19-047-4 Authorizing the Transfer of Funds in the 2018 Operations and Maintenance Budget and the Transfer of Funds in the 2018 Capital Budget
- The Committee received a presentation from Mickie Pearsall, Director of Finance.*
- Commissioner Martinsek departed the meeting prior to this vote.*
- A motion was made by Commissioner Pérez, seconded by Commissioner Stone, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 14 19-048-4 Amending the Adopted 2019 Operations and Maintenance Budget to Reflect Carryover of Unexpended Funds
- The Committee received a presentation from Mickie Pearsall, Director of Finance.*
- A motion was made by Commissioner Stone, seconded by Commissioner Devine, that this matter be approved by a voice vote. The motion carried by a unanimous voice vote.**
- 15 19-049-4 Establishing Dates and Times for Commission Review and Public Hearings on the 2020 Capital and Operations and Maintenance Budgets
- The Committee received a presentation from Mickie Pearsall, Director of Finance.*
- A motion was made by Commissioner Zetts, seconded by Commissioner Stone, that this resolution be adopted by a voice vote. The motion carried by a unanimous voice vote.**

ORGANIZATION & ADMINISTRATION

19-002-1 EXECUTIVE DIRECTOR'S REPORT

A. Monthly Reports

A. Kevin L. Shafer, P.E., Executive Director thanked Commissioner Krueger for his service on the Commission, noting that his last meetings were today.

ADJOURNMENT

*It was moved by Commissioner Pérez, seconded by Commissioner Stone to adjourn.
The motion carried.*

As there was no further business, the meeting was adjourned at 10:55 a.m.



Anna Kettlewell, Commission Secretary
Milwaukee Metropolitan Sewerage District



COMMISSION FILE NO: 19-066-5 **DATE INTRODUCED:** May 6, 2019

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 an Intergovernmental Cooperation Agreement with the City of Franklin for Ryan Creek Interceptor Odor Control

SUMMARY:

The Commission is requested to authorize the Executive Director to execute an intergovernmental cooperation agreement (ICA) between the City of Franklin (City) and the Milwaukee Metropolitan Sewerage District (District) for the design and construction of the Ryan Creek Interceptor odor control project in an amount not to exceed \$450,000 for the design and construction of an odor control system. The work will be funded under Capital Project C98044.

The District and the City entered into an ICA on November 8, 2010, for the construction, financing, and ownership of the Ryan Creek Interceptor (RCI). The City designed and constructed the RCI and is currently responsible for its operation and maintenance. The agreement stipulated that the RCI would serve multiple municipalities and, therefore, should be a District asset. The District will take ownership of the interceptor upon completion of payments on May 1, 2031.

Shortly after the RCI was in use, significant odors were reported by residents at the western terminus of the pipe at the connection with the City of Muskego. Multiple investigations were done by the City and District staff, and it was determined that multiple pump stations from the City of Muskego, including landfills, are creating septic sewage and odors as the sewage drops into the RCI.

The District and City have negotiated the terms of a proposed ICA for the design and construction of an odor control project at the west terminus of the RCI. The proposed ICA is under review by District legal staff.

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

PFP_Intergovernmental_Cooperation_Agreement_City_of_Franklin_Ryan_Creek_Interceptor_Odor_Control_Improvements_legislative_file.do
cx
04-25-19

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Authorization to Execute an Intergovernmental Cooperation Agreement with City of Franklin Ryan Creek Interceptor Odor Control

Under this ICA, the District will:

- Reimburse the City for all costs associated with the design and construction of the odor control project on the RCI in an amount not to exceed \$450,000.

The City will:

- Prepare a preliminary engineering report for the selection of the best alternative to provide odor control at the RCI west terminus (completed);
- Oversee design and construction of the project;
- Provide all permits and work with the City of Muskego on permits for the work;
- Provide engineering services during construction;
- Notify the District of the commencement of the project;
- Maintain and operate the odor control system and vents;
- Prepare, sign, and oversee an ICA with the City of Muskego for the operation and maintenance of facilities within the City of Muskego.

The work includes the reconstruction of a manhole, relaying 30 feet of RCI pipe, installation of a venting system with odor control at manholes, and the installation of an IPEX Vortex Force in RCI Manhole 44445.

RESOLUTION

Authorization to Execute an Intergovernmental Cooperation Agreement with City of
Franklin Ryan Creek Interceptor Odor Control

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute an intergovernmental cooperation agreement between the City of Franklin and the Milwaukee Metropolitan Sewerage District for the design and construction of the Ryan Creek Interceptor odor control project in an amount not to exceed \$450,000.



Capital Budget Fiscal Note Total Project Cost

RELATING TO:

Authorization to Execute an Intergovernmental Cooperation Agreement with City of Franklin Ryan Creek Interceptor Odor Control

Capital Project Number(s)

C98044

Impact of Requested Action on Total Project Cost:

Increase

Decrease

New Project

No Change

Total Project Cost Analysis

Adopted 2019 Total Project Cost
Previously Approved Changes
Approved Total Project Cost
Requested Total Project Cost
Requested (Increase)/Decrease

Project Costs

\$1,183,863
\$0
\$1,183,863
n/a
\$0

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

Budget Review by:

Christine Durkin

Date:

4/8/2019

**Intergovernmental Cooperation Agreement
between the
Milwaukee Metropolitan Sewerage District
and the
City of Franklin
For Ryan Creek Interceptor Odor Control Improvements**

1. Parties

This Intergovernmental Cooperation Agreement (Agreement) is between the Milwaukee Metropolitan Sewerage District (District), acting through its Executive Director, and the City of Franklin (City).

2. Purpose

The purpose of this Agreement is to establish responsibilities for design, construction, and cost sharing to address the odor problem in the Ryan Creek Interceptor at the west end of the pipes, where the City of Muskego connects to the Ryan Creek Interceptor (hereinafter “Project”).

3. Basis for this Agreement

- A. WHEREAS, the District and the City executed an Intergovernmental Cooperation Agreement (ICA) on November 8, 2010, for the construction, financing, and ownership of the Ryan Creek Interceptor located in the City; and
- B. WHEREAS, the Ryan Creek Interceptor was constructed on or about July 2011; and
- C. WHEREAS, after coming online, reports began to surface of excess odors in the area. A joint investigation among the District, City, and the City of Muskego discovered that a lack of flow in the Interceptor caused the odor problem. Specifically, because multiple pump stations pump flow over long distances to the Ryan Creek Interceptor or the Southwest Interceptor (at College Avenue and STH 100), the result is a septic environment with hydrogen sulfide (H₂S) offgas at changes in elevation in the pipe; and
- D. WHEREAS, the parties agree that an engineering solution must be effectuated to reduce the H₂S odors within the Interceptor.

4. Effective Dates

This Agreement becomes effective on the date of execution and terminates, with the exception of long-term maintenance responsibilities, on May 1, 2031, the anticipated date of the transfer of the Ryan Creek Interceptor from Franklin to the District.

5. District Responsibilities

The District will:

- (A) obtain and pay for a design for installation of odor control to reduce H₂S in the Ryan Creek Interceptor (Project summary);
- (B) reimburse the City for the cost of design and construction of the work, up to an amount not to exceed \$450,000. If actual costs for the Project will exceed this amount and the City has notified the District according to sec. 6.(F), then the District and the City may increase this amount by amending this Agreement, according to sec. 8. Any increase in this amount is contingent upon approval by the District's Commission. The District agrees that it will not unreasonably withhold such approval, and any matter upon which the District and/or District's Commission expresses disapproval, the District shall set forth the specific reasons for such disapproval in writing; and
- (C) pay to install a technology to reduce H₂S in the Ryan Creek Interceptor, including the construction of an IPEX Vortex Force in MH 44445, reconstructing a manhole, relay 30 lineal feet of pipe, restoring pipes, installing vents at three manholes, and restoring pavement.

6. City Responsibilities

The City will:

- (A) pay for preliminary engineering already completed, enter into a contract with engineering consultant, oversee design, coordinate work with the City of Muskego and District, provide all permits, and oversee construction activities;
- (B) maintain the IPEX system and vents until the Ryan Creek Interceptor is transferred to the District per the terms of the original ICA and make any repairs or updates as needed, without District participation;
- (C) provide engineering services during construction and resident inspection services for the Project;
- (D) notify the District of the commencement of construction of the Project;
- (E) allow the District to inspect the Project during construction, after providing reasonable notice to the City and the construction contractor;
- (F) notify the District in writing if the not-to-exceed amount established in sec. 5.(B) will be insufficient to complete the Project. This notice will include an estimate of the amount needed to complete the Project and describe the conditions that made the original amount insufficient;

- (G) notify the District of the conclusion of construction of the Project;
- (H) keep records sufficient to segregate the construction costs for the Project; and
- (I) invoice the District for the construction costs for the Project.

7. Notices

- (A) The District will provide notices to:

Glen Morrow, PE
City Engineer
Department of Public Works
9229 W. Loomis Road
Franklin, WI 53132
414-425-7510
GMorrow@franklinwi.gov

- (B) The City will provide notices to:

Micki Klappa-Sullivan, PE, ENV SP
Milwaukee Metropolitan Sewerage District
260 West Seeboth Street
Milwaukee, Wisconsin 53204-1446
MKlappaSullivan@mmsd.com
414-225-2178

8. Modifying this Agreement

Any modification to this Agreement will be in writing and signed by both Parties.

9. Severability

If a court finds any part of this Agreement unenforceable, then the remainder of this Agreement continues in effect.

10. Applicable Law

The laws of the State of Wisconsin apply to this Agreement.

11. Resolving Disputes

If a dispute arises under this Agreement, then the Parties will try to resolve it with the help of a mutually acceptable mediator in Milwaukee County. The Parties will equally share any costs and fees associated with the mediation, other than attorney fees. If the dispute is not resolved within 30 days after the Parties refer it to a mediator, then either Party may take the matter to

court. Venue in any action brought under this Agreement is proper only in the Circuit Court for Milwaukee County.

12. Independence of the Parties

This Agreement does not create a partnership. Neither Party may enter into contracts on behalf of the other Party.

13. Authority of Signatories

Each person signing this agreement certifies that the person is properly authorized by the Party's governing body to execute this Agreement.

15. Indemnification

The District and the City will be liable for their own negligent acts, errors, and omissions. Nothing contained within this Agreement is intended to be a waiver or estoppel of the contracting municipality, i.e., the City and/or the District, or its insurer to rely upon the limitations, defenses, and immunities contained within Wisconsin law, including those contained within Wisconsin Statutes §§ 893.80, 895.52, and 345.05. To the extent that indemnification is available and enforceable, the parties or its insurer(s) shall not be liable in indemnity or contribution for an amount greater than the limits of liability for municipal claims established by Wisconsin Law.

SIGNATURES ON NEXT PAGE

**MILWAUKEE METROPOLITAN
SEWERAGE DISTRICT**

CITY OF FRANKLIN

By: _____
Kevin L. Shafer, PE
Executive Director

By: _____
Stephen R. Olson, Mayor

Date: _____

Date: _____

Approved as to form:

Countersigned:

Attorney for the District

By: _____
Paul Rotzenberg
Director of Finance and Treasurer

Date: _____

By: _____
Sandra L. Wesolowski
City Clerk

Date: _____

Approved as to form, this ____ day of
_____, 2019:

By: _____
Jesse A. Wesolowski
City Attorney



COMMISSION FILE NO: 19-067-5 **DATE INTRODUCED:** May 6, 2019

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 Application for a Wisconsin Department of Natural Resources Urban Non-Point Source and Storm Water Program Planning Grant on Behalf of the Southeastern Wisconsin Watersheds Trust, Inc.

SUMMARY:

The Commission is requested to authorize the Executive Director to submit the "Respect Our Waters Stormwater Education Program" grant application on behalf of the Southeastern Wisconsin Watersheds Trust, Inc. (Sweet Water) to the Wisconsin Department of Natural Resources (WDNR) and to act as their fiscal agent. The grant application is for the purposes of public education and outreach on stormwater impacts.

WDNR is making available planning grant funds that can be used for public education and awareness. The WDNR Urban Non-Point Source and Storm Water Program Planning Grants are offered to Wisconsin counties, cities, towns, and villages as a competitive grant process to improve urban water quality by limiting or ending sources of urban nonpoint source pollution, also known as stormwater pollution. Among the eligible activities allowed by the grant are, "public participation, education, and outreach activities." The Urban Non-Point Source and Storm Water Planning Grant funding is available to government entities, but not directly to nongovernmental organizations, such as Sweet Water. As such, the Milwaukee Metropolitan Sewerage District (District) would act as a fiscal agent for Sweet Water in submitting the grant application. WDNR requires that the fiscal agent, the District, provide a resolution authorizing this arrangement as a condition of the grant application process.

Sweet Water's "Respect Our Waters" project proposes multimedia messaging combined with educational materials distributed through hands-on workshops and tabling at community events. These efforts are designed to raise awareness of individual behavior that contributes to non-point source pollution and to educate people on how to change these behaviors to better protect the waterways, and are consistent with District messaging.

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

*PPF_SWWT_DNR_Grant_Approval_legislative_file.docx
04-25-19*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Authorizing Application for a Wisconsin Department of Natural Resources Urban Non-Point Source and Storm Water Program Planning Grant on Behalf of the Southeastern Wisconsin Watersheds Trust, Inc.

The project area is the Menomonee River watershed, Milwaukee River watershed, Kinnickinnic River watershed, and Oak Creek watershed. The timeline of the project is January 2020 through December 2021 with a total budget of \$210,000. The amount requested from WDNR in the grant application is \$85,000, and the match amount is \$125,000. The match is from local municipalities.

As an eligible entity, the District can apply for this grant and Sweet Water can perform the public education activities outlined in the proposal scope and strategy, working on behalf of its municipal partners. The District has acted as the fiscal agent for Sweet Water on this grant the past four years. The cost share (match amount) required by WDNR would be provided by Sweet Water using both its own resources through Sweet Water's fundraising efforts and with funding offered by municipal partners working with Sweet Water. Should Sweet Water be unable to provide the required cost share, the District will not accept the grant.

RESOLUTION

Authorizing Application for a Wisconsin Department of Natural Resources Urban Non-Point Source and Storm Water Program Planning Grant on Behalf of the Southeastern Wisconsin Watersheds Trust, Inc.

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that that that the Executive Director is authorized to submit the "Respect Our Waters Stormwater Education Program" grant application on behalf of the Southeastern Wisconsin Watershed Trust, Inc., to the Wisconsin Department of Natural Resources and to act as their fiscal agent.



COMMISSION FILE NO: 19-068-5 **DATE INTRODUCED:** May 6, 2019

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

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

RELATING TO: Revision to Commission Policy 1-76.02, Records Management

SUMMARY:

The Commission is requested to approve the revision to Commission Policy 1-76.02, Records Management. The requested change recognizes that the direct reporting relationship of the Information Governance Manager may change over time, but responding to open records requests under Wis. Stat. § 19.21, et seq., and establishing policies and procedures for the organization and retention of such records remains the same.

During the District's 2019 budget process, the Records Management Cost center was moved from the Legal Services Division to the Information Technology Services Division. Subsequently, the Information Governance Manager position changed its direct reporting relationship from the Director of Legal Services to the Director of Information Services.

Attached is the redline draft of the Commission Policy showing the recommended update.

ATTACHMENTS: **BACKGROUND** **KEY ISSUES** **RESOLUTION**
FISCAL NOTE **S/W/MBE** **OTHER** Proposed Commission Policy 1-76.02 Revision

*PFP_Records_Policy_legislative_file.docx
04-25-19*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

RESOLUTION

Revision to Commission Policy 1-76.02, Records Management

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that revision to Commission Policy 1-76.02, Records Management, as shown in the attached policy, is adopted.



Commission Policy

Subject: Records Management		Index: 1-76.02
Authority Statute: Wis. Stat. 200.27(4); Wis. Stat. 19.33(4)		Page: 1 of 1
Resolution: 98-028-1(02), 02-136-7; 16-046-04		Date Issued: 1/26/98
		Date Revised: 7/22/02 4/18/16 5/20/19

Pursuant to Wis. Stat. 200.27(4), the Commission Secretary shall maintain all records concerning the District. In order to carry out that duty, the Commission Secretary may delegate; to the Information Governance Manager, ~~under the direction of the Director of Legal Services,~~ the day-to-day responsibility to develop and maintain a records management system and to provide for security, integrity, retention, and ease of access to all records of the District, in full compliance with the Wisconsin Public Records Law, Wis. Stat. sec. 19.21 *et seq.* The Commission Secretary is designated by the Commission as the legal custodian of records in accord with Wis. Stat. sec. 19.33(4).



COMMISSION FILE NO: 19-069-5 **DATE INTRODUCED:** May 6, 2019

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 and Providing for the Sale and Issuance of One Series of General Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment Thereof, and All Related Details

SUMMARY:

As part of the State of Wisconsin Clean Water Fund Program (CWFP), the Commission is requested to approve the issuance of up to \$3,449,260 in general obligation notes to finance one capital project. This loan is included in the Milwaukee Metropolitan Sewerage District's 2019 Capital Budget.

Approval of the attached sale resolution will enable the District to finance project expenditures over a 20-year period with one CWFP loan. The District will save an estimated \$383,968 in interest costs over the 20-year period of debt repayment by obtaining low interest financing from the CWFP as compared to issuing its own debt (1.98% versus 2.91%).

The State of Wisconsin requires that all borrowing municipalities provide security for repayment of loans. One form of security is a general obligation pledge of ad valorem taxes. This pledge requires a resolution authorizing a sale of general obligation bonds or notes and provides for the collection of a non-repealable direct annual tax to pay the principal and interest on the bonds or notes (i.e., the CWFP loans). The State is the purchaser and owner of the securities.

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

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

*PFP_Sale_Issuance_Promissory_Note_3252_legislative_file.docx
04-25-19*

COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

BACKGROUND

Authorizing and Providing for the Sale and Issuance of One Series of General Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment Thereof, and All Related Details

The Commission is requested to approve the issuance of up to \$3,449,260 in general obligation notes as security for one CWFPP loan for the following project:

Note Series	CWFP Number	District Project	Project Name	Maximum Loan Amount	Interest Rate
2019B	3252-01	S06027	Rehab South Shore Concrete Tunnels	\$3,449,260	1.98%
			Total	\$3,449,260	

District projects undertaken to maintain permit compliance are eligible for 20-year loans from the CWFPP at an interest rate below the effective rate for state revenue bonds, with market rate funds currently available at 3.60%. The compliance maintenance interest rate is currently 55% of the CWFPP market rate or 1.98% (3.60% x 55%).

Estimated principal and interest payments for the loan are as follows.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 0	\$ 26,370	\$ 26,370
2020 – 2024	739,943	305,424	1,045,367
2025 – 2039	<u>2,709,317</u>	<u>421,938</u>	<u>3,131,255</u>
Total	<u>\$3,449,260</u>	<u>\$753,732</u>	<u>\$4,202,992</u>

The District will save an estimated \$383,968 in interest costs over the 20-year period of debt repayment by obtaining low interest financing from the CWFPP as compared to issuing its own debt (1.98% versus 2.91%).

KEY ISSUES

Authorizing and Providing for the Sale and Issuance of One Series of General Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment Thereof, and All Related Details

Each financial assistance agreement (FAA) for a CWFP loan requires that the borrowing municipality establish one or more dedicated sources of revenue that the State of Wisconsin Department of Administration deems sufficient for repayment of a project loan or loans. The municipality's obligation to repay a project loan may be in the form of a general obligation or a revenue obligation. The District has elected to make a general obligation pledge of ad valorem taxes.

This pledge requires a resolution authorizing a sale of general obligation bonds or notes to finance capital projects and provides for the collection of a direct annual tax sufficient in amount to pay and discharge the principal and interest on these bonds or notes. The bonds or notes are in effect sold to the State of Wisconsin.

The attached sale resolution for the one capital project accomplishes the following objectives:

- Provide low interest rate financing of capital project expenditures within the financing objectives set in the 2019 Capital Budget and long-range financing plan.
- Authorize the District to sell up to \$3,449,260 of notes for the CWFP to the State of Wisconsin in accordance with the terms and conditions of the FAA.
- Authorize the Commission Chairperson and the Commission Secretary to execute the FAA.
- Provide security for the State of Wisconsin.
- Provide for levying upon all the taxable property in the District, a non-repealable direct annual tax in an amount sufficient to pay the principal and interest on the notes (i.e., the CWFP loan).
- Provide for continuing disclosure to bondholders in compliance with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission.
- Provide a repayment schedule up to 20 years.

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

RESOLUTION

Authorizing and Providing for the Sale and Issuance of One Series of General
Obligation Sewerage System Promissory Notes, Levying Taxes for the Payment
Thereof, and All Related Details

WHEREAS, the State of Wisconsin Clean Water Fund Program (CWFP) permits the Milwaukee Metropolitan Sewerage District Commission (Commission) to obtain financial assistance for the construction of eligible wastewater pollution abatement projects; and

WHEREAS, the Commission intends to authorize, sell and issue general obligation sewerage system promissory notes for the CWFP project as described below; and

WHEREAS, the Commission has determined to sell the notes by private rather than public sale due to efficiencies of borrowing through the CWFP, including reduced issuance costs, flexible draw-down of principal and favorable interest rates.

NOW, THEREFORE, BE IT RESOLVED, by the Commission that the resolution attached hereto and described below is hereby adopted.

1. "A Resolution Authorizing and Providing for the Sale and Issuance of up to \$3,449,260 General Obligation Sewerage System Promissory Notes, Series 2019B, Levying Taxes for the Payment Thereof, and All Related Details" for CWFP Project Number 3252-01, consisting of the rehabilitation of concrete tunnels at the South Shore Water Reclamation Facility to repair and prevent water damage to piping, equipment, electrical power distribution, and the tunnels."

**A Resolution Authorizing and Providing for the Sale and Issuance of up to
\$3,449,260 General Obligation Sewerage System Promissory Notes, Series 2019B,
Levying Taxes for the Payment Thereof,
and All Related Details**

RECITALS

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

1. Certain improvements to the Issuer’s sewerage system (the “**System**”) are necessary to meet the needs of the communities served by the System and the residents thereof, consisting of the rehabilitation of concrete tunnels at the South Shore Water Reclamation Facility to repair and prevent water damage to piping, equipment, electrical power distribution, and the tunnels (collectively, the “**Project**”).
2. The Project has been assigned Clean Water Fund Program Project No. 3252-01 by the State of Wisconsin Department of Natural Resources (the “**Department of Natural Resources**”), and as defined in Department of Natural Resources approval letter for the Plans and Specifications of the Project, or portions thereof, issued under Section 281.41 of the Wisconsin Statutes; and assigned Number S-2018-0696 dated November 7, 2018.
3. The Governing Body wishes to borrow the funds needed for the Project by selling and issuing general obligation sewerage system promissory notes pursuant to the provisions of Section 67.12 (12) of the Wisconsin Statutes.
4. The Issuer has taken all actions required by law and has the power to sell and issue the \$3,449,260 Milwaukee Metropolitan Sewerage District, Wisconsin General Obligation Sewerage System Promissory Notes, Series 2019B authorized by this resolution.

RESOLUTIONS

The Governing Body resolves as follows:

Section 1. Definitions.

In this resolution, the following terms have the meanings given in this section, unless the context requires another meaning.

“**Commission Officers**” means the Chairperson and the Secretary of the Governing Body of the Issuer. These are the officers required by law to execute general obligations on the Issuer’s behalf.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement, dated as of the Original Issue Date, to be executed by the Issuer and delivered on the closing date for the Obligations.

“**CWFP**” means the State of Wisconsin Clean Water Fund Program.

“**Debt Service Fund**” means the fund created by the Issuer pursuant to Section 67.11 of the Wisconsin Statutes to provide for the payment of debt service on its general obligations.

“**Debt Service Fund Account**” has the meaning given in Section 13.

“**Treasurer**” means the Issuer’s Treasurer.

“**Financial Assistance Agreement**” means the Financial Assistance Agreement, dated as of the Original Issue Date, by and between the Issuer and the State of Wisconsin by the Department of Natural Resources and the Department of Administration, pursuant to which the Obligations are to be issued and sold to the State, in substantially the form accompanying this resolution and incorporated herein by reference.

“**Fiscal Agent**” means the Treasurer or any successor fiscal agent appointed by the Issuer to act as authentication agent, paying agent, and registrar for the Obligations pursuant to Section 67.10 (2) of the Wisconsin Statutes.

“**Governing Body**” means the Issuer’s Metropolitan Sewerage District Commission.

“**Issuer**” means the Milwaukee Metropolitan Sewerage District, Wisconsin.

“**Obligations**” means the \$3,449,260 Milwaukee Metropolitan Sewerage District, Wisconsin General Obligation Sewerage System Promissory Notes, Series 2019B, which will be issued pursuant to this resolution.

“**Original Issue Date**” means June 12, 2019.

“**Project**” has the meaning given in the recitals to this resolution.

“**Purchase Price**” means up to \$3,449,260.

“**Record Date**” means the 15th day (whether or not a business day) of the calendar month just before each regularly scheduled interest payment date for the Obligations.

“**Recording Officer**” means the Secretary of the Issuer’s Governing Body.

“**Register**” means the register maintained by the Fiscal Agent at its principal office, in which the Fiscal Agent records:

- (i) The name and address of the owner of each Obligation.
- (ii) All transfers of each Obligation.

“**State**” means the State of Wisconsin Department of Administration.

Section 2. Exhibits.

The attached exhibits are also a part of this resolution as though they were fully written out in this resolution:

- (i) *Exhibit A* — Form of Obligation.
- (ii) *Exhibit B* — Notice to Electors of Sale.

Section 3. Purposes of Borrowing; Issuance of Obligations.

The Governing Body authorizes the Obligations and orders that they be prepared, executed, and issued. The Obligations will be fully registered, negotiable, general obligation sewerage system promissory notes of the Issuer in the principal amount of up to \$3,449,260. The Obligations will be issued pursuant to the provisions of the Financial Assistance Agreement and Section 67.12 (12) of the Wisconsin Statutes to pay the costs of the Project and to pay certain expenses of issuing the Obligations (including, but not limited to, printing costs and fees for financial consultants, bond counsel, rating agencies, insurance, and registration, as applicable).

Section 4. Terms of Obligations.

The Obligations will be named “Milwaukee Metropolitan Sewerage District, Wisconsin General Obligation Sewerage System Promissory Notes, Series 2019B.” The Obligations will be dated the Original Issue Date, even if they are actually issued or executed on another date. Each Obligation will also be dated the date to which it is authenticated by the Fiscal Agent. That date is its registration date.

The face amount of each Obligation will be in denominations of \$.01 or any multiple of \$.01 up to the principal amount authorized for that maturity.

The Obligations will bear interest from the Original Issue Date, or from the date principal evidenced by the Obligations was drawn by the Issuer (as described below), or from the most recent interest payment date to which interest has been paid. Interest will be due and payable on each May 1 and November 1 until the principal of the Obligations has been paid, beginning on November 1, 2019. Interest on each Obligation will be (i) computed on the basis of a 360-day year of twelve 30-day months and (ii) payable to the person or entity in whose name the Obligation is registered on the Register at the end of the day on the applicable Record Date. The Obligations will be numbered consecutively as may be required to comply with any applicable rules or customs or as determined by the Commission Officers executing the Obligations. The Obligations will mature on May 1, 2039 and will bear interest at the rate of 1.98%.

The principal evidenced by the Obligations may be drawn upon by the Issuer in accordance with the Financial Assistance Agreement. The principal of the Obligations so drawn is payable in annual installments on each May 1, beginning on May 1, 2020, in the amounts set forth in the repayment schedule attached as Exhibit B to the Financial Assistance Agreement and in the attached Schedule 2 to Exhibit A. The repayment schedule has been calculated by the State assuming the full principal amount of the Obligations has been drawn by the Issuer on the Original Issue Date. The repayment schedule will be adjusted by the State from time to time

based on the actual principal amounts drawn by the Issuer. The principal amounts so drawn shall be repaid in an amount equal to an amount which when amortized over the remaining term of the Obligations plus current payments of interest (but only on amounts drawn) at the interest rate set forth above shall result in equal annual payments of the total of principal of and interest due on the Obligations. The State shall record such draws of principal and principal repayments in the format shown on the attached Schedule 1 to Exhibit A.

The principal of and interest on the Obligations will be payable in lawful money of the United States of America.

Section 5. Fiscal Agent.

The Issuer appoints the Fiscal Agent to act as authentication agent, paying agent, and registrar for the Obligations. Among other things, the Fiscal Agent must maintain the Register.

Section 6. Redemption.

The Obligations are subject to optional redemption prior to maturity only as provided in the Financial Assistance Agreement and upon the written consent of the CWFPP.

Section 7. Manner of Payment/Transfers/Redemption Notices.

Payment. On each principal payment date (whether at maturity, installment payment date, or redemption date) and on each interest payment date, the Fiscal Agent will pay the principal of, and interest on, each Obligation by electronic funds transfer or by check mailed to the person or entity in whose name the Obligation is registered on the Register at the end of the day on the applicable Record Date.

Transfers. Each Obligation is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations of \$.01. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Obligation must be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The Issuer will issue one or more new fully registered Obligations in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Obligations and upon the payment of a charge sufficient to reimburse the Issuer or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after the Obligation has been called for redemption.

Partial Redemptions. If less than all of the Obligations have been called for redemption, then the State will adjust the principal repayment schedule to reflect such partial redemption.

Notice of Redemption. So long as the CWFPP is the registered owner of the Obligations, no redemption notice is required to be sent in the event of any redemption of the Obligations.

Accrual of Interest. If payment of an Obligation called for redemption has been made or provided for, then interest on the Obligation stops accruing on the stated redemption date.

Register. The Issuer and the Fiscal Agent may treat the entity or person in whose name any Obligation is registered on the Register as the absolute owner of the Obligation for all purposes whatsoever under this resolution.

Section 8. Form of Obligations.

The Obligations shall be in substantially the form shown in Exhibit A. Omissions, insertions, or variations are permitted if they are deemed necessary or desirable and are consistent with this resolution or any supplemental resolution.

Section 9. Execution of Obligations.

The Obligations shall be signed by the persons who are the Commission Officers on the Original Issue Date. The Obligations shall be sealed with the Issuer's corporate seal (or a facsimile), if the Issuer has one, and they shall also be authenticated by the manual signature of the Fiscal Agent.

The Obligations will be valid and binding even if before they are delivered any person whose signature appears on the Obligations is no longer living or is no longer the person authorized to sign the Obligations. In that event, the Obligations will have the same effect as if the person were living or were still the person authorized to sign the Obligations.

A facsimile signature may be used as long as at least one signature of a Commission Officer is a manual signature or the Fiscal Agent's certificate of authentication has a manual signature. If a facsimile signature is used, then it will be treated as the officer's own signature.

Section 10. Continuing Disclosure.

The appropriate officers of the Issuer are directed to sign the Continuing Disclosure Agreement, and the Issuer agrees to comply with all of its terms. The Issuer shall amend the Continuing Disclosure Agreement from time to time as the CWFPP may require and to conform with any changes in rules or regulations by the Securities and Exchange Commission with respect to continuing disclosure.

Section 11. Sale of Obligations; Financial Assistance Agreement.

The Issuer awards the sale of the Obligations to the CWFPP at the Purchase Price, plus any accrued interest from the Original Issue Date to the date of delivery of the Obligations. The Issuer approves and accepts the Financial Assistance Agreement presented by the CWFPP to purchase the Obligations and agrees to perform all obligations of the Issuer set forth therein. The

Commission Officers are directed to (i) sign the Financial Assistance Agreement in the Issuer’s name and (ii) take any additional actions needed to complete the sale of the Obligations, including arranging for a closing of the sale. The Purchase Price for the Obligations shall be paid upon request therefor as provided in the Financial Assistance Agreement.

The Commission Officers are directed to sign the Obligations and to arrange for delivery of the Obligations to the CWFP upon payment by the CWFP of the Purchase Price, plus any accrued interest, as required by this resolution.

Unless waived by the CWFP, the sale of the Obligations is conditioned upon the Issuer furnishing the following items to the CWFP:

- (i) The Obligations, together with the written, unqualified approving opinions of the law firms of MWH Law Group LLP and Foley & Lardner LLP, co-bond counsel, evidencing the legality of the Obligations and that interest on the Obligations will be excluded from gross income for federal income tax purposes.
- (ii) A transcript of the proceedings relating to the issuance of the Obligations.
- (iii) A certificate showing that no litigation has been threatened or is pending that would affect the legality of the Obligations or the right of the Issuer to issue them at the time of their delivery.

Section 12. General Obligation Pledge; Tax Levy.

For the prompt payment of the principal of and interest on the Obligations, the Issuer irrevocably pledges its full faith and credit. The Issuer hereby levies upon all taxable property in its territory a direct, annual, and irrevocable tax in an amount sufficient to pay, and for the express purpose of paying, the interest on the Obligations as it falls due and also to pay and discharge the principal of the Obligations on the principal installment payment dates and at maturity.

This tax shall be carried from year to year into the Issuer’s tax roll. It shall be collected in addition to all other taxes and in the same manner and at the same time as all other taxes. The amount of this tax that is carried into the Issuer’s tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account available to pay debt service on the Obligations for such year. Assuming the entire principal amount of the Obligations is drawn, the tax for each year the levy is made will be in the following amounts:

<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>	<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>
2019	\$209,130.30	2029	\$ 208,825.28
2020	209,102.42	2030	208,791.35
2021	209,073.98	2031	208,756.76

<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>	<u>Levy Year</u>	<u>Debt Service Amount Due in Following Year</u>
2022	209,044.98	2032	208,721.47
2023	209,015.41	2033	208,685.50
2024	208,985.26	2034	208,648.81
2025	208,954.50	2035	208,611.39
2026	208,923.13	2036	208,573.24
2027	208,891.15	2037	208,534.32
2028	208,858.54	2038	208,494.64

The Issuer levied taxes in 2018 for the purpose of paying debt service coming due in 2019 on anticipated CWFPP loans such as the Obligations, and from such levy, the Issuer hereby appropriates an amount sufficient to pay the interest coming due on the Obligations on November 1, 2019. As a result of the foregoing, the Issuer does not need to levy a tax for the November 1, 2019 interest payment on the Obligations.

Section 13. Debt Service Fund Account.

The Issuer shall create a separate account within the Debt Service Fund solely for the Obligations (the “**Debt Service Fund Account**”), which shall be maintained and administered as provided in Section 67.11 of the Wisconsin Statutes. The Treasurer is directed to keep the proceeds of the taxes levied under this resolution, when they are collected, in the Debt Service Fund Account. Any accrued interest received at the time of delivery of the Obligations and the premium, if any, paid to the Issuer by the CWFPP in excess of the stated principal amount of the Obligations must be deposited into the Debt Service Fund Account and used to pay interest on the Obligations. If the money in the Debt Service Fund Account is insufficient to make a payment of principal of or interest on the Obligations on a date on which such a payment is due, then the Issuer will promptly provide the necessary funds to make the payment from other available sources. Money in the Debt Service Fund Account may be temporarily invested as provided in Section 66.0603 (1m) of the Wisconsin Statutes.

Section 14. Borrowed Money Fund.

In accordance with Section 67.10(3) of the Wisconsin Statutes, the sale proceeds of the Obligations (not including any accrued interest or premium received) shall be deposited and kept by the Treasurer in a separate fund. The fund shall be designated with both the name of the Obligations and the name Borrowed Money Fund (herein referred to as the “**Borrowed Money Fund**”). Money in the Borrowed Money Fund, including any earnings, shall be (i) used to pay the costs of the Project, the costs of issuing the Obligations, and the costs of investing amounts in the Borrowed Money Fund, or (ii) transferred to the Debt Service Fund Account as provided by law. Money in the Borrowed Money Fund may be temporarily invested as provided

in Section 66.0603 (1m) of the Wisconsin Statutes; *provided, however*, that pursuant to the terms of the Financial Assistance Agreement, money in the Borrowed Money Fund must be disbursed within three business days after the Original Issue Date, or the date of receipt by the Issuer of any draws of principal on the Obligations, and must not be invested in an interest bearing account.

Section 15. Publication of Notice.

The Recording Officer is directed to publish notice that the Issuer has agreed to sell the Obligations. The notice shall be published in the Issuer's official newspaper as a class 1 notice under Chapter 985 of the Wisconsin Statutes promptly after the execution of the Financial Assistant Agreement. The notice shall be in substantially the form shown in Exhibit B. The Recording Officer shall obtain proof, in affidavit form, of the publication, and shall compare the notice as published with the attached form to make sure that no mistake was made in publication.

Section 16. Authorization of Officers.

The appropriate officers of the Issuer are directed to prepare and furnish the following items to the CWFP and the attorneys approving the legality of the Obligations:

- (i) Certified copies of proceedings and records of the Issuer relating to the Obligations and to the financial condition and affairs of the Issuer.
- (ii) Other affidavits, certificates, and information that may be required to show the facts about the legality of the Obligations, as such facts appear on the books and records under the officer's custody or control or as are otherwise known to the officer.

All certified copies, affidavits, certificates, and information furnished for such purpose will be representations of the Issuer as to the facts they present.

Section 17. Tax Law Covenants.

The Issuer covenants that it will comply with all requirements of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, that must be satisfied so that interest on the Obligations will be excluded from gross income for federal income tax purposes.

Section 18. Amendments.

This resolution may (i) be amended from time to time without the written consent of the CWFP, to cure any ambiguity, administrative conflicts, formal defect, or omission or procedural inconsistency of this resolution, and (ii) be amended from time to time with the written consent of the CWFP, to modify any terms of the Obligations deemed necessary or advisable by the Issuer or the CWFP.

In the event the CWFP sells all or a portion of the Obligations, written consent referred to in (ii) above shall be required by the owners of not less than two-thirds of the principal amount then outstanding of the Obligations.

Section 19. Further Authorization.

The Issuer authorizes its officers, attorneys, and other agents or employees to do all acts required of them to carry out the purposes of this resolution.

Section 20. Conflict with Prior Acts.

In case any part of a prior action of the Governing Body conflicts with this resolution, that part of the prior action is hereby rescinded.

Section 21. Severability of Invalid Provisions.

If a court holds any provision of this resolution to be illegal or invalid, then the illegality or invalidity shall not affect any other provision of this resolution.

Section 22. Resolution Effective upon Adoption and Approval.

This resolution takes effect upon its adoption and approval in the manner provided by law.

[Signature Page Follows]

Adopted: May 20, 2019.

Kris Martinsek
Commission Chairperson

Anna Kettlewell
Commission Secretary

EXHIBIT A
FORM OF OBLIGATION

STATE OF WISCONSIN
MILWAUKEE METROPOLITAN SEWERAGE DISTRICT

No. R-1

Registered
\$3,449,260

GENERAL OBLIGATION SEWERAGE SYSTEM PROMISSORY NOTE,
SERIES 2019B

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
1.98%	May 1, 2039	June 12, 2019	None

REGISTERED OWNER: STATE OF WISCONSIN CLEAN WATER FUND PROGRAM

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED FORTY-NINE THOUSAND TWO HUNDRED SIXTY DOLLARS

THE MILWAUKEE METROPOLITAN SEWERAGE DISTRICT, WISCONSIN (herein called the “**Issuer**”), hereby acknowledges itself to owe and for value received promises to pay the Principal Amount to the Registered Owner on the Maturity Date or earlier installment payment date (as hereinafter described), and interest on the Principal Amount from the Original Issue Date at the annual rate of the Interest Rate. The actual interest amount due is based on the amount of principal drawn, from the dates so drawn (as hereinafter described), or from the most recent interest payment date to which interest has been paid. Interest is due and payable on each May 1 and November 1 until the Principal Amount has been paid, beginning on November 1, 2019. Interest is computed on the basis of a 360-day year of twelve 30-day months.

This Obligation is one of a duly authorized issue of notes (the “**Obligations**”) of the Issuer of an aggregate principal amount of \$3,449,260, all of like tenor, except as to denomination, issued by the Issuer pursuant to the provisions of Section 67.12 (12) of the Wisconsin Statutes, and is authorized by the resolution duly adopted by the governing body of the Issuer on May 20, 2019, entitled: “A Resolution Authorizing and Providing for the Sale and Issuance of up to \$3,449,260 General Obligation Sewerage System Promissory Notes, Series 2019B, Levying Taxes for the Payment Thereof, and All Related Details” (the “**Resolution**”). The Obligations are issuable only in the form of fully registered notes.

The Principal Amount evidenced by this Obligation may be drawn upon by the Issuer in accordance with the Financial Assistance Agreement (as defined in the Resolution).

The Principal Amount so drawn shall be repaid in annual installments on each May 1, beginning on May 1, 2020, in the amounts set forth in the repayment schedule attached as Exhibit B to the Financial Assistance Agreement and in the attached Schedule 2. The repayment schedule has been calculated by the State of Wisconsin Department of Administration (the “**State**”) assuming the full Principal Amount of the Obligations has been drawn by the Issuer on the Original Issue Date. The repayment schedule will be adjusted by the State from time to time based on the actual Principal Amounts drawn by the Issuer. The Principal Amounts so drawn shall be repaid in an amount equal to an amount which when amortized over the remaining term of this Obligation plus current payments of interest (but only on amounts drawn hereunder) at the Interest Rate shall result in equal annual payments of the total of principal of and interest on the Obligations. The State shall record draws of principal and principal repayments in the format shown on the attached Schedule 1.

On each principal payment date (whether at maturity or earlier installment payment or redemption date) and on each interest payment date, the Treasurer of the Issuer (who will act as authentication agent, paying agent, and registrar for the Obligations), or any successor fiscal agent appointed by the Issuer to act as authentication agent, paying agent, and registrar for the Obligations under Section 67.10 (2) of the Wisconsin Statutes (hereinafter called the “**Fiscal Agent**”), will pay the principal of, and interest on, this Obligation by electronic funds transfer or by check mailed to the person or entity in whose name this Obligation is registered on the register (hereinafter called the “**Register**”) maintained by the Fiscal Agent at the end of the 15th day (whether or not a business day) of the calendar month just before a regularly scheduled interest payment date for the Obligations (the “**Record Date**”).

The principal of and interest on this Obligation is payable in lawful money of the United States of America. For the prompt payment of the principal of and interest on this Obligation, the Issuer has irrevocably pledged its full faith and credit. The Issuer has levied upon all taxable property in its territory a direct, annual, and irrevocable tax sufficient in amount to pay, and for the express purpose of paying, the interest on this Obligation as it falls due and the principal of this Obligation on the Maturity Date or earlier installment payment date.

The Obligations are subject to optional redemption prior to maturity only as provided in the Financial Assistance Agreement and upon the written consent of the Registered Owner.

Transfers. Each Obligation is transferable, only upon the Register, for a like aggregate principal amount of the same maturity and interest rate in denominations of \$.01. A transfer may be requested by the registered owner in person or by a person with a written power of attorney. The Obligation shall be surrendered to the Fiscal Agent, together with a written instrument of transfer satisfactory to the Fiscal Agent signed by the registered owner or by the person with the written power of attorney. The Issuer will issue one or more new fully registered Obligations, in the same aggregate principal amount to the transferee or transferees, as applicable, in exchange for the surrendered Obligations and upon the payment of a charge sufficient to reimburse the Issuer or the Fiscal Agent for any tax, fee, or other governmental charge required to be paid with respect to such registration.

The Fiscal Agent will not be required to make any transfer of the Obligations (i) during the 15 calendar days before the date of any proposed redemption of the Obligations, or (ii) with respect to any particular Obligation, after such Obligation has been called for redemption.

Partial Redemptions. If less than all of the Obligations have been called for redemption, then the State will adjust the principal repayment schedule to reflect such partial redemption.

Notice of Redemption. So long as the State of Wisconsin Clean Water Fund Program is the registered owner of the Obligations, no redemption notice is required to be sent in the event of any redemption of the Obligations.

Accrual of Interest. If payment of an Obligation called for redemption has been made or provided for, then interest on the Obligation stops accruing on the stated redemption date.

Register. The Issuer and the Fiscal Agent may treat the entity or person in whose name this Obligation is registered on the Register as the absolute owner of this Obligation for all purposes.

The Issuer certifies, recites, and declares that all acts, conditions, and procedures required by law to exist, to have happened, and to be performed, leading up to and in the issuing of this Obligation and of the issue of which it is a part, do exist, have happened, and have been performed in regular and due form, time, and manner as required by law; that the indebtedness of the Issuer, including this Obligation and the issue of which it is a part, does not exceed any limitation, general or special, imposed by law; and that a valid, direct, annual and irrevocable tax has been levied by the Issuer sufficient to pay the interest on this Obligation when it falls due and also to pay and discharge the principal of this Obligation at maturity or earlier installment payment date.

IN WITNESS WHEREOF, the Issuer, by its governing body, has caused this Obligation to be executed in its name and on its behalf by the manual or facsimile signatures of its Commission Chairperson and Commission Secretary and to be sealed with its corporate seal (or a facsimile thereof), if any, all as of the date specified above.

MILWAUKEE METROPOLITAN SEWERAGE DISTRICT,
WISCONSIN

By: _____
Kris Martinsek
Commission Chairperson

[SEAL]

And: _____
Anna Kettlewell
Commission Secretary

Certificate of Authentication

Dated: June 12, 2019

This Obligation is one of the Obligations described in the Resolution.

By: _____
Treasurer, as Fiscal Agent

SCHEDULE 2

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Principal Amount</u>
May 1, 2020	\$142,243.16
May 1, 2021	145,059.57
May 1, 2022	147,931.75
May 1, 2023	150,860.80
May 1, 2024	153,847.84
May 1, 2025	156,894.03
May 1, 2026	160,000.53
May 1, 2027	163,168.54
May 1, 2028	166,399.28
May 1, 2029	169,693.99
May 1, 2030	173,053.93
May 1, 2031	176,480.39
May 1, 2032	179,974.71
May 1, 2033	183,538.20
May 1, 2034	187,172.26
May 1, 2035	190,878.27
May 1, 2036	194,657.66
May 1, 2037	198,511.89
May 1, 2038	202,442.42
May 1, 2039	206,450.78

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF ASSIGNEE

[Empty rectangular box for Social Security or other identifying number]

(Please Print or Type Name and Address of Assignee)

the within-mentioned Obligation and all rights thereunder and does hereby irrevocably constitute and appoint _____ attorney-in-fact, to transfer the same on the books of the registry in the office of the Fiscal Agent, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

NOTICE: Signatures must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Fiscal Agent. Those requirements include membership or participation in the Securities Transfer Association Medallion Program (“STAMP”) or such other “signature guarantee program” as may be determined by the Fiscal Agent in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Note: The signature to this assignment must correspond with the name as written on the face of the within Obligation in every particular, without any alteration or change. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of the person’s authority to act must accompany this Obligation.

EXHIBIT B

NOTICE TO THE ELECTORS
RESIDING IN THE
MILWAUKEE METROPOLITAN SEWERAGE DISTRICT, WISCONSIN
RELATING TO NOTE SALE

On May 20, 2019, pursuant to Section 67.12 (12) of the Wisconsin Statutes, a resolution was offered, read, approved, and adopted whereby the Milwaukee Metropolitan Sewerage District, Wisconsin authorized the borrowing of money and the execution and delivery of a contract to sell general obligation sewerage system promissory notes in the principal amount of up to \$3,449,260. It is anticipated that the closing of this note financing will be held on or about June 12, 2019. A copy of all proceedings had to date with respect to the authorization and sale of said notes is on file and may be examined in the office of the Commission Secretary of the Milwaukee Metropolitan Sewerage District, at 260 West Seeboth Street, Milwaukee, Wisconsin between the hours of 9:00 a.m. and 4:30 p.m. on weekdays.

This notice is given pursuant to Section 893.77 of the Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, shall be commenced within 30 days after the date of publication of this notice.

Publication Date: _____, 20__

/s/ Anna Kettlewell
Commission Secretary

POLICY, FINANCE & PERSONNEL COMMITTEE MEETING

May 6, 2019

EXECUTIVE DIRECTOR'S REPORT

19-002-01

A. Monthly Reports

May 2019

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