

WAUKESHA COMMON COUNCIL

Water plan approved 14-0

Reilly lauds 'historic agreement' with Milwaukee

Vote follows brief closed session

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WAUKESHA — In what Waukesha's mayor called a good deal for the city, aldermen voted 14-0 to approve a 40-year contract for the purchase of Lake Michigan water from Milwaukee during Tuesday's Common Council meeting.

"Waukesha and Milwaukee entered into a historic agreement that will result in one of the biggest public infrastructure projects in southeast Wisconsin," Mayor Shawn Reilly said in a statement after the unanimous vote. "This historic agreement is for Milwaukee to provide wholesale water to Waukesha without placing any other restrictions on Waukesha except for an upper limit on the total amount of water."

The Milwaukee Common Council approved the contract last week, 14 to 1.

Waukesha will be allowed to draw up to 8.2 million gallons of Lake Michigan water per day from Milwaukee under the approved contract. Aldermen pushed for it to be a strict "water only" deal after concerns that Milwaukee could try to press into the contract stipulations about transportation and affordable housing. The approved deal avoids that, aldermen say.

"This is a water-only deal," said District 4 Ald. Joe Pieper. "Nothing in it about where buses need to go or what housing we should have. This contract



Waukesha Water Utility General Manager Dan Duchniak leaves Tuesday's council meeting after the unanimous approval, which he called a "huge accomplishment."

Hannah Weikel/Freeman Staff

is very good for Waukesha and it's one that [Milwaukee] can have confidence in."

Waukesha tapped Milwaukee as its water supplier in late October, despite several years of negotiations with the city of Oak Creek. Milwaukee was chosen after its officials negotiated a deal that will cost Waukesha about \$40 million less over the project's course than if the city had chosen Oak Creek, said

Waukesha Water Utility General Manager Dan Duchniak.

Still, water rates are expected to double or even triple in coming years, Duchniak said, though the utility is trying to keep costs as low as possible with the help of state and federal aid.

Residents express cost concerns

Waukesha residents spoke at the outset of Tues-

day's meeting with concerns about alternatives to Great Lakes water and the possibility of burdensome rate increases imposed by Milwaukee.

Steve Edlund, who has been outspoken during the approval process about an alternative to Great Lakes water, implored council members to vote no on the Milwaukee contract and instead continue to draw from the deep aquifer.

Edlund said installing

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radium filters on four Waukesha wells would solve the court order for radium compliance and avoid much of the Lake Michigan project's \$286.2 million price tag.

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Council appoints Wells to fill open District 6 seat

WAUKESHA — The Common Council on Tuesday unanimously approved the appointment of Jack Wells to the open 6th District seat left empty by former Ald. Adam Jankowski in October.

Aldermen took turns welcoming Wells, 27, to the council and thanked him for taking interest in helping the community through municipal government before he was sworn in while standing next to his wife, Marissa. Wells was the sole applicant for the open seat.



In a past interview with The Freeman, Wells said his young age could bring a fresh perspective to the Common Council and three committees he will join — Building and Grounds, Ordinance and License and Community Development Block Grant.

District 15 Ald. Cory Payne said Wells embodies the city's effort to include and attract young professionals to keep the economy growing.

Well told council members at Tuesday's meeting that he plans to run for election next spring when his appointment expires in April. It will be the first time he has run for an elected office.

— Hannah Weikel, Freeman Staff

Water

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Resident Ron Kading also expressed concern, saying what seems like a great deal now could become a bad deal if Milwaukee decides to drastically raise rates. He spoke about the high costs of water and sewer in New Berlin and Brookfield — two communities that buy water from Milwaukee. He said residents in Brookfield pay three times more for water than Waukesha residents do currently.

Water rates are set by Wisconsin's Public Services Commission through an applications process with rate cases that are taken out by the water utilities. Milwaukee's rate increases will impact rate increases requested by Waukesha once they start to supply wholesale water to the city. Rates can be raised each year if approved by the PSC.

District 15 Ald. Cory Payne took issue with the cost burden for retired residents in Waukesha who will have increased rates on a fixed income.

"I just wanted to make sure everyone knew that their financial situations were being considered in this discussion," Payne said. "This is a lot of information that has to be processed very fast and I understand that there might be some hesitation from the citizens of the city."

Public discussion, approval

After meeting briefly in closed session to discuss the final negotiations and changes made to the contract, aldermen thanked Duchniak and made final remarks before the vote.

"I would like to be able to go to my refrigerator or faucet and not have concern about the water," said District 8 Ald. Vance Skinner, referring to radium levels in the water. "The time is now, we are at the finish line, let's get this done."

District 10 Ald. Steve Johnson said he was excited to give his approval to the contract with Milwaukee.

"I've attended many meetings about water and read reams and reams of documents about water and know more than I ever thought possible," Johnson said. "I'm very excited to be at this

point and to approve a contract with Milwaukee. Hopefully after this approval tonight we can get a shovel in the ground."

District 9 Ald. Kathleen Cummings asked Duchniak to explain how he knew the deep aquifer wasn't a sustainable source of water and asked if the contract would expire if aldermen decided to hold off on a vote.

Duchniak told her the Great Lakes Compact Council of governors determined that Lake Michigan water is the only long-term solution for water and all scientific studies have found that the deep aquifer is not sustainable. City Attorney Brian Running told her the contract wouldn't expire, but Milwaukee aldermen reserved the right to withdraw their approval at any time until Waukesha's approval.

Duchniak also explained that several emergency water pumps would be maintained and could be used to bring the city well water temporarily.

After more than an hour of questions from Cummings and others, Ald. Peter Bartels made a motion to cease questions about the contract and move straight to a vote. The motion failed 8 to 6, but questions ended on their own shortly after. A motion to approve the contract passed unanimously and aldermen applauded Duchniak as he left the council chamber.

After the meeting, Duchniak said the next step is to finalize the preliminary project design and complete permit applications — most for the Wisconsin Department of Natural Resources — by the end of 2018.

Details of water purchase

The 14-page contract between Milwaukee and Waukesha outlines the purchase of Great Lakes water and includes termination guidelines, water pressure requirements and water quality assurances.

The contract locks in water sales for the next 40 years, with 10-year automatic renewals after that. It took several months for Waukesha and Milwaukee to negotiate the stipulations of the agreement.

Under the agreement, Milwaukee will design, build, own and operate a water pumping station on South

60th Street between West Howard Avenue and West Cold Spring Road, as well as a transmission main in the same vicinity. Milwaukee has also reserved the right to use the pumping station for customers other than Waukesha.

All project design and construction will be collaborated on an ongoing basis between Milwaukee and Waukesha. Both have agreed that they won't tax the other's water utility facilities, even if they are located on the taxing party's jurisdiction.

Milwaukee will provide a minimum water pressure of 128 pounds per square inch and a maximum of 224 pound per square inch, according to the document.

Waukesha will monitor all water coming from Milwaukee for contamination and will be notified of any changes in water treatment or additives that would affect the quality of Milwaukee's water, according to the agreement.

Milwaukee water cannot be co-mingled with other water sources without express written consent or in emergency situations. Only if an emergency situation arises can Waukesha draw water from another source or use its wells.

Water rates are set in the agreement for \$1.45 per 1,000 gallons. Any percent rate increase granted to Milwaukee by the PSC down the road will also apply to Waukesha, but the cities agreed to only file rate cases that are supported by both. Milwaukee cannot impose any other service charge or fee to Waukesha.

If either city wishes to terminate the agreement, it is required to do so at least five years before the next renewal date. If Waukesha breaches the agreement by terminating before 40 years is up or with too-short notice, it must reimburse Milwaukee for capital costs of the pumping station and transmission main, according to the document. It must also pay Milwaukee the sum of the total revenues from the sale of water to Waukesha customers in the two years with highest total revenues.

Waukesha has also agreed to pay a one-time sum of \$2.5 million to Milwaukee's general fund to be used for replacement of lead laterals in the latter city.