



City Administrator
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Waukesha, Wisconsin 53188-3646

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City of Waukesha Public Works/ Waukesha Water Utility Organizational Analysis

Background:

The City of Waukesha currently has a Public Works Department that consists of five divisions, including Transit, Engineering, the Clean Water Plant (CWP), Parking Utility and Streets Maintenance. The Department of Public Works Director reports to the City Administrator. The City is governed by a 15-member City Council, elected by District and a Mayor, elected at large.

The Waukesha Water Utility (WWU) is division of the City but has been operating under a separate governance structure and has largely independent autonomy as compared to other City departments. The Waukesha Water Utility is run by the Water Utility Manager who reports to a seven-member commission. The Mayor and one council member serve as members of the Waukesha Water Utility

Within the Public Works Department, the Clean Water Plant is a wastewater utility which consists of approximately 32 Full-Time-Equivalent Employees (FTE). The Wastewater Utility is further supported by the Engineering Division with the City Engineer overseeing wastewater design and construction projects and two engineers (one of which is included in the 32 FTEs) that devote significant portions of their time to the design and construction of wastewater infrastructure. The Clean Water Plant treats approximately 9-10 Million Gallons per Day (MGD) of wastewater outflow. Additionally, the staff maintains 270 miles of sewer among their other various duties related to the plant and supporting infrastructure.

The Waukesha Water Utility has approximately 29 FTE's. It maintains 333 miles of watermain throughout the community and is currently constructing a \$286 million pipeline, booster pump and storage project to obtain water from Lake Michigan through a partnership with the City of Milwaukee and return cleaned water to the Lake Michigan watershed via the Root River. Its 2020 operating income was approximately \$2.6 million.

The average annual water and wastewater/return flow bill is about \$1,046 per household.

The Waukesha Water Utility currently completes billing services for the Clean Water Plant and an additional Return Flow fund that has been created to finance the construction and operation of the Return Flow line which returns water from Waukesha to Lake Michigan via the Root River.

The two entities work closely together on project coordination and financial management but maintain separate accounting, administration, and human resource functions. The Mayor serves an oversight role of both entities as a member of and leader of the Common Council and a member of the Waukesha Water Utility Board.

Project Objective

Review the Waukesha Department of Public Works and the Waukesha Water Utility organizational structure and operations and determine if the current organizational structure and operations are the most efficient and effective. Provide recommended outcomes.

Tasks:

1. Review Organizational Structure of the Department of Public Works and the Waukesha Water Utility departments. Determine if the City and its residents would be better served by combining all, portions, or none of the two departments. Identify areas where collaboration could be enhanced or expanded. Provide recommendations for any organizational changes.
2. Observe and document work locations and current practices.
3. Review operational coordination between the Water Utility and City and make recommendations regarding increased cooperation and coordination.
4. There are wage/benefit structural differences between Water Utility and CWP employees which should be compared when considering the merging of departments.
5. Provide recommendation on Governing Board oversight if changes are recommended.
6. Review capital positions of both utilities and the best use of reserves going forward and evaluate future borrowings.
7. Provide a cash flow analysis of both utilities and review future rate increases for both the water utility and clean water plant with a focus on the timing and implementation of future rate increases.
8. Review appropriate Public Service Commission regulations and provide recommendations for remaining in compliance with PSC regulations
9. Model benchmarks for utilities as it pertains to use of cash on hand, rate of return and coverage metrics.
10. Review billing process and make recommendations for improvements, if necessary.
11. Recommendation for implementation of any proposed changes.

Submission:

Please provide a proposal that includes an executive summary that explains planned approach, qualifications of the team / subconsultants and examples of similar previously completed projects to City Administrator Kevin Lahner at klahner@waukesha-wi.gov no later than noon on July 1, 2022.

Proposals will be reviewed by a staff selection committee. The City is looking for the most qualified consultant and a qualification and cost-based selection process will be used for selection. The City reserves the right to make all decisions relative to the selection of a Consultant for the project that will be in the best interest of the City.

Proposals should account for the following items:

1. Interviews with staff members and other stakeholders to review current operations. As noted above, there are several specific staff members and employee groups that will need to be interviewed to determine current operations and develop the full context for completing the study
2. Present findings to members of the management team and governing boards. The consultant team should plan for four public meetings to discuss study findings.

3. Estimated travel costs.

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Notice

Confidentiality of Proposals, Contracts, and Supporting Materials

Wisconsin's Open Records Law requires that all records kept by the City be available for inspection by the public, with only very limited exceptions. This includes bids, proposals, supporting materials such as plans and specifications, contracts, and other documents submitted in response to the City's Requests for Proposals.

Please be aware that the materials you submit in response to the City's RFP will be public record, and will be available to the public, including other bidders. Marking them "confidential" will have no effect. If you must submit materials that you feel are trade secrets and must be kept confidential, then you must obtain the City Attorney's written approval of the materials as confidential trade secrets before submission. That approval may be denied, according to the requirements of the Open Records Law.