

Date: June 3, 2016
To: Common Council
From: Alderman Thieme
Re: May 19 Water Utility Commission Meeting Summary

- The Commission approved an MOU with the City wherein the Utility agrees to make the debt service payments on the 2016 NAN of \$17.4 million and the 2016 GO Bonds of 6.28 million.
- The Utility will submit an application to the PSC for a conventional water rate increase. The increase, anticipated to be 10%, would be implemented in late fall. It is intended to replace a 25% increase in 2017 that will be delayed due to the timing of the Great Lakes project.
- Suppliers were approved to provide annual water treatment chemicals. We anticipate spending \$183,650 in 2016 to treat water. Actual annual cost will be based on water consumption.
- The Utility's audit firm, Baker Tilly, presented the results of the 2015 audit. There were zero adjusting entries necessary and the Utility remains in a good financial position.
- Utility employees are in the midst of a Wellness Challenge to promote weight loss and better health for its employees. Since, April 29, the average weight loss is 2.9%! The program includes weekly newsletters with recipes and tips, weekly physical activity challenges, and weekly healthy lunches provided by employees.
- Great Lakes Application Update: Dan Duchniak updated the water commission on the Regional Body meetings throughout the month. The states and provinces conducted a thorough review of Waukesha's application. The Regional Body's conclusion was that Waukesha met the standard of having no reasonable alternative to borrowing and returning Great Lakes water. The Regional Body based that conclusion on a review of the extensive analyses of alternatives conducted by the City's consultants and by the technical staff at the Wisconsin DNR. The project will actually benefit the Great Lakes by improving a fish egg collection facility and preventing the loss of connected groundwater in the Great Lakes watershed. The Regional Body also made it clear that any precedent that would be set by Waukesha is very limited. The exemption in the Compact only applies to a limited number of communities in counties that straddle the Great Lakes Basin divide. Water cannot legally go anywhere else. But the Regional Body also noted that there are a number of unique aspects to Waukesha's application, including: the court order to comply with radium standards, the confined aquifer that limits groundwater recharge, the current interconnection with and loss of water from the Lake Michigan watershed, the unavoidable significant environmental impacts of alternatives, the return of approximately 100% of Lake Michigan water, and the quality of Waukesha's wastewater treatment. ***However, we want to stress that the review is not over and that no decision has been made. We are hopeful that the Compact Council will agree with the findings of the Regional Body.***

The next commission meeting is scheduled for **Thursday, June 16 at 6 PM.**