

19.



# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number	Title	Status
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R-2010-0118      Resolution      Introduced

Resolution to approve phase 3 of the Memorandum of Understanding to pay the City's share of fees associated with the cooperative hiring of Short Elliott Hendrickson, Inc. to advance joint concerns and protect common interests in regard to the City of Milwaukee Water Works application to the Wisconsin Public Service Commission to increase its water rates

Introduced: 5/4/2010

Controlling Body: Administration & Finance Committee

Sponsor(s): Administration & Finance Committee

## COMMITTEE RECOMMENDATION *adopt*

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
MAY 04 2010			Barczak				
			Czaplewski				
			Kopplin	✓			
			Lajsic				✓
		✓	Narlock	✓			
			Reinke	✓			
			Roadt				
			Sengstock				
			Vitale				✓
			Weigel				
		TOTAL		3			2

### SIGNATURE OF COMMITTEE MEMBER

*Rust Kopplin*  
 Chair      Vice-Chair      Member

## COMMON COUNCIL ACTION **ADOPT**

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
MAY 04 2010			Barczak	✓			
			Czaplewski	✓			
		✓	Kopplin	✓			
			Lajsic				✓
			Narlock	✓			
			Reinke	✓			
			Roadt	✓			
			Sengstock	✓			
			Vitale				✓
			Weigel				✓
		TOTAL					3

Water Billing Gary  
PW

# STANDING COMMITTEES OF THE CITY OF WEST ALIS COMMON COUNCIL

## ADMINISTRATION & FINANCE

Chair: Kurt F. Kopplin  
Vice-Chair: Vincent Vitale  
Thomas G. Lajsic  
Richard F. Narlock  
Rosalie L. Reinke

## PUBLIC WORKS

Chair: Gary T. Barczak  
Vice-Chair: Martin J. Weigel  
Michael J. Czaplowski  
Daniel J. Roadt  
James W. Sengstock

## SAFETY & DEVELOPMENT

Chair: Thomas G. Lajsic  
Vice-Chair: Richard F. Narlock  
Kurt E. Kopplin  
Rosalie L. Reinke  
Vincent Vitale

## LICENSE & HEALTH

Chair: Michael J. Czaplowski  
Vice-Chair: James W. Sengstock  
Gary T. Barczak  
Daniel J. Roadt  
Martin J. Weigel

## ADVISORY

Chair: Rosalie L. Reinke  
Vice-Chair: Daniel J. Roadt  
Kurt E. Kopplin  
Richard F. Narlock  
Vincent Vitale



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2010-0118**

**Final Action:**

**Sponsor(s):** Administration & Finance Committee

**MAY 04 2010**

Resolution to approve phase 3 of the Memorandum of Understanding to pay the City's share of fees associated with the cooperative hiring of Short Elliott Hendrickson Inc. to advance joint concerns and protect common interests in regard to the City of Milwaukee Water Works application to the Wisconsin Public Service Commission to increase its water rates.

WHEREAS, the City of Milwaukee Water Works has applied to the Wisconsin Public Service Commission to increase its water rates; and,

*Brenda is gathering all signatures*

WHEREAS, this water rate increase request will have a significant effect on other communities Milwaukee supplies water to; and,

WHEREAS, by participating in a cooperative agreement with other communities involved can advance their concerns and protect their interests in a cohesive and coordinated manner; and,

WHEREAS, work has been completed on phase 1 and 2 of the cooperative agreement and phase 3, which includes testimony in front of the Wisconsin Public Service Commission, is ready to start.

NOW, THEREFORE BE IT RESOLVED by the Common Council of the City of West Allis that phase 3 of the Memorandum of Understanding which includes paying the City's share of the fees associated with the cooperative hiring of Short Elliott Hendrickson Inc. is hereby approved.

BE IT FURTHER RESOLVED that the proper City officials are authorized and directed to execute said agreement on behalf of the City.

**ADOPTED**           MAY 04 2010          

*Paul M. Ziehler*

Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

**APPROVED**           5/7/10          

*Dan Devine*

Dan Devine, Mayor



## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made effective this 21<sup>st</sup> day of May, 2010 by and between the parties described in Exhibit A attached hereto (collectively the "Parties").

### RECITALS

WHEREAS, on or about September 2, 2009, the Milwaukee Water Works ("MWW") submitted a formal rate case, Case Number 3720-WR-107, to the Wisconsin Public Service Commission ("PSC") for purposes of adjusting wholesale water rates paid by the Parties for purposes of providing water to the Parties' customers (hereinafter the "Rate Case"); and

WHEREAS, the Parties have common interests and concerns which they wish to advance and protect with respect to the Rate Case, and have jointly moved to intervene in the Rate Case in order to protect the Parties' interests; and

WHEREAS, on or about October 15, 2009 the Parties met to discuss the topic of cooperatively hiring Short Elliott Hendrickson Inc. (SEH) for purposes of serving as a Rate Analyst ("Analyst") on behalf of the Parties in conjunction with the Rate Case; and on April 27, 2010, the Parties met to discuss continuing with Analyst services

WHEREAS, the Parties have agreed that the costs of hiring the Analyst for the Rate Case should be shared among the Parties in a proportion equivalent to the average percentage of the volume of water used and the dollars paid to the Milwaukee Water Works.

### AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. Incorporation by reference. All of the clauses contained in the Recitals, above, are incorporated herein by reference and made a part of this Agreement.

Payment of Analyst's Fees. Upon the hiring of the Analyst by the Parties to perform the analysis associated with participation in the Rate Case, each party agrees to pay Analyst for its share of the Analyst's fees incurred to date and projected to be incurred through the conclusion of the Analyst's participation in the Rate Case on behalf of the Parties, in the proportion described in Exhibit B. It is understood that the fee amount of \$80,080 utilized in Exhibit B is utilized as an example only, based upon the Analyst's estimated costs for conducting Analyst's duties in conjunction with Phase III of the Rate Case. However, should the actual costs of the Analyst's participation in the Rate Case on behalf of the Parties be different from the estimated costs used in Exhibit B, the additional costs shall be shared by the Parties in a like proportion to that proportion used for illustration purposes in Exhibit B.

2. Explanation and modification.

a. By signing this MOU, each of the Parties certifies that it has had an explanation of the contents of this Agreement by its respective counsel, and that all Parties agree to abide by the understandings reflected in this Agreement.

b. Any modifications of this MOU must be in writing and signed by all counsel.

3. Controlling law. This MOU shall be controlled by Wisconsin law.

4. Miscellaneous. This MOU may be executed in counterparts and via facsimile.

**EXHIBIT A**

**CITY OF WEST ALLIS**  
A Wisconsin Municipal Corporation  
7525 W. Greenfield Ave  
West Allis, WI 53214

**VILLAGE OF BROWN DEER**  
A Wisconsin Municipal Corporation  
4800 West Green Brook Drive  
Brown Deer, Wisconsin 53222

**CITY OF WAUWATOSA**  
A Wisconsin Municipal Corporation  
7725 W. North Ave  
Wauwatosa, WI 53213

**VILLAGE OF SHOREWOOD**  
A Wisconsin Municipal Corporation  
3930 N. Murray Ave  
Shorewood, WI 53211

**VILLAGE OF MENOMONEE FALLS**  
A Wisconsin Municipal Corporation  
W156 N8480 Pilgrim Road  
Menomonee Falls, WI 53051

**COUNTY OF MILWAUKEE**  
A Wisconsin Municipal Corporation  
Milwaukee County Court House  
Facilities Management Room G1  
901 North 9<sup>th</sup> Street  
Milwaukee, WI 53233

**CITY OF NEW BERLIN**  
A Wisconsin Municipal Corporation  
3805 S. Casper Dr  
New Berlin, WI 53151

**CITY OF MEQUON**  
A Wisconsin Municipal Corporation  
11333 Cedarburg Rd  
Cedarburg, WI 53092

**VILLAGE OF GREENDALE**  
A Wisconsin Municipal Corporation  
6500 Northway  
Greendale, WI 53129

**VILLAGE OF BUTLER**  
A Wisconsin Municipal Corporation  
12621 W. Hampton Avenue  
Butler, WI 53007

**CITY OF WEST ALLIS**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_  
Dan Schwebke

\_\_\_\_\_  
414-302-8827

\_\_\_\_\_  
dschwebke@ci.west-allis.wi.us



**CITY OF WAUWATOSA**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VILLAGE OF MENOMONEE FALLS**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**CITY OF NEW BERLIN**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VILLAGE OF GREENDALE**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VILLAGE OF BROWN DEER**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

**CITY OF MEQUON**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VILLAGE OF BUTLER**  
**A Wisconsin Municipal Corporation**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Contact Information: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

EXHIBIT B

<u>Community</u>	<u>Volume Purchased</u>	<u>%</u>	<u>MWW Rev</u>	<u>%</u>	<u>Average of Volume &amp; Revenue</u>	<u>Share of \$80,080</u>
West Allis	2,298,618,000	27%	\$2,257,963	24%	25.6%	\$20,480
Wauwatosa	1,813,199,000	21%	\$2,000,347	21%	21.4%	\$17,120
Menomonee Falls	1,164,278,000	14%	\$1,321,177	14%	13.9%	\$11,120
New Berlin	947,542,000	11%	\$1,095,460	12%	11.4%	\$9,120
Greendale	513,191,000	6%	\$718,318	8%	6.9%	\$5,520
Brown Deer	493,710,000	6%	\$569,997	6%	6.0%	\$4,800
Shorewood	436,379,000	5%	\$503,777	5%	5.3%	\$4,240
County Grounds	412,072,000	5%	\$421,850	5%	4.7%	\$3,760
Mequon	312,344,000	4%	\$292,771	3%	3.4%	\$2,720
Butler	124,641,000	1%	\$145,351	2%	1.5%	\$1,200
	8,515,974,000	100.00%	\$9,327,011	100.00%	100.0%	\$80,080

Notes:

1. Milwaukee County is not listed in the PSC report so data is from 2008 water bills
2. New Berlin volume purchased and MWW revenue is doubled to account for new connection in 2009
3. Preliminary range of costs for Phase III range from \$50,000 to \$80,080.