Bauman, Robert

From: Bauman, Robert
Sent: Tuesday, July 01, 2008 3:11 PM
To: Council Members _Aides
Subject: RE: Water Sales Agreement with New Berlin

I want to bring you up to date regarding this negotiation process.

I understand there have been preliminary discussions between New Berlin and the city negotiating team. There are no council members or representatives of the council on the city's negotiating team.

At this point, these negotiations are not close to completion. As a result, I do not intend to schedule this matter before the Public Works Committee because there are many issues that must be addressed before council members are in a position to make an informed judgment on this arrangement.

First, the facts keep changing. Council members have been given three versions of the amount of New Berlin real estate that could be developed as a result of this water sale agreement. This figure ranges from 400+ acres to 1,500+ acres. There is uncertainty regarding the proposed service area. New Berlin originally requested a service area equal to the current MMSD service area. Now they are apparently requesting (or we are offering) a service area that is substantially larger since it includes areas that MMSD may serve in the future.

Second, we have discussed incorporating the terms of an agreement that the City of Cleveland negotiated with some of its suburbs that also lie outside the Great Lakes Basin. This agreement recognizes some of the exact same concerns that council members have expressed in terms of whether a water sale agreement will promote urban sprawl and diminish Milwaukee's tax base. The Cleveland agreement contained a "non-compete" provision as well as a compensation provision that would compensate Cleveland "for current and future economic losses suffered by Cleveland that may be caused by extension of water service to the Service Area". We wanted this agreement to be part of the New Berlin negotiations, but we have not heard whether this has occurred.

Finally, as Public Works Committee chair, I am very concerned with the course of these negotiations. For example, council members were never consulted prior to the commencement of negotiations regarding our negotiating position. In other words, no one asked the council what the council seeks to achieve through this water sale arrangement. In general, communication has been very poor.

At this point, I have concerns with the city negotiating team. It is apparent to me that the negotiating team is primarily concerned with selling water and does not seem to appreciate the big picture or the long term impact of these water sale agreements. The New Berlin agreement will be the first of many requests for city water service in light of the passage of the Great Lakes Compact by the legislature. It is critical that this agreement, as the first agreement, establishes the template we want to follow in subsequent negotiations.

At minimum, the council and city attorney should have representation on the negotiating team. At minimum the council should be consulted regarding the objectives the council wants to achieve through this water sale agreement. Perhaps we should legislatively establish the basic terms and conditions upon which the city will agree to sell water before voting on any particular water sale agreement.

In the next several days, you may be hearing about a need to rush this matter to a vote. It cannot and should not be rushed.

Robert Bauman
Alderman, 4th District

Bauman, Robert

From: Bauman, Robert
Sent: Thursday, July 17, 2008 11:32 AM
To: Council Members _Aides
Subject: RE: Water Sales

I understand that the administration is undertaking a significant lobbying effort to encourage water sales to New Berlin.

I respectfully suggest that members review the two previous resolutions adopted by the council in 1998 and 2003 establishing the criteria for approving water sale agreement. I think you will all agree that this proposed transaction with New Berlin does not satisfy that criteria.

There are eight criteria. The proposed New Berlin water deal fails to satisfy at least four criteria:

Criteria #5: Whether the sale may have a potentially negative economic impact on the city due to lost opportunities for attracting new business and jobs in Milwaukee.

Criteria #6: Whether the community or area to be served has adopted a comprehensive plan according to provisions of Sec. 66.1001, Wis. Stats.

Criteria #7: Whether the community or areas to be served has adopted a comprehensive housing strategy which integrates affordable housing opportunities to encourage racial and income diversification.

Criteria #8: Whether the community or area to be served has adopted a comprehensive public transportation strategy which expands and improves transportation links between disadvantaged persons living in urban Milwaukee County and suburban job opportunities.

Regarding criteria #8, there is currently no Milwaukee County Transit service between Milwaukee County and any part of New Berlin. There was one route previously, but it has been terminated. There are however, commuter bus routes on the freeways which bring New Berlin residents into downtown Milwaukee.

Obviously, the council has the power to approve this water transaction. However, I felt members should know that it does not meet the criteria we previously approved.