



# Waukesha Water Utility

SERVING WAUKESHA SINCE 1886

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To: James Owczarski, City Clerk, City of Milwaukee  
cc: Mayor Barrett  
Alderman Hines  
Ghassan Korban, Commissioner of Department of Public Works  
Carrie Lewis, Superintendant Milwaukee Water Works  
From: Steve Crandell, Interim City Administrator  
Daniel Duchniak, Water Utility General Manager  
Date: June 11, 2012  
RE: Waukesha Water Utility

As you know, Waukesha has requested permission to negotiate with the City of Milwaukee for a potential sale of water that would provide substantial economic benefits to Milwaukee water customers and allow Waukesha to provide a safe, reliable, environmentally sustainable water supply to its own customers. Waukesha has had productive meetings for several months with its other two suppliers and expects to conclude those discussions in the next few weeks. Because the Department of Natural Resources is in the final stages of its review of our application for Great Lakes water, Waukesha will need to start and complete negotiations with the City of Milwaukee by the end of July in order for a Milwaukee supply option to be among those considered by the Waukesha Common Council. Waukesha is facing a court-ordered deadline for compliance with federal radium standards and must keep the review process going to ensure completion of construction in time to comply with the court order.

In October, the Milwaukee Common Council directed various Milwaukee agencies to prepare several reports about Waukesha, prior to the authorization of negotiations. In addition, the Council requested information from Waukesha about comprehensive planning – including housing and transportation plans – as well as demographic information. We provided that information to Milwaukee in December, 2011.

Our understanding has been that a resolution to authorize the start of water negotiations would be considered by the Public Works Committee on June 20. We were unofficially informed on June 8<sup>th</sup> about a memo from Alderman Bauman, Chairman of the Public Works Committee, dated June 7<sup>th</sup> indicating that our submission from six months ago needed additional information. In order to make every effort to comply with file number 080457, we have taken it upon ourselves to supply this additional information to the file. We do so to make every effort to allow the City of Milwaukee to possibly enter into negotiations in a timely manner. We have not formally been asked for more information but fear that additional delay in hearing this item will remove Milwaukee from consideration as a realistic supplier.

The first request from Alderman Bauman was for information about areas of our proposed service area that are outside of Waukesha's municipal boundaries. (The water supply service area was recommended by the Southeastern Wisconsin Regional Planning Commission and is largely consistent with the existing wastewater treatment service area. The supply service area will be determined by the Department of Natural Resources.)

The information requested had previously been provided to Milwaukee, on April 20, 2012, at the request of Mayor Barrett's office. In response to your request, a copy of that information was provided to the City Clerk to be included in the official file on June 8.

In addition, we were asked for information regarding our public transportation links to Milwaukee. In December, we provided detailed transportation information about our transportation plan. The City of Waukesha is the major supplier of local public transit service in the Waukesha area. The taxpayers of the city have made public transit a priority by becoming owners and operators of the Waukesha Metro Transit System since August 1981.

***Waukesha's public transportation plan has resulted in the expansion and improvement of public transportation links between persons living in the City of Milwaukee and job opportunities in the City of Waukesha. Initiatives that have led to these links and opportunities include:***

- A subsidy paid by Waukesha County to Milwaukee County Transit for the extension of Milwaukee County bus route 10, linking downtown Milwaukee with Brookfield Square. This route subsidy led to a ridership of 194,199 persons in 2011.
- Bus route 1 in Waukesha that connects Brookfield Square with downtown Waukesha with transfers between the Waukesha Metro Transit System and the Milwaukee County Transit System at Brookfield Square this led to a ridership of 110,488 persons in 2011.
- Bus route 901 in Waukesha that connects Downtown Waukesha with Marquette University, Downtown Milwaukee and UW-Milwaukee.
- Bus route 904/905 that connects Oconomowoc, Delafield, Hartland and Pewaukee with Marquette University and Downtown Milwaukee. Routes 901/904/905 had ridership of 200,989 persons in 2011.
- Bus route 906 that connects Mukwonago, Big Bend and New Berlin with Downtown Milwaukee. Route 906 had ridership of 39,202 persons in 2011.

- A subsidy paid to Milwaukee County Transit to provide route 79 service from Menomonee Falls to Marquette University and Downtown Milwaukee. This route subsidy provided ridership of 57,474 persons.
- Passengers by reason of disability or who are unable to ride fixed route service are eligible to ride paratransit which is an origin to destination van with a lift. This had a ridership of 8,325 persons in 2011.
- In all 610,677 persons utilized public transportation routes connecting Waukesha and Milwaukee. This number does not city service ridership numbers.

***Our transportation plan fosters, and is planned to continue to foster, the expansion and improvement of both existing and future public transportation links between persons living in Milwaukee and existing and future job opportunities and Waukesha.***

Finally, we were asked the impacts of our affordable housing programs on racial, age and income diversification of our population.

Like many communities in southeast Wisconsin, the City of Waukesha has enjoyed moderate population growth over the past 20 years. Since 1990, the population of the City of Waukesha has increased an average of 12% with each census. As we said in December, as our population has grown, our citizenry has become a bit older (23% increase in the median age) and much more diverse. **Minorities have accounted for over 60% of our growth during the last two census periods.** While still small, the number of African Americans in Waukesha doubled in each decade. More noticeably, our Latino population, which has brought a wonderful cultural mix to our city, has grown to 12% of the total population of Waukesha. If compared to the most recent City of Milwaukee district maps, the City of Waukesha is home to more Latinos than all but five of Milwaukee's aldermanic districts. In addition to growth in African American and Latino residents, Waukesha has seen an across the board increase in each of the other two non-white categories: American Indian and Asian/Pacific Islander. As a matter of fact, the Asian population has quadrupled over the past 20 years and if again compared to Milwaukee's own aldermanic districts, Waukesha would house the 5<sup>th</sup> most Asians on a percentage basis.

At the opening of the new Waukesha Community Health Center, Sixteenth Street Community Health Centers said, "The identified needs and patient population served by this site mirrors that of the constituents we currently service in Milwaukee County. Over the last decade, the number of persons living in poverty in Waukesha County has risen from 2.7% to 6.3%, the number of persons with Medicaid coverage has nearly tripled and the number of residents who could benefit from bilingual services has increased 42%."

***As these statistics demonstrate, The City of Waukesha has adopted a comprehensive housing plan that has resulted in the creation of affordable housing opportunities that have resulted in racial, age and income diversification of the community.*** These opportunities are meant to build upon our already strong mix of traditional, transit-oriented neighborhoods and help determine the highest and best use for our land. A number of initiatives that have been adopted by the city's

Comprehensive Plan build have helped build on our strong rental housing base as is evidenced by the supporting data provided in December. These initiatives have been added to the progress that the city has already made with regard to affordable housing, as well as housing for the disabled and homeless.

Presently, 41% of the housing units in the City of Waukesha are contained in rental units. This is almost identical to the ratio of owner-occupied v. rental units in the City of Milwaukee according to the Department of City Development (66% owner-occupied according to <http://city.milwaukee.gov/ImageLibrary/Groups/cityDCD/planning/plans/Citywide/plan/Housing.pdf>). 39.5% of the housing in the City of Waukesha is in multi-unit structures, compared to a state average of 25.5%, according to 2010 Census statistics.

Our housing includes several projects that accommodate lower income and fixed income population. These include 481 units of Community Based Residential Facility (CBRF) housing, 425 units in nursing homes, 805 units of HUD assisted multi-family housing, 414 units of WHEDA Low Income Tax Credit (LIHTC) housing and 266 units of public housing run by the Waukesha Housing Authority. In addition, there are 161 other housing units that are available to low-income families and the elderly for a total of 2,552 units of affordable housing. A detailed list and additional details were provided in December.

We hope this information answers the additional questions and that Milwaukee moves forward on June 20 with authorizing negotiations for a potential water sale. Without such negotiations, neither community will have the opportunity to explore the benefits that such an arrangement can provide.