

LRB – FISCAL REVIEW SECTION ANALYSIS

MARCH 11, 2003 AGENDA
UTILITIES & LICENSES COMMITTEE

ITEM 1, FILE 020459
Emma J. Stamps

File 020459 is a resolution amending procedure and policy criteria for sale of water to neighboring communities. (Water Works)

Background

1. In April 1999, the Common Council adopted Resolution #980871, sponsored by Ald. Murphy that requires both the LRB and the Water Works to prepare separate reports to the Common Council of proposed water sales pursuant to the resolution not less than five working days prior to consideration by a Common Council committee.
2. The Common Council's consideration of any proposed water sale includes but is not limited to evaluation of the following criteria:
 1. Whether the proposed sale is the result of a water shortage or water contamination public health crisis in the community or area to be served.
 2. Whether the community or area to be served is fully developed or primarily undeveloped.
 3. Whether the community or area to be served is primarily residential or business.
 4. Whether further expansion of the community or area to be served is contingent upon the availability of City of Milwaukee water.
 5. Whether the sale may have a potential negative economic impact on the City due to lost opportunities for attracting new businesses and jobs to Milwaukee.
3. The Water Works report relates to engineering feasibility and the LRB report relates to a number of items, including but not limited to: fiscal, environmental and potential negative economic impact to Milwaukee and existing customers based on the proposed sale, impact on Milwaukee rates, and an economic and user profile of the community that seeks to purchase the water.

Discussion

1. This resolution further amends the procedure and policy criteria for the sale of water outside the City of Milwaukee by adding 3 more criteria for Council review in considering sale of water to communities:
 - a. A "Smart Growth" plan, which is a comprehensive plan, developed in accordance to the provisions of s. 66.1001, Wis. Stats.
 - b. A Comprehensive Housing Strategy that encourages racial and income diversification through integrated affordable housing opportunities.
 - c. A Public Transportation Strategy, which expands and improves transportation links between disadvantaged persons living in urban Milwaukee County and suburban job opportunities.

2. This resolution simply requires common council committee consideration of the aforementioned factors in deciding whether to sell water to communities.

Fiscal Impact

Providing only guidance and policy, this file imposes no fiscal impact.

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