

LRB – FISCAL REVIEW SECTION ANALYSIS

NOVEMBER 1, 2005 AGENDA
PUBLIC WORKS COMMITTEE

ITEM 11, FILE 050847
Emma J. Stamps

File No. 050847 is a resolution relative to a request from the City of Wauwatosa to amend their water service agreement with the City of Milwaukee to allow Wauwatosa to provide water service to the Village of Elm Grove.

Background

1. The procedure and policy criteria for the sale of water outside the City of Milwaukee by requiring communities, which seek to purchase water to is set forth in Common Council Resolution 980871 adopted April 20, 1999 and further amended via Resolution 020459 adopted March 25, 2003.
2. The Public Service Commission of Wisconsin (PSC) sets wholesale water rates. The Common Council sets retail rates based on PSC approved rate of returns. Both wholesale and retail rates require Common Council approval to implement.
3. Since 1958, the City of Milwaukee Water Works has provided wholesale water service to the City of Wauwatosa.
4. The agreement was renewed in November 2003 via Resolution 030547.
5. Any out-of-area water sales agreements by the City of Wauwatosa to properties that are not covered by the aforementioned wholesale agreement are subject to Common Council approval, pending receipt of Legislative Reference Bureau and Department of City Development analytical studies and Milwaukee Water Works evaluation of the proposed water sale at least 5 days before being heard by a Common Council committee pursuant to procedure and policy criteria for such sales.

Discussion

1. The Milwaukee Water Works received from the City of Wauwatosa a request that the City of Milwaukee amend the existing agreement to allow Wauwatosa to provide water service to the Village of Elm Grove, thereby enlarging the Wauwatosa service area to include the Village of Elm Grove.
2. The amendment would provide additional water service to the Wauwatosa for the purpose of Wauwatosa providing that water directly to the Village of Elm Grove through an exclusive water sale contract between Wauwatosa and Elm Grove.

Fiscal Impact

This file only considers the study and review of economic and political conditions of the community(ies) requesting the water sale contract amendment and has no fiscal impact.

Other Information

On June 2, 1999, the Common Council adopted Resolution 990230 authorizing City officials to investigate and evaluate the request for water service from the Village of Elm Grove that would provide for a **direct** water sale contract between Milwaukee and Elm Grove. No further action has been taken on that request.

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LRB – Fiscal Review Section
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