



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Master

**File Number: 46795**

**File ID:** 46795

**File Type:** Resolution

**Status:** Items Referred

**Version:** 1

**Reference:**

**Controlling Body:** FINANCE  
COMMITTEE

**Lead Referral:** FINANCE COMMITTEE

**Cost:**

**File Created Date :** 04/10/2017

**File Name:** City of Madison Acquisition of the Waunona Sanitary  
District #2

**Final Action:**

**Title:** Authorizing the City's Acquisition of the Waunona Sanitary District #2

### Notes:

### Code Sections:

**CC Agenda Date:** 04/18/2017

### Indexes:

**Agenda Number:** 13.

**Sponsors:** Sheri Carter, Marsha A. Rummel and Larry Palm

**Effective Date:**

**Attachments:** Intergovernmental Agreement,  
WaunonaSanitary\_Exhibit1.pdf, Lift Station  
Replacementv2.pdf

**Enactment Number:**

**Author:** Doran Viste

**Hearing Date:**

**Entered by:** smautz@cityofmadison.com

**Published Date:**

## Approval History

Version	Date	Approver	Action
1	04/12/2017	Travis J. Martin	Approve

## History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Attorney's Office	04/10/2017	Referred for Introduction				
	<b>Action Text:</b>	This Resolution was Referred for Introduction					
	<b>Notes:</b>	Finance Committee, Board of Public Works, Water Utility Board					
1	COMMON COUNCIL	04/18/2017	Refer	FINANCE COMMITTEE			Pass
	<b>Action Text:</b>	A motion was made by Rummel, seconded by Baldeh, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					
	<b>Notes:</b>	Additional referrals to Board of Public Works, Water Utility Board.					

1	FINANCE COMMITTEE	04/18/2017	Refer	BOARD OF PUBLIC WORKS	
	<b>Action Text:</b> This Resolution was Refer to the BOARD OF PUBLIC WORKS				
	<b>Notes:</b>				
1	FINANCE COMMITTEE	04/18/2017	Refer	WATER UTILITY BOARD	04/25/2017
	<b>Action Text:</b> This Resolution was Refer to the WATER UTILITY BOARD				
	<b>Notes:</b>				
1	WATER UTILITY BOARD	04/25/2017	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	Pass
	<b>Action Text:</b> A motion was made by Mayer, seconded by Cnare, to Return to Lead with the Recommendation for Approval to the Finance Committee. The motion passed by unanimous voice vote.				
	<b>Notes:</b>				
1	BOARD OF PUBLIC WORKS	05/03/2017	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	05/08/2017
	<b>Action Text:</b> Mike Dailey, Assistant City Engineer, provided information about the Waunona Sanitary District #2 and its infrastructure. Assistant City Attorney, Doran Viste was present to answer questions related the acquisition agreement. Motion made by Branson, second by Walling to Return to Lead with the Recommendation for Approval to the FINANCE COMMITTEE. Motion passed by voice vote.				
	<b>Notes:</b>				
1	FINANCE COMMITTEE	05/08/2017			

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## Text of Legislative File 46795

### Fiscal Note

The proposed resolution authorizes the City's acquisition of the Wanunona Sanitary District #2 in July of 2017. Repair and maintenance within the district will be absorbed within the existing 2017 operating budget, and potential future incremental cost increases will be incorporated into the 2018 budget if necessary.

### Title

Authorizing the City's Acquisition of the Waunona Sanitary District #2

### Body

WHEREAS, the Waunona Sanitary District #2 (WSD) was created in 1950 to provide sanitary sewer and water service within the Gallagher Plat in the Town of Blooming Grove (Blooming Grove); and,

WHEREAS, WSD is a wholesale customer of the Madison Water Utility and is reliant upon Madison for its water supply; and,

WHEREAS, over time, portions of WSD's territory have been annexed to Madison, and WSD now provides sanitary sewer and water service to some customers that reside within Madison such that WSD is comprised of approximately 20% Madison residents and 80% Blooming Grove residents; and,

WHEREAS, Madison also has some of its sewer utility customers that are reliant on portions of the WSD sewer system, including the WSD's lift station; and,

WHEREAS, the Madison Sewer and Water Utilities have found that the WSD sewer and water improvements are generally in adequate condition, an exception being the lift station which

requires some interim repairs in order to brought into compliance with Madison Metropolitan Sewerage District (MMSD) standards; and,

WHEREAS, on October 3, 2006 the "Town of Blooming Grove and City of Madison Cooperative Plan Under Section 66.0307, Wisconsin Statutes" (the "Plan") became effective, which Plan will cause Blooming Grove to cease to exist on November 1, 2027 (the "Transition Date"), with the Blooming Grove parcels in the WSD to be attached to Madison at that time, unless attached to Madison earlier by intermediate attachment as set forth in the Plan; and,

WHEREAS, Section 24.A. of the Plan states that "The Town and the City shall cooperate in good faith to implement this Cooperative Plan and may enter further agreements to facilitate an orderly transition of remaining Town territory to the City on the Transition Date." Blooming Grove and Madison have determined that the transaction memorialized in this Agreement will facilitate the orderly transition of Blooming Grove territory to Madison as contemplated by the Plan; and,

WHEREAS, if no action is taken by the Parties, upon final attachment of Blooming Grove to Madison in 2027, under Wis. Stat. Sec. 60.79(1) the WSD will be dissolved and cease to exist, with Madison assuming all the property of WSD, along with all of its assets and liabilities; and,

WHEREAS, WSD has found that it is in the best interests of its water and sanitary sewer customers to transfer its utility plant and water and sewer operations to Madison now rather than wait an additional 10-years so that Madison can begin handling the immediate, intermediate and long-term maintenance, repairs and improvements needed to adequately serve WSD's customers; and,

WHEREAS, Blooming Grove concurs that it is in the best interests of the Blooming Grove residents within the WSD to transfer sewer and water service to Madison at this time and that such a transfer will help facilitate an orderly transition of the remaining Town territory to the City under the Plan; and,

WHEREAS, in anticipation of Madison's acquisition of the WSD, Madison has already assumed maintenance responsibility for WSD's sewer and water plant pursuant to the "Intergovernmental Agreement Relating to the Interim Maintenance of Sanitary Sewer & Water Mains" entered into by WSD and Madison on January 4, 2017 (the "Interim Maintenance Agreement"), and efforts are being jointly undertaken by Madison and WSD to bring the lift station into compliance with MMSD requirements.

NOW, THEREFORE, BE IT RESOLVED that the City's assumption of the assets and liabilities of the WSD, including all water and sewer plant, and subsequently providing sanitary sewer and water service to the properties in the WSD is in the best interests of Madison; and,

BE IT FURTHER RESOLVED that, as it relates to connections to the sanitary sewer system, existing and future connections to the system by properties within the WSD are in the Madison's best interests as required under Madison General Ordinances Sec. 35.02(4)(b); and,

BE IT FURTHER RESOLVED the transition of WSD's water utility to Madison will not substantially impair the efficiency of the service of the Madison Water Utility, provide facilities unreasonably in excess of the probable future requirements, or add to the cost of service without proportionally increasing the value or available quantity of service when placed into operation;

and,

BE IT FURTHER RESOLVED that, to effectuate the acquisition, the Mayor and the City Clerk are authorized to enter into an Intergovernmental Agreement Relating to the Acquisition of the Waunona Sewer District #2 with WSD and Blooming Grove, in a form that is acceptable to the City Engineer, the Water Utility General Manager, the Risk Manager and the City Attorney and on terms consistent with the agreement attached hereto; and,

BE IT FINALLY RESOLVED that the Madison Water Utility is authorized to file a petition with the Public Service Commission of Wisconsin seeking approval of the City's acquisition of WSD's water utility, consistent with the joint petition attached hereto.