



COMMISSION FILE NO: 26-076-6 **DATE INTRODUCED:** June 8, 2026

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Operations Committee

RELATING TO: Change Order Request and Delegate Executive Director Change Order Authority, Contract S06059D01, Design and Engineering Services for South Shore Water Reclamation Facility Solar Panel Installation Phase 1

SUMMARY:

The Commission is requested to authorize the Executive Director to execute a change order to Contract S06059D01, Design and Engineering Services for South Shore Water Reclamation Facility (SSWRF) Solar Panel Installation Phase 1, with Donohue & Associates, Inc., (Donohue) in an amount not to exceed \$32,910.

Further, the Commission is requested to delegate \$50,000 in change order authority to the Executive Director for future change orders to Contract S06059D01, Design and Engineering Services for SSWRF Solar Panel Installation Phase 1, with Donohue.

The District's 2035 Vision calls for providing 100% of the District's energy needs through renewable energy sources and reducing the District's carbon footprint by 90% of its 2005 baseline. To achieve the energy goals of the 2035 Vision, the District created an Energy Plan, which the Commission adopted in March 2024. Along with multiple other recommendations, the plan recommended the eventual installation of 25 Megawatts (MW) of photovoltaic solar panels at SSWRF.

The District's 10-Year Capital Plan includes Project S06059, Solar Panel Installation at SSWRF. The project's scope includes phased installation of the 25-MW of solar panels. District staff have initiated and are finalizing design of the first phase, which includes design and construction of a one-MW solar array in the northwest area of SSWRF.

ATTACHMENTS: BACKGROUND KEY ISSUES RESOLUTION
FISCAL NOTE SBE OTHER _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Change Order Request and Delegate Executive Director Change Order Authority,
Contract S06059D01, Design and Engineering Services for South Shore Water
Reclamation Facility Solar Panel Installation Phase 1

In September 2025, the Executive Director entered into Contract S06059D01 with Donohue to perform design of the one-MW solar array. The scope of the contract includes the following engineering services:

- Project management.
- Design services.
- Bid and award services.
- Engineering services during construction.
- Operation and maintenance manual development and training.
- Applications engineering.

Donohue is currently progressing with final design of the solar array, which will be publicly advertised in June. Earlier this year, the District separately contracted for the purchase of electrical switchgear equipment and transformers necessary for the project. Construction of the one-MW solar array is expected to begin in October 2026.

During design, Donohue identified that this project may be eligible for financial incentives under the Inflation Reduction Act of 2022 (IRA22). IRA22 includes provisions that allow governmental entities, including utilities, to receive direct payments from the federal government for qualifying clean energy projects in lieu of traditional federal tax credits. Following additional evaluation and discussion with Donohue, staff concurs that the project is likely eligible for this program. Based on current estimates, the District could potentially receive up to \$1.9 million associated with the project through this funding opportunity.

Due to the specialized federal tax, regulatory, labor compliance, and documentation requirements associated with the IRA22 direct payment process, staff recommends adding professional services to Donohue's contract to support the District's pursuit of this funding opportunity. The direct payment process involves detailed eligibility evaluations, cost tracking, prevailing wage compliance verification, coordination of supporting documentation, and ongoing compliance management throughout project development and construction. Actions taken during design and construction can directly affect both project eligibility and the amount ultimately received by the District.

Although the direct payment request cannot be submitted until the project is placed into service, the supporting compliance measures and documentation requirements must be established and maintained throughout the duration of the project. These services require specialized expertise and familiarity with IRA22 guidance and associated federal requirements to help reduce the risk of noncompliance, ineligible costs, delayed reimbursement, or reduced payment amounts.

SUMMARY (Cont'd)

Change Order Request and Delegate Executive Director Change Order Authority,
 Contract S06059D01, Design and Engineering Services for South Shore Water
 Reclamation Facility Solar Panel Installation Phase 1

The District authorized a prior change order for this contract under the Executive Director’s authority for Donohue to complete the initial phase of work associated with establishing base energy credit compliance. Donohue subcontracted with Baker Tilly to provide these services due to Baker Tilly’s specialized expertise with IRA22 requirements and experience supporting similar projects in Wisconsin. Baker Tilly has also previously worked with Donohue as a subcontractor on comparable efforts. This initial phase of work included evaluating project eligibility under IRA22, reviewing proposed project funding sources and uses, interpreting applicable IRA22 eligibility requirements, and developing preliminary estimates of the potential direct payment available to the District through the program.

The requested change order provides for additional phases of Baker Tilly work to establish the post-construction eligible energy basis for the federal tax credit, and for completing and filing the necessary paperwork for claiming the tax credit.

SUMMARY OF COST CHANGES

	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY	SWMBE
Original Contract	\$270,935	-	Executive Director	33%
Previous Change Order	\$25,490	9.4%	Executive Director	0%
Requested Change Order	\$32,910	12.1%	Request of the Commission	0%
Total Change Orders	\$58,400	21.6%	-	0%
TOTAL	\$329,335	-	-	27.1%

SUMMARY (Cont'd)

Change Order Request and Delegate Executive Director Change Order Authority,
Contract S06059D01, Design and Engineering Services for South Shore Water
Reclamation Facility Solar Panel Installation Phase 1

Commission policy delegates to the Executive Director the authority to enter into contracts less than \$300,000 without Commission approval, which was done for Contract S06059D01. If a contract and cumulative change orders exceed \$299,999, the Executive Director shall seek the approval of the Commission. To date, change orders totaling \$25,490 under the Executive Director's authority have been executed, leaving \$3,574 in remaining authority. Engineering contracts under \$500,000 awarded by the Commission typically provide the Executive Director with the authority to make changes of up to \$50,000. This request to delegate \$50,000 in authority to the Executive Director for Contract S06059D01 is consistent with Commission policy and is necessary in case additional change orders are required.

RESOLUTION

Change Order Request and Delegate Executive Director Change Order Authority,
Contract S06059D01, Design and Engineering Services for South Shore Water
Reclamation Facility Solar Panel Installation Phase 1

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a change order in an amount not to exceed \$32,910 to Contract S06059D01, Design and Engineering Services for South Shore Water Reclamation Facility Solar Panel Installation Phase 1, with Donohue & Associates, Inc.

FURTHER RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is delegated \$50,000 in change order authority for future change orders to Contract S06059D01, Design and Engineering Services for South Shore Water Reclamation Facility Solar Panel Installation Phase 1, with Donohue & Associates, Inc.