



Commission Policy

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	Last Revised: 03/24/2025 12/15/2025
	Effective: 03/24/2025 12/15/2025

Policy Purpose: This policy outlines the contract award authority for the Commission and staff and the expenditure of monies from the Operations and Maintenance and Capital Budgets, the Executive Director's authority to make contract modifications, contract language requirements, and apprentice requirements in contracts.

I. Contract Award Authority

A. Contracts Requiring Commission Approval and Exceptions

All contracts of the District involving an expenditure of \$300,000 or more shall be awarded by the Commission, except as provided in paragraphs I.A.1. and I.A.2. below.

1. Emergency Purchases

Contracts for the provision of supplies, materials or services in the event that threatened or actual damage to the sewerage system creates an emergency in which public health or welfare is likely to be endangered. All Commissioners shall be notified in writing by the Executive Director within four working days of the circumstances requiring and terms of any contract awarded pursuant to this paragraph.

2. Utilities

Expenditures within the approved budget for telecommunications, water, electricity, and natural gas do not require Commission award. Expenditures for utilities to relocate infrastructure shall be approved by the Commission when it is \$300,000 or more, consistent with section I.A. above.

B. Contracts Requiring Executive Director Approval

1. Contracts involving an expenditure of less than \$300,000 or awarded pursuant to Sections I.A.1. and I.A.2. above may be authorized by the Executive Director provided:

- a. The aggregate value of all contracts authorized for a cost center of the Operation and Maintenance Budget pursuant to this subsection, plus all other monies previously authorized for that Cost Center, shall not exceed the total allocated for the Cost Center unless authorized by Commission Policy or action of the Commission.
- b. The aggregate value of all contracts authorized for an element of the Capital Budget, pursuant to this subsection, plus all other monies previously authorized from the same capital budget element, shall not



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exceed the total amount allocated to the Capital Budget element unless otherwise authorized by Commission Policy or action of the Commission.

- c. Contracts awarded pursuant to paragraph I.A.1. are not subject to the limitations contained in paragraphs I.B.1. and 2.

2. Contracts for less than ~~\$20,000, unless the amount~~ required by law to be advertised and let to the lowest responsive, responsible bidder.
3. The aggregate value of all contracts authorized for a Cost Center, plus all other monies previously authorized for that Cost Center, shall not exceed the total amount allocated for that cost center unless otherwise approved by Commission Policy or by action of the Commission.

C. Reporting Requirements

The Executive Director shall provide a quarterly report to the Commission of all contracts and expenditures authorized by him or her in excess of \$20,000 pursuant to Section I.B.1.

D. Delegation of Authority

The Executive Director may delegate all or any part of the authority granted above.

II. Contract Modifications

A. Construction Contract Modifications

The Executive Director is delegated full authority to make changes to construction contracts with the following limitations:

1. For Time Extensions

Unlimited except for time extensions which would have an impact on contract price in excess of delegated authority or adverse impact upon a court ordered schedule or timetable.

2. For Contract Price

Cumulative contract modifications (change orders) resulting in an increase in contract price may not exceed \$400,000 or 10% of the original contract, whichever is less, and cumulative contract modification authority of \$50,000 for contracts authorized by the Commission in an original amount between \$300,000 and \$500,000.

B. Architect and Engineering Service Contract Modifications

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The Executive Director is delegated full authority to approve changes in architectural and engineering service contracts with the following limitations:

1. For Time Extensions
Unlimited, except for time extensions which would have an impact on contract price in excess of delegated authority or adverse impact on a court ordered schedule or timetable.
2. For Contract Price
Cumulative contract modifications (change orders) relating to scope or level of effort and attendant expenses resulting in a change in price may not exceed \$200,000 or 10% of the original cost ceiling, whichever is less, and cumulative contract modification authority of \$50,000 for contracts authorized by the Commission in an original amount between \$300,000 and \$500,000.

C. Other Professional Service Contract Modifications

The Executive Director is delegated full authority to make changes to professional service contracts with the following limitations:

1. For Time Extensions
Unlimited, except for time extensions which would have an impact on contract price in excess of delegated authority or adverse impact on a court ordered schedule or timetable.
2. For Contract Price
Cumulative contract modifications (change orders) relating to scope or level of effort and attendant expenses resulting in a change in price may not exceed \$100,000, or 10% of the original cost ceiling, whichever is less, and cumulative contract modification authority of \$50,000 for contracts authorized by the Commission in an original amount between \$300,000 and \$500,000.

D. All Other Contract Modifications

The Executive Director is delegated full authority to make changes to all other contracts with the following limitations:

1. For Time Extensions
Unlimited except for time extensions which would have an impact on contract price in excess of delegated authority or adverse impact upon a court ordered schedule or timetable.
2. For Contract Price



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Cumulative contract modifications (change orders) resulting in an increase in contract price may not exceed \$100,000, or 10% of the original contract price, whichever is less, and cumulative contract modification authority of \$50,000 for contracts authorized by the Commission in an original amount between \$300,000 and \$500,000.

E. Delegation and Reporting

The Executive Director may redelegate all or any part of this authority. The Executive Director shall maintain a reporting system of contract modifications. Reports shall be provided to the Commission upon request.

F. Modifications in Excess of Authority

Any modification to any contract in excess of the amount or percentage specified above must be approved by Commission resolution. For any contract that was below the \$300,000 total or requiring Commission approval at the time of initial contract award under Sections I. and II. above, in the event that contract and cumulative amendments exceed \$300,000 in total, the Executive Director shall seek the approval of the Commission.

G. Legal Approval

All contract modifications (change orders) shall be approved for form and legality, prior to issuance, by the Director of Legal Services or his/her duly authorized representative.

III. Bid and Contract Documentation Language Requirements

A. Bid Documents

The District's Procurement Department is directed to create and amend ~~bid documents~~ solicitations for bids and requests for proposals as necessary, to effectively implement Commission Policy 1.78.01, Procurement Practices, ~~Disadvantaged Business Enterprises, and Location Participation~~ to Ensure Competition and a Resilient Workforce.

B. All Contracts

It is the District's policy to encourage equal employment opportunity practices on the part of its suppliers of goods and services. Persons seeking to do business with the District are expected to comply with applicable federal, State of Wisconsin, and local laws, regulations, and orders relating to equal employment opportunity and nondiscrimination for employees and subcontractors. The District shall include equal employment

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opportunity and nondiscrimination requirements in its purchasing and contracting documents.

C. Construction Contracts

All construction contracts shall contain a provision requiring a contractor to pay liquidated damages for delay unless an alternative strategy is approved by the Director of Legal Services and Executive Director. Construction contracts shall provide performance bonds and payment bonds as required by Wisconsin law, and the Commission Chair may delegate authority for signing bonds on behalf of the District to the Executive Director.

~~IV. Requirements for Apprenticeships in Contracts~~

~~This policy promotes the utilization of apprentices and ensure the development of an adequate workforce for the completion of the District's capital improvement program as contained in the District's annual Capital Budget. The Executive Director may require that no contract or subcontract shall be awarded unless the bidder agrees to an acceptable apprenticeship program, including specific ratios of apprentices in skilled trades that have been determined as apprenticeable by the State of Wisconsin.~~

~~A. Definitions~~

~~1. Apprentice~~

~~A person who has entered into an apprenticeship agreement governed by Wis. Stats. 106.01, Apprentice, Employment and Equal Rights Programs.~~

~~2. Construction~~

~~Either new construction, renovation, rehabilitation, demolition, or repair work on any project in the District's capital improvement program as contained in the District's annual Capital Budget.~~

~~B. Implementation~~

~~For all construction contracts greater than \$1 million dollars and with a duration of greater than six months, the Executive Director may implement a requirement to utilize apprentices.~~

~~The contractor and each subcontractor shall provide every opportunity possible to enable the apprentice to become a skilled craftsman, and apprentices shall be assigned journeyman mentors to help develop their skills. The contractor and each subcontractor will provide proof that they employ apprentices appropriate for the nature~~



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~~of work being performed and in accordance with the maximum ratio of apprentices to journeymen. Such apprentices shall be properly indentured under Section §106.01, Wis. Stats. A bidder that does not meet the apprentice goal in a bid must submit documentation of good faith effort to secure appropriate apprenticeship participation.~~

~~Reasonable exemptions from and modifications to all requirements of this policy may be made to any specific contract or subcontract when special circumstances indicate that an apprenticeship requirement may be impractical or unworkable.~~

~~C. — Compliance~~

~~In the event of failure to meet these ratios, the contractor shall be given an opportunity to demonstrate that every good faith effort to meet this commitment has been made. Such noncompliance by the contractor or subcontractor shall be taken into consideration by the Executive Director in determining whether such contractor or subcontractor can comply with this policy and is therefore a qualified responsible bidder.~~

~~If the contractor or subcontractor fails to comply with this policy, the Executive Director may take one or more of the following actions: withhold payments on the contract; terminate, suspend, or cancel the contract in whole or in part; consider the contractor to be nonresponsive for future contracts; or any other remedy available to the District.~~

~~D. — Reporting~~

~~The Commission shall receive quarterly updates on the status and outcomes of the policy.~~