

**COMMISSION FILE NO:** 21-088-6 **DATE INTRODUCED:** June 14, 2021

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

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Authorizing the Executive Director to Execute up to 15 Purchase Orders for Private Property Infiltration and Inflow Reduction Residential Program Approved Contractors through 2026 for Project M10007, Infiltration and Inflow Removal on Private Property via Residential Request

**SUMMARY:**

The Commission is requested to authorize the Executive Director to execute purchase orders for up to 15 District preapproved contractors completing work through Project M10007, Infiltration and Inflow (I/I) Removal on Private Property via Residential Request, for a total value not to exceed \$6.3 million through 2026, contingent on District annual budget approvals.

Through the 2020 revisions of the Private Property Infiltration and Inflow (PPII) Policy, the residential component of the PPII Program, Pipe Check, was created to provide funding for individual residential private property owners in the service area's 28 municipalities to reduce I/I. The work is completed by contractors preapproved by the District through a qualifications-based evaluation process. Qualifying property owners contract directly with a preapproved contractor of their choice. Pipe Check funding offsets the total cost of the work through financial incentives paid to the contractor on behalf of the homeowner. This work helps the District meet its Wisconsin Pollutant Discharge Elimination System permit goal of eliminating 56 million gallons of clear water from the sanitary system over the five-year term of the permit. The program also increases public awareness and education about PPII, while facilitating solutions that allow more small and locally owned businesses to compete for District work.

**ATTACHMENTS:** **BACKGROUND** ☒ **KEY ISSUES** ☐ **RESOLUTION** ☒  
**FISCAL NOTE** ☒ **S/W/MBE** ☐ **OTHER** ☐ \_\_\_\_\_

*PFP\_M10007\_Pipe\_Check\_legislative\_file.docx*  
05-21-21

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## **BACKGROUND**

Authorizing the Executive Director to Execute up to 15 Purchase Orders for Private Property Infiltration and Inflow Reduction Residential Program Approved Contractors through 2026 for Project M10007, Infiltration and Inflow Removal on Private Property via Residential Request

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In February 2011, the Commission authorized the PPII program for 10 years through Resolution 11-037-2. In April 2020, the Commission adopted policy revisions through Resolution 20-058-4 that incorporate lessons learned from the program's first 10 years. The first 10 years of the program focused on prioritized solutions in specific neighborhoods experiencing wet weather performance issues. While the work has been successful in reducing sanitary system flows, feedback from residents identified opportunities to work directly with the private property owners that will lead to more engagement, awareness, and quality control.

The Pipe Check Program approach offers effective and efficient solutions to PPII and is founded on the principles of similar successful programs in West Allis, Wisconsin, and Duluth, Minnesota. The Pipe Check Program provides fixed unit cost financial incentives that offset homeowner out-of-pocket costs for qualifying work that comprehensively rehabilitates their aged and damaged infrastructure, rather than only applying patch repairs.

Some of the benefits of the Pipe Check Program include:

- Reduced basement backups – Pipe Check increases opportunities for program participation by allowing more homeowners to participate with a wider variety of I/I solutions offered.
- Increased small, women, and minority-owned business enterprise involvement – Pipe Check is tailored for work most effectively completed by small residential plumbing contractors with diverse ownership.
- Competitive pricing – Homeowners will have a list of approved contractors from which to choose. Contractors must provide competitive pricing to successfully contract with homeowners.
- Quality control – Municipal plumbing inspectors will inspect the work through the standard permitting process.
- Reduced liability and risk – Homeowners initiate the work, choose the contractor, and approve the scope of work that will be completed in their homes.
- Increased public awareness – Homeowners are more engaged in the work, since they initiate the work, make the decisions, and have a financial commitment.

## **BACKGROUND (Cont'd)**

Authorizing the Executive Director to Execute up to 15 Purchase Orders for Private Property Infiltration and Inflow Reduction Residential Program Approved Contractors through 2026 for Project M10007, Infiltration and Inflow Removal on Private Property via Residential Request

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The six-year District Long-range Financing Plan (LRFP) for Project M10007 (the Pipe Check Program) is \$6.3 million. The proposed cashflow for the project is shown in the table below and will be updated annually. Of the \$6.3 million, \$1.3 million is approved and budgeted for 2021. The remaining \$5 million is planned to be funded in the LRFP that the Commission acts on through the annual approval of the budget. The LRFP functions as a plan only and does not set or commit any expenditures or tax levies in the years beyond the current approved budget. The Commission does not act on any expenditure scheduled beyond the LRFP. As budgets for future years are prepared, staff will present to the Commission the recommended annual funding levels for Pipe Check, depending on budget constraints.

<b>Program Year</b>	<b>Planned Budget</b>
2021	\$1,300,000
2022	\$1,000,000
2023	\$1,000,000
2024	\$1,000,000
2025	\$1,000,000
2026	\$1,000,000
Total	\$6,300,000

## RESOLUTION

Authorizing the Executive Director to Execute up to 15 Purchase Orders for Private Property Infiltration and Inflow Reduction Residential Program Approved Contractors through 2026 for Project M10007, Infiltration and Inflow Removal on Private Property via Residential Request

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute purchase orders for up to 15 District preapproved contractors completing work through Project M10007, Infiltration and Inflow Removal on Private Property via Residential Request, for a total value not to exceed \$6.3 million through 2026, contingent on District annual budget approvals.