



Wauwatosa, WI

Financial Affairs Committee

Meeting Agenda - Final

7725 W. North Avenue
Wauwatosa, WI 53213

Tuesday, October 21, 2025

7:00 PM

Committee Room #1 and Zoom:
<https://servetosa.zoom.us/j/81144274572>,
Meeting ID: 811 4427 4572

Regular Meeting

HYBRID MEETING INFORMATION

Members of the public may observe and participate in the meeting in-person or via Zoom at the link above. To access the Zoom meeting via phone, call 1-312-626-6799 and enter the Meeting ID.

CALL TO ORDER

ROLL CALL

FINANCIAL AFFAIRS COMMITTEE ITEMS

1. Consideration of approval of a contract with the Cities and Villages Mutual Insurance Company (CVMIC) for third-party administration of worker's compensation services [25-1925](#)
2. Consideration of request from the City Engineer for Amendment Number 1 of the State Municipal Agreement with the Wisconsin Department of Transportation for the North Avenue reconstruction project between 95th Street and Wauwatosa Avenue (CIP Project 1127) [25-1922](#)
3. Consideration of request from the City Engineer for approval of State Municipal Agreements with the Wisconsin Department of Transportation for Street Lighting Conversion under the Carbon Reduction Program (CIP Project #2403) [25-1923](#)
4. Review and Adoption of the 2026 Proposed Budget [25-1743](#)

ADJOURNMENT

NOTICE TO PERSONS WITH A DISABILITY

Persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (414) 479-8917 or send an email to tclerk@wauwatosa.net, with as much advance notice as possible.



CITY OF WAUWATOSA

Human Resources Department

To: Financial Affairs Committee

From: Beth Mbow, HR Director; John Ruggini, Finance Director

Date: October 21, 2025

Subject: Selection of Worker's Compensation Third-Party Administration Services

Issue:

Request for approval to enter a contract with Cities and Villages Mutual Insurance Company (CVMIC) for third-party administration of worker's compensation claims.

Background:

In July 2025, the City began a process to review our worker's compensation worker's compensation services. A third-party administrator (TPA) manages our workers' compensation program on the City's behalf. They handle the day-to-day claims process to ensure injured employees receive proper care and benefits while helping the City control costs and comply with state laws. Since 2016, the City has utilized Aegis for these services. The current contract is set to expire on 12/31/2025. The goal of this RFP process is to ensure continuity of services and to evaluate opportunities for improved efficiency, service quality, and cost effectiveness.

We received a total of four vendor responses. Two of the responders did not have local and/or municipal experience. The remaining two vendors were our current provider, Aegis and CVMIC. From there, we conducted a robust analysis of the two potential proposals and an interview process with questions designed to target our specific needs.

We came to the consensus that CVMIC will provide improved focus on analyzing injury trends, better cost containment strategies, and a more positive customer service experience for our employees. CVMIC's contract is also the most affordable of the proposals. Furthermore, we utilize CVMIC for many of our insurance needs and have familiarity and trust in them as a provider.

Recommendation

Staff recommends approval to enter into a contract with CVMIC for worker's compensation third-party administration services beginning on 1/1/2026.

**THIRD PARTY ADMINISTRATIVE SERVICES AGREEMENT BETWEEN
CITIES AND VILLAGES MUTUAL INSURANCE COMPANY
AND
CITY OF WAUWATOSA**

This document constitutes a Third Party Administrative Services Agreement (“Agreement”) between Cities and Villages Mutual Insurance Company, a Wisconsin municipal mutual insurance company (“CVMIC”), and the City of Wauwatosa (“City”), a Wisconsin municipality.

I. TERM OF AGREEMENT

This Agreement shall commence on January 1, 2026 and be in effect until January 1, 2031 unless cancelled by one or both parties to the agreement as outlined in Section VII, Termination of the Agreement.

II. FINANCIAL TERMS

CVMIC will charge an annual flat fee to the City of Wauwatosa per the schedule below:

Program Year	Annual Flat Fee	*Transfer Fee	Total Fees
2026 (1/1/2026 – 12/31/2026)	\$25,000	\$2,200	\$27,200
2027 (1/1/2027 – 12/31/2027)	\$26,250	\$2,200	\$28,450
2028 (1/1/2028 – 12/31/2028)	\$27,500	\$2,200	\$29,700
2029 (1/1/2029 – 12/31/2029)	\$28,750	\$2,200	\$30,950
2030 (1/1/2030 – 12/31/2030)	\$30,000	\$2,200	\$32,200

The annual flat fee is based on estimated claim volume for indemnity claims, medical-only claims and incident-only reports, regardless of the length it takes for the claim to be completed. Indemnity claims are defined as all other-than medical-only claims. The City will promptly report all claims or incidents reasonably likely to give rise to a claim to the CVMIC claim department. The annual flat fee will be billed in the 1st quarter of each program year.

An initial fee of \$11,000 will be charged to transfer the existing claims from the previous TPA. This fee covers the review of claims by the assigned adjuster and integration of the claim data into our RMIS system. *The fee will be charged in annual installments as identified in the table above.

Flat fee pricing claims handling will remain in effect for the life of the file with no termination penalty. The index bureau filing fee is included in the annual flat fee quoted. Where available, CVMIC will obtain PPO discounts. Medical payments will be based on recognized Wisconsin database.

This Agreement applies on a “per claimant” basis, not a “per accident” basis. This Agreement excludes allocated expenses which are outlined in Section V, Conditions of the Agreement.

Amendments to this agreement will be communicated for each calendar year on or around September or October for the following year budget and services.

III. SERVICES TO BE PROVIDED BY CVMIC

The following services will be rendered by CVMIC:

- A. Following completion of Workers’ Compensation First Report of Injury Form by the City through the online claims system, CVMIC will forward first report of injury to the State on all reportable injuries.
- B. CVMIC will provide a customized one-page letter to the injured employee.
- C. CVMIC will review each reported claim for the purpose of determining whether it is legally valid and qualifies for benefits under the Wisconsin Worker’s Compensation Act.
- D. CVMIC will make required payments on behalf of the City for compensation (e.g. TTD) and medical benefits for claims that CVMIC believes are legally valid and qualify for benefits.
- E. CVMIC will provide litigation management services for each claim.
- F. CVMIC will issue subrogation recovery letters to potentially responsible third parties and/or issue reservation of rights letters to claimants.
- G. CVMIC will provide monthly loss runs and loss fund activity reports.
- H. CVMIC will establish reserves for claims and periodically evaluate such reserves and adjust as necessary.
- I. CVMIC will provide services as an Agent under the U.S. Government Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA Section III). The City will be a Responsible Reporting Entity (RRE) as a qualified self-insured entity under the SCHIP Extension Act of 2007.
- J. CVMIC will review bills from service providers, including physicians, hospitals, diagnostic organization and chiropractors for reasonableness, necessity of treatment, accuracy and completeness.

- K. CVMIC will coordinate the appropriate agreed upon Medical Cost Containment Services, Vocational Rehabilitation Services, and other services as necessary. These services are paid as allocated expenses and are not included in the fees paid.
- L. CVMIC will monitor medical treatment of injured employees. To the extent permitted under State law; CVMIC will select providers and assist in medical management, including the selection of independent medical examiners and rehabilitation providers.
- M. CVMIC will provide other reports (e.g. WKC-16s, etc.) to the State as required under the terms of the Wisconsin Worker's Compensation Act.
- N. CVMIC will report claims to the City's excess workers' compensation carrier as required by the City.

IV. THE CITY AGREES AS FOLLOWS:

- A. CVMIC will bill the City for services rendered on an annual basis and payment for services will be made to CVMIC in the 1st Quarter of each Program Year.
- B. The City will promptly refer all claims that are covered by this Agreement to CVMIC.
- C. The City will establish a claims-paying fund (checking account).
- D. The City will maintain a loss fund for the payment of claims and allocated expenses. The City agrees that CVMIC will not be liable for any fines, assessments, fees, judgments or penalties except where caused by the sole negligence or willful misconduct of CVMIC.
- E. The City will endeavor to respond within ten (10) work days to settlement or other action recommended by CVMIC.

V. CONDITIONS

- A. This Agreement excludes payment by CVMIC of "Allocated Expenses" for any claim which are the responsibility of the City and shall include, but not be limited to the following:
 - Attorney & Legal Fees
 - Professional Photographs
 - Medical Records
 - Expert's Rehabilitation Costs
 - Accident Reconstruction
 - Architects, Contractors, Engineers
 - Police, Fire, Coroner, Weather or Other Reports Needed

- Property Damage Appraisals
 - Extraordinary Costs for Witness Statements
 - Official Documents & Transcripts
 - Medical Examinations (Including Second Opinions)
 - Unusual Travel (Made at City's Request)
 - Surveillance
 - Court Reporters
 - Fees for Service of Process
 - Pre- and Post-Judgement Interest Aid
 - Chemists & Other Experts
 - Any other similar cost, fee or expense reasonable chargeable to the investigation, negotiation, settlement or defense of a claim or loss which must have the explicit prior approval of the City
- B. CVMIC's proposal is based on the assumption that the City will be consenting to make payment based on CVMIC's recommendation and CVMIC will not be making payments on the City's behalf. If the City desires CVMIC to make payment, additional cost of bank services will be charged at the City's expense.
- C. This Agreement does not include any charge(s) for the preparation of annual workers' compensation reports or for access to the Origami claims system for claims and reporting information.

VI. DISPUTE RESOLUTION

All disagreements, complaints and alleged improprieties between CVMIC and the City of Wauwatosa will first be addressed by discussions between the Chief Executive Officer of CVMIC and/or his or her designated representation(s) and the City's designated representative(s).

Failing resolution through the above procedure, the parties thereafter agree to arbitrate before three arbitrators any dispute or controversy that may arise between them with respect to the meaning, effect, performance, enforcement or other issue in connection with, arising out of or relating to this Agreement. The City and CVMIC will each select an arbitrator and the selected arbitrators will jointly select a third arbitrator. The City and CVMIC will each pay the expenses, fees, and other costs for their single chosen arbitrator, and the expenses, fees, and costs of the third arbitrator shall be paid equally between the City and CVMIC. The arbitrators shall have the power to grant all legal and equitable remedies and award compensatory damages as provided by applicable law and this Agreement. The arbitrators shall not have the power to award punitive damages. The parties specifically waive any right to seek or collect punitive damages under this Agreement. The arbitrators shall prepare in writing and provide to the parties an award indicating factual findings and the reason on which the decision is based. The award may be vacated or corrected for any errors of law or legal reasoning by the arbitrators. Except as expressly set forth herein, the award of the arbitrators shall be final and binding on both parties and may be entered in a court having jurisdiction thereof over the City and CVMIC.

VII. TERMINATION OF AGREEMENT

This Agreement may be terminated by CVMIC or the City for any reason by giving the other party written notice. The termination shall be effective thirty (30) days after receipt of written notice of termination or at such earlier time as may be mutually agreeable to CVMIC and the City. The charge set forth in Section II shall be paid based on the claims adjusted.

VIII. SUBCONTRACTORS AND VENDORING

CVMIC shall not subcontract any aspect of its responsibilities to any subcontractor without the written approval of the City.

IX. COST OVERRUNS

CVMIC shall not bill the City for any operations/management expenditures and shall only bill the City for those fees stated in Section II and IV of this Agreement.

X. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

XI. CONSIDERATION

For good and valuable consideration, CVMIC and the City agree to the terms and conditions set forth herein.

XII. HEADINGS, CAPTIONS AND SECTIONS

Headings or captions used herein are included for reference purposes only and are not a part of the Agreement or in any way to define, limit or describe the scope or intent of the particular provision to which they refer.

XIII. AMENDMENT

No addition or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by the City and CVMIC.

XIV. ENTIRE AGREEMENT

This Agreement and any other documents attached hereto or incorporated herein by reference, represent the entire agreement of the parties with respect to the subject matter hereof, and all negotiations, correspondence, communications and agreements entered into prior hereto are revoked and suspended by this Agreement, and no representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein.

IN WITNESS WHEREOF, CVMIC has caused this Agreement to be executed in its name by its duly authorized Chief Executive Officer and the City has caused this Agreement to be executed in its name by a duly authorized officer, all effective as of January 1, 2026.

CITY OF WAUWATOSA

Printed Name: _____

Signature: _____

Title: _____

Date: _____

CITIES AND VILLAGES MUTUAL INSURANCE COMPANY

By: _____
Steve Stanczak, Chief Executive Officer

Date: _____



Staff Report

File #: 25-1922

Agenda Date: 10/21/2025

Agenda #: 2.

Consideration of request from the City Engineer for Amendment Number 1 of the State Municipal Agreement with the Wisconsin Department of Transportation for the North Avenue reconstruction project between 95th Street and Wauwatosa Avenue (CIP Project 1127)

Submitted by:

Boris Veleusic, PE
City Engineer

Department

Department of Public Works, Engineering

A. Issue

Consideration of request from the City Engineer for Amendment Number 1 of the State Municipal Agreement (SMA) with the Wisconsin Department of Transportation (DOT) for the North Avenue reconstruction project between 95th Street and Wauwatosa Avenue (CIP Project 1127)

B. Background/Options

In 2023, the Common Council approved an SMA with the DOT for the reconstruction of North Avenue from 95th Street to 73rd Street (CC: Res R-23-17).

At that time, DOT had only awarded partial funding to be used for the design phase of the project with the opportunity to apply for the remainder of funding needed for construction, in the next Surface Transportation Program (STP) cycle.

The City did indeed apply for the remainder of the funding in that next cycle and it was approved. The SMA has been updated to reflect the new project totals, including design and construction funding. With the approval for the roadway funding, we adjusted the project schedules in order to combine the Menomonee River bridges replacement project with this North Avenue roadway project into a single construction package, with construction anticipated in 2028 & 2029.

C. Strategic Plan (Area of Focus)

Priority 2: Public Safety Goal 2, Proactively address pedestrian, bicycle, and vehicle safety.
Priority 3: Infrastructure, Goal 2, Ensure the City's infrastructure supports public health through multimodal transportation and recreational opportunities.

D. Fiscal Impact

The total estimated cost of the roadway project is \$24,200,000. As part of the STP program, eligible project costs are funded 80% federal and 20% local. The federal funded portion is held to a max equal to the application amount and the City is responsible for the project costs thereafter. The estimate above does not include the cost to design and replace the sanitary sewer and water main.

Funding for our share of the project is included in our Capital Improvements Plan (CIP project 1127). This number will be updated as GRAEF proceeds with design. Final costs will be determined by final design and bid prices.

E. Recommendation

Authorize execution of the attached State/Municipal Agreements for Construction and Maintenance obligations.

Urbanized Area STP-Urban (206) Standard SMA Template

 1st Revision STATE/MUNICIPAL AGREEMENT FOR A STATE- LET STP Urban PROJECT Program Name: STP-Urban Population Group: 200,000+ Sub-program #: 206 Cycles: 2023-2026 and 2024-2029 <i>This agreement supersedes the agreement signed by the Municipality on May 3,4 & 7, 2023, and signed by State on May 15, 2023</i>	Revised date: November 15, 2024 Date: January 31, 2023 I.D.: 2135-15-00/70 Road Name: W North Ave Limits: 95th St to N 73rd St County: Milwaukee Roadway Length: 1.34 miles Functional Classification: Principal Arterial Project Sponsor: City of Wauwatosa
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The signatory, City of Wauwatosa, hereinafter called the Municipality, through its undersigned duly authorized officers or officials, hereby requests the State of Wisconsin Department of Transportation, hereinafter called the State, to initiate and effect the highway or street improvement hereinafter described. The authority for the Municipality to enter into this agreement with the State is provided by Sections 86.25(1), (2), and (3) and Section 66.0301 of the Statutes.
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NEEDS AND ESTIMATE SUMMARY: All components of the project must be defined in the environmental document if any portion of the project is federally funded. The Municipality agrees to complete all participating and any non-participating work included in this improvement consistent with the environmental document. No work on final engineering and design may occur prior to approval of the environmental document. Existing Facility - Describe and give reason for request: W North Avenue is a 2-lane roadway with an urban cross section and 10-11ft lanes. The pavement is HMA over concrete and is experiencing rutting in the wheel pans, longitudinal and transverse cracking, and alligator cracking at some joints. There is sidewalk and on street bicycle accommodations and lighting. Proposed Improvement - Nature of work: Pavement replacement with curb and gutter, parking, bicycle lanes, and sidewalk. New lighting, signals, signing and storm sewer work is planned. Intersection bump outs and improved pedestrian crossings are proposed at N. 90th St., N. 85th St., N. 82nd St., N. 81st St., N. 80th St. and N. 73rd St. A midblock crossing is proposed between Pasadena Blvd. and N. 86th St Describe non-participating work included in the project and other work necessary to completely finish the project that will be undertaken independently by the Municipality. Please note that non-participating components of a project/contract are considered part of the overall project and will be subject to applicable federal requirements: work could include, but may not be limited to, adjustment of water service boxes, gate valves, and manholes; adjustment of sanitary sewer manholes, placing of new sanitary manhole seals and covers, haul road.
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The Municipality agrees to the following 2023-2026 and 2024-2029 STP Urbanized Area project funding conditions: Project design and construction is funded with up to 80% federal funding up to a funding limit of \$19,339,173. The Municipality agrees to provide the remaining 20% and any funds in excess of the \$19,339,173 federal
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Urbanized Area STP-Urban (206) Standard SMA Template

funding limit. Real estate, railroad, and utility costs are 100% locally funded. Non-participating costs are 100% the responsibility of the Municipality. Any work performed by the Municipality prior to federal authorization is not eligible for federal funding. The Municipality will be notified by the State that the project is authorized and available for charging.

This project is currently scheduled in State Fiscal Year **2028**.

Design was approved in the 2023-2026 cycle and has a sunset date of **June 30, 2032**

Construction was approved in the 2023-2026 cycle and the 2024-2029 cycle and has a sunset date of **June 30, 2033**.

Sunset Date is determined based on the date a project is scheduled to be authorized. Sunset date is calculated as six years from the beginning of the state fiscal year (SFY) in which a project is initially scheduled.

Extensions may be available upon approval of a written request by or on behalf of the Municipality to State. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.

The dollar amounts shown in the Summary of Costs Table below are estimates. The final Municipal share is dependent on the final federal participation, and actual costs will be used in the final division of cost for billing and reimbursement. In no event shall federal or State funding exceed the estimate of **\$19,339,173** in the Summary of Costs Table, unless such increase is approved in writing by the State through the State's Change Management Policy prior to the Municipality incurring the increased costs.

SUMMARY OF COSTS					
PHASE	Total Est. Cost	Federal Funds	%	Municipal Funds	%
ID 2135-15-00*					
Design	\$986,966	\$789,573	80%	\$197,393	20% + BAL
State Review	\$25,000	\$20,000	80%	\$5,000	20% + BAL
<i>Design Total</i>	<i>\$1,011,966</i>	<i>\$809,573</i>		<i>\$202,393</i>	
ID 2135-15-70*					
Participating Construction	\$20,900,000	\$16,720,000	80%	\$4,180,000	20% + BAL
Construction Oversight	\$2,187,000	\$1,749,600	80%	\$437,400	20% + BAL
State Review	\$75,000	\$60,000	80%	\$15,000	20% + BAL
Non-Participating Construction	\$25,000	\$0	0%	\$25,000	100%
<i>Construction Total</i>	<i>\$23,187,000</i>	<i>\$18,529,600</i>		<i>\$4,657,400</i>	
Total Est. Cost Distribution	\$24,198,966	\$19,339,173	N/A	\$4,859,793	N/A

*Design ID# 2135-15-00 federal funding is limited to \$809,573.

*Construction ID# 2135-15-70 federal funding is limited to \$18,529,600.

This request is subject to the terms and conditions that follow (pages 3 – 8) and is made by the undersigned under proper authority to make such request for the designated Municipality and upon signature by the State and delivery to the Municipality shall constitute agreement between the Municipality and the State. No term or provision of neither the State/Municipal Agreement nor any of its attachments may be changed, waived or terminated orally but only by an instrument in writing executed by both parties to the State/Municipal Agreement.

Urbanized Area STP-Urban (206) Standard SMA Template

Signatures certify the content has not been altered by the municipality. Signed for and in behalf of the City of Wauwatosa (please sign in blue ink)	
Name (print) Dennis R McBride	Title Mayor
Signature	Date
Name (print) Steven A Braatz, Jr	Title City Clerk
Signature	Date
Name (print) John Ruggini	Title: Finance Director
Signature	Date
Approved as to form and execution	
Name (print) Alan Kesner	Title City Attorney
Signature	Date
Signed for and in behalf of the State (please sign in blue ink)	
Name Tony Barth	Title WisDOT SE Region Planning Chief
Signature	Date

GENERAL TERMS AND CONDITIONS:

1. All projects must be in an approved Transportation Improvement Program (TIP) or State Transportation Improvement Program (STIP) prior to requesting authorization.
2. Work prior to federal authorization is ineligible for federal funding.
3. The Municipality, throughout the entire project, commits to comply with and promote all applicable federal and state laws and regulations that include, but are not limited to, the following:
 - a. Environmental requirements, including but not limited to those set forth in the 23 U.S.C. 139 and National Environmental Policy Act (42 U.S.C. 4321 et seq.)
 - b. Equal protection guaranteed under the U.S. Constitution, WI Constitution, Title VI of the Civil Rights Act and Wis. Stat. 16.765. The municipality agrees to comply with and promote applicable Federal and State laws, Executive Orders, regulations, and implementing requirements intended to provide for the fair and equitable treatment of individuals and the fair and equitable delivery of services to the public. In addition the Municipality agrees not to engage in any illegal discrimination in violation of applicable Federal or State laws and regulations. This includes but is not limited to Title VI of the Civil Rights Act of 1964 which provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to

Urbanized Area STP-Urban (206) Standard SMA Template

discrimination under any program or activity receiving Federal financial assistance.” The Municipality agrees that public funds, which are collected in a nondiscriminatory manner, should not be used in ways that subsidize, promote, or perpetuate illegal discrimination based on prohibited factors such as race, color, national origin, sex, age, physical or mental disability, sexual orientation, or retaliation.

- c. Prevailing wage requirements, including but not limited to 23 U.S.C 113.
- d. Buy America Provision and its equivalent state statutes, set forth in 23 U.S.C. 313 and Wis. Stat. 16.754.
- e. Competitive bidding and confidentiality requirements set forth in 23 U.S.C 112 and Wis. Stat. 84.06. This includes the sharing of financial data prior to the conclusion of the competitive bid period.
- f. All applicable Disadvantaged Business Enterprise (DBE) requirements that the State specifies.
- g. Federal statutes that govern the Surface Transportation Program (STP), including but not limited to 23 U.S.C. 133.
- h. General requirements for administering federal and state aid set forth in Wis. Stat. 84.03.

STATE RESPONSIBILITIES AND REQUIREMENTS:

- 4. Funding of each project phase is subject to inclusion in Wisconsin's approved 2023-2026 and 2024-2029 STP Urbanized Area STP-Urban program. Federal funding will be limited to participation in the costs of the following items, as applicable to the project:
 - a. The grading, base, pavement, and curb and gutter, sidewalk, and replacement of disturbed driveways in kind.
 - b. The substructure, superstructure, grading, base, pavement, and other related bridge and approach items.
 - c. Storm sewer mains necessary for the surface water drainage.
 - d. Catch basins and inlets for surface water drainage of the improvement, with connections to the storm sewer main.
 - e. Construction engineering incident to inspection and supervision of actual construction work (except for inspection, staking, and testing of sanitary sewer and water main).
 - f. Signing and pavement marking.
 - g. New installations or alteration of street lighting and traffic signals or devices.
 - h. Landscaping.
 - i. Preliminary engineering and design.
 - j. State review services.
- 5. The work will be administered by the State and may include items not eligible for federal participation.
- 6. As the work progresses, the State will bill the Municipality for work completed which is not chargeable to federal funds. Upon completion of the project, a final audit will be made to determine the final division of costs subject to project funding limits in the Summary of Costs Table. If reviews or audits show any of the work to be ineligible for federal funding, the Municipality will be responsible for any withdrawn costs associated with the ineligible work.

MUNICIPAL RESPONSIBILITIES AND REQUIREMENTS:

Urbanized Area STP-Urban (206) Standard SMA Template

7. Work necessary to complete the 2023-2026 and 2024-2029 STP Urbanized Area STP-Urban improvement project to be financed entirely by the Municipality or other utility or facility owner includes the items listed below.
 - a. New installations of or alteration of sanitary sewers and connections, water, gas, electric, telephone, telegraph, fire or police alarm facilities, parking meters, and similar utilities.
 - b. Damages to abutting property after project completion due to change in street or sidewalk widths, grades or drainage.
 - c. Detour routes and haul roads. The municipality is responsible for determining the detour route.
 - d. Conditioning, if required and maintenance of detour routes.
 - e. Repair of damages to roads or streets caused by reason of their use in hauling materials incident to the improvement.
 - f. All work related to underground storage tanks and contaminated soils.
 - g. Street and bridge width in excess of standards, in accordance with the current *WisDOT Facilities Development Manual*.
 - h. Real estate for the improvement.
 - i. Other 100% Municipality funded items: determined through design.
8. The construction of the subject improvement will be in accordance with the appropriate standards unless an exception to standards is granted by State prior to construction. The entire cost of the construction project, not constructed to standards, will be the responsibility of the Municipality unless such exception is granted.
9. Work to be performed by the Municipality without federal funding participation necessary to ensure a complete improvement acceptable to the Federal Highway Administration and/or the State may be done in a manner at the election of the Municipality but must be coordinated with all other work undertaken during construction.
10. The Municipality is responsible for financing administrative expenses related to Municipal project responsibilities.
11. The Municipality will include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in Wis. Stat. 51.01 (5), sexual orientation as defined in Wis. Stat. 111.32 (13m), or national origin.
12. The Municipality will pay to the State all costs incurred by the State in connection with the improvement that exceed federal financing commitments or are ineligible for federal financing. To guarantee the Municipality's foregoing agreements to pay the State, the Municipality, through its above duly authorized officers or officials, agrees and authorizes the State to set off and withhold the required reimbursement amount as determined by the State from any moneys otherwise due and payable by the State to the Municipality.
13. **In accordance with the State's sunset policy for STP-Urban Program projects, the subject 2024-2029 STP improvement must be constructed and in final acceptance within six years from the beginning of the state fiscal year (SFY) in which a project is initially scheduled. Design was approved in the 2023-2026 cycle and follow the sunset policy for that cycle, refer to page 2 for sunset dates.** Extensions may be available upon approval of a written request by or on behalf of the Municipality to State. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.

Urbanized Area STP-Urban (206) Standard SMA Template

14. If the Municipality should withdraw the project, it will reimburse the State for any costs incurred by the State on behalf of the project.
15. The Municipality will at its own cost and expense:
 - a. Maintain all portions of the project that lie within its jurisdiction (to include, but not limited to, cleaning storm sewers, removing debris from sumps or inlets, and regular maintenance of the catch basins, curb and gutter, sidewalks and parking lanes [including snow and ice removal]) for such maintenance in a manner consistent with reasonable industry standards, and will make ample provision for such maintenance each year.
 - b. Regulate [or prohibit] parking at all times in the vicinity of the proposed improvements during construction.
 - c. Regulate [or prohibit] all parking at locations where and when the pavement area usually occupied by parked vehicles will be needed to carry active traffic in the street.
 - d. Assume general responsibility for all public information and public relations for the project and to make fitting announcement to the press and such outlets as would generally alert the affected property owners and the community of the nature, extent, and timing of the project and arrangements for handling traffic within and around the project.
 - e. Provide complete plans, specifications, and estimates to State upon request.
 - f. Provide relocation orders and real estate plats to State upon request.
 - g. Use the *WisDOT Utility Accommodation Policy* unless it adopts a policy, which has equal or more restrictive controls.
 - h. Provide maintenance and energy for lighting.
 - i. Provide proper care and maintenance of all landscaping elements of the project including replacement of any plant materials damaged by disease, drought, vandalism or other cause.
16. It is further agreed by the Municipality that:
 - a. The Municipality assumes full responsibility for the design, installation, testing and operation of any sanitary sewer and water main infrastructure within the improvement project and relieves the state and all of its employees from liability for all suits, actions, or claims resulting from the sanitary sewer and water main construction under this agreement.
 - b. The Municipality assumes full responsibility for the plans and special provisions provided by their designer or anyone hired, contracted or otherwise engaged by the Municipality. The Municipality is responsible for any expense or cost resulting from any error or omission in such plans or special provisions. The Municipality will reimburse State if State incurs any cost or expense in order to correct or otherwise remedy such error or omission or consequences of such error or omission.
 - c. The Municipality will be 100% responsible for all costs associated with utility issues involving the contractor, including costs related to utility delays.
 - d. All signs and traffic control devices and other protective structures erected on or in connection with the project including such of these as are installed at the sole cost and expense of the Municipality or by others, will be in conformity with such *Manual of Uniform Traffic Control Devices* as may be adopted by the American Association of State Highway and Transportation Officials, approved by the State, and concurred with by the Federal Highway Administration.
 - e. The right-of-way available or provided for the project will be held and maintained inviolate for public highway or street purposes. Those signs prohibited under federal aid highway regulations, posters, billboards, roadside stands, or other private installations prohibited by Federal or State highway

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regulations will not be permitted within the right-of-way limits of the project. The Municipality, within its jurisdictional limits, will remove or cause to be removed from the right-of-way of the project all private installations of whatever nature which may be or cause an obstruction or interfere with the free flow of traffic, or which may be or cause a hazard to traffic, or which impair the usefulness of the project and all other encroachments which may be required to be removed by the State at its own election or at the request of the Federal Highway Administration, and that no such installations will be permitted to be erected or maintained in the future.

- f. The Municipality is responsible for any damage caused by legally hauled loads, including permitted oversize and overweight loads. The contractor is responsible for any damage caused to haul roads if they do not obey size and weight laws, use properly equipped and maintained vehicles, and do not prevent spilling of materials onto the haul road (*WisDOT Standard Specifications* 618.1, 108.7, 107.8). The local maintaining authority can impose special or seasonal weight limitations as defined in Wis. Stat. 349.16, but this should not be used for the sole purpose of preventing hauling on the road.

The bid item 618.0100 Maintenance and Repair of Haul Roads (project) is ineligible for federal funding on local program projects as per the State/Municipal Agreement. The repair of damages as a result of hauling materials for the project is the responsibility of the Municipality as specified in the State/Municipal Agreement Terms and Conditions under Municipal Responsibilities and Requirements.

LEGAL RELATIONSHIPS:

17. The State shall not be liable to the Municipality for damages or delays resulting from work by third parties. The State also shall be exempt from liability to the Municipality for damages or delays resulting from injunctions or other restraining orders obtained by third parties.
18. The State will not be liable to any third party for injuries or damages resulting from work under or for the Project. The Municipality and the Municipality's surety shall indemnify and save harmless the State, its officers and employees, from all suits, actions or claims of any character brought because of any injuries or damages received or sustained by any person, persons or property on account of the operations of the Municipality and its sureties; or on account of or in consequence of any neglect in safeguarding the work; or because of any act or omission, neglect or misconduct of the Municipality or its sureties; or because of any claims or amounts recovered for any infringement by the Municipality and its sureties of patent, trademark or copyright; or from any claims or amounts arising or recovered under the Worker's Compensation Act, relating to the employees of the Municipality and its sureties; or any other law, ordinance, order or decree relating to the Municipality's operations.
19. Contract modification: This State/Municipal Agreement can only be modified by written instruments duly executed by both parties. No term or provision of either this State/Municipal Agreement or any of its attachments may be changed, waived or terminated orally.
20. Binding effects: All terms of this State/Municipal Agreement shall be binding upon and inure to the benefits of the legal representatives, successors and executors. No rights under this State/Municipal Agreement may be transferred to a third party. This State/Municipal Agreement creates no third-party enforcement rights.
21. Choice of law and forum: This State/Municipal Agreement shall be interpreted and enforced in accordance with the laws of the State of Wisconsin. The Parties hereby expressly agree that the terms contained herein and in any deed executed pursuant to this State/Municipal Agreement are enforceable by an action in the Circuit Court of Dane County, Wisconsin.

PROJECT FUNDING CONDITIONS

22. Non-appropriation of funds: With respect to any payment required to be made by the State under this State/Municipal Agreement, the parties acknowledge the State's authority to make such payment is contingent upon appropriation of funds and required legislative approval sufficient for such purpose by the

Urbanized Area STP-Urban (206) Standard SMA Template

Legislature. If such funds are not so appropriated, either the Municipality or the State may terminate this State/Municipal Agreement after providing written notice not less than thirty (30) days before termination.

23. Maintenance of Records: During the term of performance of this State/Municipal Agreement, and for a period not less than three years from the date of final payment to the Municipality, records and accounts pertaining to the performance of this State/Municipal Agreement are to be kept available for inspection and audit by representatives of the Department. The Department reserves the right to audit and inspect such records and accounts at any time. The Municipality shall provide appropriate accommodations for such audit and inspection.

In the event that any litigation, claim or audit is initiated prior to the expiration of said records maintenance period, the records shall be retained until such litigation, claim or audit involving the records is complete.

24. The Municipality agrees to the following 2023-2026 and 2024-2029 Program Cycles for STP Urbanized Area STP-Urban project funding conditions:
- a. ID 2135-15-00: Design is funded with 80% federal funding, when the Municipality agrees to provide the remaining 20%. This phase includes plan development, and state review. The work includes project review, approval of required reports and documents and processing the final Plan, Specification & Estimate (PS&E) document for award of the contract. Costs for this phase include an estimated amount for state review activities, to be funded 80% with federal funding and 20% by the Municipality (funding for design work approved in the 2023-2026 STP-Urban Program Cycle).
 - b. Real estate is funded 100% by the Municipality. Real estate acquisition is 100% the responsibility of the Municipality.
 - c. D 2135-15-70: Construction.
 - i. Costs for pavement replacement are funded with 80% federal funding when the municipality agrees to provide the remaining 20% (funding for construction approved in both the 2023-2026 and 2024-2029 STP-Urban Program Cycles).
 - ii. Non-participating costs are funded 100% by the Municipality. Costs include construction delivery.
 - iii. Costs for this phase include an estimated amount for state review activities, to be funded 80% with federal funding and 20% by the Municipality.
 - d. Project Cap: In accordance with STP-Urban program guidelines for projects in urbanized areas, State action and TIP Committee action, this project has a federal funding cap of **\$19,339,173**. This federal funding cap applies to all federally funded project phases.

[End of Document]



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 25-1923

Agenda Date: 10/21/2025

Agenda #: 3.

Consideration of request from the City Engineer for approval of State Municipal Agreements with the Wisconsin Department of Transportation for Street Lighting Conversion under the Carbon Reduction Program (CIP Project #2403)

Submitted by:

Boris Veleusic, PE
City Engineer

Department

Department of Public Works, Engineering

A. Issue

Consideration of request from the City Engineer for approval of State Municipal Agreement (SMA) with the Wisconsin Department of Transportation (DOT) for Street Lighting Conversion under the Carbon Reduction Program (CIP Project #2403)

B. Background/Options

The City applied for and received grant funding under the DOT's Carbon Reduction Program. The proposed project will replace early generation LED street light fixtures that are nearly at the end of their useful life. The fixtures to be replaced are located on various streets throughout the city. All fixtures are owned and operated by the City of Wauwatosa. The fixtures will be replaced with energy-efficient alternatives.

C. Strategic Plan (Area of Focus)

Priority 3: Infrastructure, Goal 3. Identify opportunities to invest in and increase energy efficiency in City operations
Priority 3: Infrastructure, Goal 5. Increase alternative (non-property tax based) funding to support capital projects

D. Fiscal Impact

This project is partially funded through WisDOT's Carbon Reduction Program. Eligible project costs are funded 80% state and 20% local.

Funding for our share of the project is included in our Capital Improvements Plan (CIP project #2403). Final costs will be determined by final design and bid prices.

E. Recommendation

Authorize execution of the attached State/Municipal Agreements for Construction and Maintenance obligations.

 STATE/MUNICIPAL AGREEMENT FOR CARBON REDUCTION PROGRAM (CRP) PROJECTS Subprogram #: 206 Program Name: CRP (2025-2028 Cycle)	Date: June 26, 2025 I.D.: 2994-06-02/72 WisDOT UEI#: CBE4JHP1S8H7 Project Sponsor UEI #: KCDGNEEY6H27 FAIN ID: TBD Project Title: C Wauwatosa, Lighting Conversion Location/Limit: Various City Streets Project Length (if applicable): N/A Project Sponsor: City of Wauwatosa County: Milwaukee MPO Area (if applicable): Milwaukee
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The signatory, the **City of Wauwatosa**, hereinafter called the Project Sponsor, through its undersigned duly authorized officers or officials, hereby requests the State of Wisconsin Department of Transportation, hereinafter called the State or WisDOT, to initiate and effect the transportation project hereinafter described.

Authority for the State to enter into this agreement are Wis. Stats. §§ 84.03 and 85.02 in accordance with 23 U.S.C. 175(c), 23 USC, Section 503(c)(4)(E), in the Code of Federal Regulations.

The authority for the Project Sponsor to enter into this State/Municipal Agreement with the State is provided by Wis. Stats. §§ 86.25 and 66.0301.

NEEDS AND ESTIMATE SUMMARY:

All components of the project must be defined in the environmental document if any portion of the project will be submitted for approval in a federally funded program. The Municipality agrees to complete all participating and any non-participating work included in this improvement consistent with the environmental document. No work on final engineering and design may occur prior to approval of the environmental document.

Existing Roadway/Equipment: The existing street light fixtures are near the end of their useful life and will be replaced with energy-efficient alternatives.

Proposed Improvement: The proposed project will replace early generation LED street light fixtures that are nearly at the end of their useful life. The fixtures to be replaced are located on various streets throughout the city. All fixtures are owned and operated by the City of Wauwatosa. The fixtures will be replaced with energy-efficient alternatives.

Non-participating work includes work included in the project and other work necessary to finish the project that will be undertaken independently by the Project Sponsor. Please note that non-participating components of a project/contract are considered part of the overall project and will be subject to applicable federal requirements.

The Project Sponsor agrees to the following State Fiscal Year 2025-2028 Supplemental CRP project funding conditions:

All Project Sponsors and processes, including real estate acquisition and environmental documentation, must comply with *A Sponsor's Guide to Non-Traditional Transportation Project Implementation* (Sponsor's Guide) and the current WisDOT Facilities Development Manual (FDM).

The subject project is funded with 80% federal funding up to a maximum of **\$425,501.60** for all federally-funded project phases when the Project Sponsor agrees to provide funds in excess of the **\$425,501.60** federal funding maximum, in accordance with CRP guidelines. Non-participating costs are 100% the responsibility of the Project Sponsor. Any work performed by the Project Sponsor prior to federal authorization is not eligible for federal funding. The Project Sponsor will be notified by the State when each project phase or ID is authorized and available for charging.

No DBE goal shall be assigned unless requested by the sponsor and approved by WisDOT or assigned by WisDOT. Has a DBE goal been assigned? ☒ No ☐ Yes, the DBE goal is _____.

State Fiscal Year 2025-2028 Supplemental CRP project funding may only be used for 2025-2028 Supplemental projects.

Project Award date: April 14, 2025

This project is currently scheduled in State Fiscal Year **2028**.

Sunset Date: April 14, 2031

The subject project must be Let for construction prior to September 30, 2028. Failure to meet this deadline may result in the forfeiture of the awarded CRP funding.

The subject project must be completed by April 14, 2031, and the Project Sponsor must submit a project completion certificate to WisDOT central office on or before this date. WisDOT may consider a written request to extend the sunset deadline from the Project Sponsor and may approve such a request in the presence of extenuating circumstances. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.

In the summary funding table below, the federal share of the total estimated cost distribution indicates the maximum amount of federal funding available to the project, to be distributed across federally-funded project phases. The final Project Sponsor share is dependent on the final federal participation, and the actual costs will be used in the final division of costs for billing and reimbursement.

PHASE	SUMMARY OF COSTS				
	Total Est. Cost	Federal Funds	%	Project Sponsor Funds	%
ID 2994-06-02					
Design Review #	\$10,000.00	\$0.00	0%	\$10,000.00	100%
ID 2994-06-72					
Participating Construction	\$509,715.00	\$407,772.00	80%*	\$101,943.00	20%*
Participating Construction Review #	\$22,162.00	\$17,729.60	80%*	\$4,432.40	20%*
Non-Participating Construction			N/A		100%
Total Est. Cost Distribution	\$541,877.00	\$425,501.60	MAX*	\$116,375.40	N/A

*This project has a CRP federal funding maximum of **\$425,501.60**. This maximum is cumulative for all federally funded project phases.

Review costs are administered and paid for by WisDOT. The Project Sponsor will be billed for any required local match and for costs beyond the cumulative federal funding.

This request is subject to the terms and conditions that follow (pages 3–10) and is made by the undersigned under proper authority to make such request for the designated Project Sponsor and upon signature by the State shall constitute agreement between the Project Sponsor and the State. No term or provision of neither this State/Municipal Agreement nor any of its attachments may be changed, waived, or terminated orally but only by an instrument in writing duly executed by both parties to this State/Municipal Agreement.

Signatures certify the content has not been altered by the municipality. Signed for and in behalf of the City of Wauwatosa (please sign in blue ink)	
Name (print) Dennis R McBride	Title Mayor
Signature	Date
Name (print) Steven A Braatz, Jr	Title City Clerk
Signature	Date
Name (print) John Ruggini	Title: Finance Director
Signature	Date
Approved as to form and execution	
Name (print) Alan Kesner	Title City Attorney
Signature	Date
Signed for and in behalf of the State (please sign in blue ink)	
Name Tony Barth	Title WisDOT SE Region Planning Chief
Signature	Date

GENERAL TERMS AND CONDITIONS:

1. All projects must be in an approved Transportation Improvement Program (TIP) or State Transportation Improvement Program (STIP) prior to requesting authorization.
2. Work prior to federal authorization is ineligible for federal funding. The Project Sponsor will be notified by the State when each project phase or ID is authorized and available for charging.
3. The initiation and accomplishment of the project will be subject to the applicable federal and state regulations, as referenced in the document *A Sponsor's Guide to Non-Traditional Project Implementation*. The Project Sponsor, throughout the entire project, commits to comply with and promote all applicable federal and state laws and regulations that include, but are not limited to, the following:
 - a. Environmental requirements, including but not limited to those set forth in 23 U.S.C. 139 and the National Environmental Policy Act (42 U.S.C. 4321 et seq.).

- b. Equal protection guaranteed under the U.S. Constitution, WI Constitution, Title VI of the Civil Rights Act and Wis. Stat. Sec. 16.765. The Project Sponsor agrees to comply with and promote applicable Federal and State laws, regulations, and implementing requirements intended to provide for the fair and equitable treatment of individuals and the fair and equitable delivery of services to the public. In addition, the Project Sponsor agrees not to engage in any illegal discrimination in violation of applicable Federal or State laws and regulations. This includes but is not limited to Title VI of the Civil Rights Act of 1964 which provides that “no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” The Project Sponsor agrees that public funds, which are collected in a nondiscriminatory manner, should not be used in ways that subsidize, promote, or perpetuate illegal discrimination based on prohibited factors such as race, color, national origin, sex, age, physical or mental disability, sexual orientation, or retaliation.
 - c. All applicable DBE requirements that the State specifies.
 - d. Federal and state statutes that govern the CRP Program, including but not limited to [23 USC, Section 503\(c\)\(4\)\(E\)](#), 23 U.S.C. 175(c), and all applicable federal laws.
4. Additional applicable state and federal requirements may include, but are not limited to, the following:
- a. Prevailing wage requirements, including but not limited to 23 U.S.C. 113 and Wis. Stat. Sec. 103.50.
 - b. Buy America Provision and its equivalent state statutes, set forth in 23 U.S.C. 313 and Wis. Stat. Sec. 16.754.
 - c. Competitive bidding requirements set forth in 23 U.S.C. 112 and Wis. Stat. Sec. 84.06.

STATE RESPONSIBILITIES AND REQUIREMENTS:

5. Funding for the project is subject to inclusion in Wisconsin’s approved Carbon Reduction Program. Federal funding for approved projects will be limited to participation in the costs of the following items, as applicable to the project:
- a. The grading, base, pavement, curb and gutter, sidewalk, and replacement of disturbed driveways in kind.
 - b. Storm sewer mains necessary for the surface water drainage.
 - c. Catch basins and inlets for surface water drainage of the improvement, with connections to the storm sewer main.
 - d. Construction engineering incident to inspection and supervision of actual construction work (except for inspection, staking, and testing of sanitary sewer and water main).
 - e. Signing and pavement marking, including marking of detour routes. Detour routes and haul roads are not eligible on local projects.
 - f. New installations or alteration of street lighting, traffic signals or traffic control devices, and advanced transportation technologies.
 - g. State Review Services for construction and procurement.
 - h. Other CRP items as enumerated in the approved application and identified during design.
6. Project items purchased with federal funding are for the primary use of the CRP project.
7. State Disbursements:

- a. Payment by the State to the Project Sponsor shall be made on a regular basis upon presentation of Reimbursement Requests for expenditures incurred during prior periods of the project duration subject to the allowable maximum payment. Exceptions to this schedule will be made as appropriate. In general, State reimbursements will be made after sufficient proof of payment is sent to the State.
- b. A final adjustment of state payments will be made upon completion of the State's audit of the project. If the State's audit establishes that the State paid more than its share of the eligible project costs, the Project Sponsor shall refund to the State upon demand a sum equal to the overpayment.

PROJECT SPONSOR RESPONSIBILITIES AND REQUIREMENTS:

8. Work necessary to complete the CRP project to be financed entirely by the Project Sponsor or other utility or facility owner includes the items listed below, when applicable to the project.
 - a. New installations of or alteration of sanitary sewers and connections, water, gas, electric, telephone, telegraph, fire or police alarm facilities, parking meters, and similar utilities.
 - b. Damages to abutting property after project completion due to change in street or sidewalk widths, grades, or drainage.
 - c. Detour routes and haul roads. The Project Sponsor is responsible for determining the detour route.
 - d. Conditioning, if required and maintenance of detour routes.
 - e. Repair of damages to roads or streets caused by reason of their use in hauling materials incident to the improvement.
 - f. All work related to underground storage tanks and contaminated soils.
 - g. Street and bridge width in excess of standards, in accordance with the current WisDOT Facilities Development Manual (FDM).
 - h. Real estate for the improvement.
 - i. Preliminary Engineering.
 - j. State review for design.
 - k. Other 100% Project Sponsor funded items as identified during design.
9. The work eligible for Federal participation will be administered by the Project Sponsor. The Project Sponsor is an eligible recipient of these grant funds pursuant to, 23 U.S.C. 175(c) and all applicable federal laws.
10. Where applicable, all contracts will be let by competitive bid and awarded to the lowest responsible bidder in accordance with the requirements set forth in 23 U.S.C. 112 and Wis. Stat. § 66.0901. Where applicable, all contracts for design related services shall be awarded and administered in accordance with the requirements of 23 CFR 172 and procedures published in the Wisconsin Department of Transportation Facilities Development Manual (FDM), Chapter 8, Consulting Services.
11. The Project Sponsor must receive, read, and agree to meet the requirements outlined in the *Sponsor's Guide to Non-Traditional Transportation Project Implementation*. The Project Sponsor must indicate this understanding and agreement by submitting the *Sponsor's Guide Acknowledgement Form*, which must be accepted by the State before approval of this State/Municipal Agreement shall be granted.
12. The Project Sponsor must complete and submit *Certification for Non-Traditional Project Administration and Delivery* documentation, and this documentation must be accepted by the State before approval of this State/Municipal Agreement shall be granted. The Project Sponsor, and all consultants and other entities

working on behalf of the Project Sponsor, are required to comply with the federal and state rules and requirements for projects being administered through a local letting process.

13. The Project Sponsor, in accordance with the project scope, must employ the services of a registered professional engineer, architect or landscape architect, to be responsible for design and construction engineering and related activities.
14. A copy of the plans, specifications, and estimates containing the engineer's, architect's, or landscape architect's seal as prepared for bidding purposes (in accordance with project scope) must be provided to the State for approval prior to advertising the project for bids.
15. The project will take place in accordance with the appropriate standards unless an exception to standards is granted by the State prior to construction. The entire cost of the construction project not constructed to standards will be the responsibility of the Project Sponsor unless such exception is granted.
16. Work to be performed by the Project Sponsor without Federal funding participation, necessary to ensure a complete improvement acceptable to the Federal Highway Administration and/or the State may be done in a manner at the election of the Project Sponsor but must be coordinated with all other work undertaken during construction.
17. The Project Sponsor is responsible for financing administrative expenses related to Project Sponsor responsibilities.
18. The Project Sponsor will not proceed with any State/Municipal Agreement revisions without first receiving prior approval from the State. A change order must be executed for revisions to the State/Municipal Agreement prior to the Project Sponsor's request for reimbursement for the revisions. Revisions done without prior WisDOT approval are not entitled to State reimbursement and shall be at the sole expense of Project Sponsor.
19. If reviews or audits show any of the work to be ineligible for Federal funding, the Project Sponsor will be responsible for any withdrawn costs associated with the ineligible work.
20. If the Project Sponsor should withdraw the project, it will reimburse the State for any costs incurred by the State on behalf of the project upon demand.
21. The Project Sponsor will assume all responsibility for retaining a complete project file that includes not only construction documentation but also copies of letting documents, all Local and State submittals and approvals contained in these instructions, and other pertinent documents to support project procurement, development, implementation and cost and any other item required by State and Federal law and submitting such information, upon request, in order to receive reimbursement. The Project Sponsor will keep all project records and have them available for inspection by representatives of the Federal Government and the State and will furnish copies thereof when requested.
22. Federal Single Audits of the Project Sponsor: The Project Sponsor shall allow the State and auditors to have access to the Project Sponsor's records and financial statements as necessary for determining the presence of and compliance with all information and requirements specified in 2 CFR Part 200 subpart D.
23. In connection with the performance of work under this State/Municipal Agreement, the Project Sponsor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in S. 51.01(5), sexual orientation, or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Except with respect to sexual orientation, the Project Sponsor further agrees to take affirmative action to ensure equal employment opportunities. The Project Sponsor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the employment officer setting forth the provisions of the nondiscrimination clause.

24. The Project Sponsor will include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national origin.

25. When applicable to the project, the Project Sponsor will, at its own cost and expense:

- a. Maintain all portions of the project that lie within its jurisdiction (to include, but not limited to, cleaning storm sewers, removing debris from sumps or inlets, and regular maintenance of the catch basins, curb and gutter, parking lanes, bicycle lanes, trails, and other facilities, sidewalks and other pedestrian facilities, and other project infrastructure) for such maintenance through statutory requirements in a manner satisfactory to the State, and will make ample provision for such maintenance each year.
- b. Regulate [or prohibit] parking at all times in the vicinity of the proposed improvements during their construction.
- c. Regulate [or prohibit] all parking at locations where and when the pavement area usually occupied by parked vehicles will be needed to carry active traffic in the street.
- d. Assume general responsibility for all public information and public relations for the project and to make fitting announcement to the press and such outlets as would generally alert the affected property owners and the community of the nature, extent, and timing of the project and arrangements for handling traffic within and around the projects.
- e. Provide relocation orders and real estate plats and easements, as required by the project.
- f. Use the *WisDOT Utility Accommodation Policy* unless it adopts a policy, which has equal or more restrictive controls.
- g. Provide maintenance and energy for lighting.
- h. Provide proper care and maintenance of all landscaping elements of the project including replacement of any plant materials damaged by disease, drought, vandalism, or other cause.

26. It is further agreed by the Project Sponsor that:

- a. The Project Sponsor assumes full responsibility for the design, installation, testing, and operation of any sanitary sewer and water main infrastructure within the improvement project and relieves the State, and all its employees, from liability for all suits, actions, or claims resulting from the sanitary sewer and water main construction under this State/Municipal Agreement.
- b. The Project Sponsor assumes full responsibility for the plans and special provisions provided by their designer, or anyone hired, contracted, or otherwise engaged by the Project Sponsor. The Project Sponsor is responsible for any expense or cost resulting from any error or omission in such plans or special provisions. The Project Sponsor will reimburse the State if the State incurs any cost or expense to correct or otherwise remedy such error or omission or consequences of such error or omission.
- c. The Project Sponsor will be 100% responsible for all costs associated with utility issues involving the Contractor, including costs related to utility delays.
- d. All signs and traffic control devices and other protective structures erected on or in connection with the project, including such of these as are installed at the sole cost and expense of the Project Sponsor or by others, will be in conformity with such "Manual on Uniform Traffic Control Devices" as may be adopted by the American Association of State Highway and Transportation Officials, approved by the State, and concurred in by the Federal Highway Administration.

28. The subject **project must be completed by the project sunset date, listed on page 2** of this State/Municipal Agreement, and the Project Sponsor must submit a project completion certificate to WisDOT central office on or before this date. WisDOT may consider a written request to extend the sunset deadline from the Project Sponsor and may approve such a request in the presence of extenuating circumstances. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.

LEGAL RELATIONSHIPS:

29. Responsibility for Damage and Tort Claims: The Project Sponsor and the Project Sponsor's surety shall indemnify and save harmless the State, its officers and employees, from all suits, actions or claims of any character brought because of any injuries or damages received or sustained by any person, persons or property on account of the operations of the Project Sponsor; or on account of or in consequence of any neglect in safeguarding the work; or because of any act or omission, neglect or misconduct of the Project Sponsor; or because of any claims or amounts recovered for any infringement by the Project Sponsor of patent, trademark or copyright; or from any claims or amounts arising or recovered under the Worker's Compensation Act, relating to the Project Sponsor's employees; or any other law, ordinance, order or decree relating to the Project Sponsor's operations. So much of the money due the Project Sponsor under and by virtue of the contract as shall be considered necessary by the State for such purposes, may be retained for the use of the State; or, in case no money or insufficient money is retained, the Project Sponsor's surety may be held until such suit or suits, action or actions, claim or claims for injuries or damages as aforesaid shall have been settled and suitable evidence to that effect furnished to the State; except that money due the Project Sponsor will not be withheld when the Project Sponsor produces satisfactory evidence that the Project Sponsor is adequately protected by public liability and property damage insurance. The Project Sponsor also shall comply with all the above requirements indemnifying and saving harmless the county, town, or municipality in which the improvement is made and each of them separately or jointly and officers and employees.

The State shall not be liable to the Project Sponsor for damages or delays resulting from work by third parties. The State also shall be exempt from liability to the Project Sponsor for damages or delays resulting from injunctions or other restraining orders obtained by third parties except where the damage or delay is a direct result of an injunction or restraining order obtained by a citizen's action alleging violations of 42 U.S.C. 4331 - 4332, 23 U.S.C. 138 or Public Law 91-646.

It shall be the Project Sponsor's responsibility to see that all the contract operations incident to the completion of the contract are covered by public liability and property damage liability insurance so the public or any representative of the contracting authority may have recourse against a responsible party for injuries or damages sustained as a result of the contract operations. This requirement shall apply with equal force, whether the work is performed by the Project Sponsor, by a subcontractor or by anyone directly or indirectly employed by either of them.

It is the express intent of this provision that a Project Sponsor that is a county, town or municipality may and should contractually pass on this entire Responsibility for Damage and Tort Claims provision to any public and private entities with which it may subcontract any of the work covered by this State/Municipal Agreement.

- a. The word, "surety" in the above paragraphs refers to the issuer of a payment and performance bond under Wis. Stat. Sec. 779.14.
 - b. Nothing in this section should be construed as a waiver of any statutory defenses that may be available to any governmental party.
30. The Project Sponsor, also known as the primary participant, as that term is defined in 49 CFR Part 29, certifies to the best of its knowledge and belief, that it and its principals, as that term is defined in 49 CFR Part 29, in accordance with all applicable Federal and State statutory and regulatory requirements:
- a. Are not currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any State of Wisconsin or Federal department or agency;

- b. Have not, within a three-year period preceding this State/Municipal Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not currently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated above;
 - d. Have not within a three-year period preceding this State/Municipal Agreement had one or more public transactions (Federal, State or Local) terminated for cause or default; and
 - e. That all grantees, contractors, and suppliers, including what is also known as lower tier participants as that term is used in 49 CFR Part 29 and the Appendix to Part 29 -- Covered Transactions, have certified in writing that neither they or their principals are currently debarred, suspended, proposed for debarment or suspension, have been declared ineligible, or have voluntarily been excluded from participating in this or any other Federal, State or Local transaction by any Federal, State or Local department, agency or official, as set forth in, but not limited to, the terms described in 2 CFR 200.214.
31. *Contract Modification:* This State/Municipal Agreement can only be modified by written instruments duly executed by both parties. No term or provision of neither this State/Municipal Agreement nor any of its attachments may be changed, waived, or terminated orally.
32. *Binding Effects:* All terms of this State/Municipal Agreement shall be binding upon and inure to the benefits of the legal representatives, successors, and executors. No rights under this State/Municipal Agreement may be transferred to a third party. This State/Municipal Agreement creates no third- party beneficiary rights to be held by any person or entity who is not a party to this State/Municipal Agreement. Nor does it accord on any non-party the right of enforcement.
33. *Choice of Law and Forum:* This State/Municipal Agreement shall be interpreted and enforced in accordance with the laws of the State of Wisconsin. The Parties hereby expressly agree that the terms contained herein and, in any deed, executed pursuant to this State/Municipal Agreement are enforceable by an action in the Circuit Court of Dane County, Wisconsin.
34. Nothing in this State/Municipal Agreement shall be construed as a waiver of the State's sovereign immunity.

PROJECT FUNDING CONDITIONS

35. *Non-Appropriation of Fund:* With respect to any payment required to be made by the State under this State/Municipal Agreement, the parties acknowledge the State's authority to make such payment is contingent upon appropriation of funds and required legislative approval sufficient for such purpose by the Legislature. If such funds are not so appropriated, either the Project Sponsor or the State may terminate this State/Municipal Agreement after providing written notice not less than thirty (30) days before termination.
36. *Maintenance of Records:* During the term of performance of this State/Municipal Agreement, and for a period not less than three years from the date of final payment to the Project Sponsor, records and accounts pertaining to the performance of this State/Municipal Agreement are to be kept available for inspection and audit by representatives of the State. The State reserves the right to audit and inspect such records and accounts at any time. The Project Sponsor shall provide appropriate accommodations for such audit and inspection.

In the event that any litigation, claim, or audit is initiated prior to the expiration of said records maintenance period, the records shall be retained until such litigation, claim or audit involving the records is complete.

Records pertaining to the performance of the State/Municipal Agreement are subject to disclosure pursuant to Wis. Stats. Sec. 19.31 et seq. and shall be preserved by the Project Sponsor.

37. The Project Sponsor agrees to the following State Fiscal Year 2025-2028 CRP Supplemental project funding conditions:
- a. ID 2994-06-02: Design and any related review costs are funded 100% by the Project Sponsor. This includes Plan Development and State Review. The work includes project review, approval of required reports and documents and processing the final PS&E document for award of the contract.
 - b. ID 2994-06-72: Construction:
 - i. Costs for the replacement of street lighting and any related review costs are funded with 80% federal funding when the Project Sponsor agrees to provide the remaining 20%. These costs are subject to the cumulative project federal funding cap.
 - ii. Non-participating costs for non-participating construction items and any related review costs are funded 100% by the Project Sponsor. Costs include construction delivery and review.
 - c. The maximum participation of federal funding will be limited to 80% of the actual eligible project cost or the total cost distribution of CRP program funds shown on page 2 of this State/Municipal Agreement, whichever is less. The project federal funding maximum of **\$425,501.60** is cumulative for all federal funded project phases.
38. Federal Inactive List: Once a project has received its authorization to incur costs letter until the completion of the project, reimbursement requests must be submitted periodically. Failure to submit reimbursement requests may result in the project being placed on a federal inactive list and therefore, risks losing federal funding. As such, reimbursement requests should be submitted quarterly to indicate continued activity on the project.

[End of Document]



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 25-1743

Agenda Date: 10/21/2025

Agenda #: 4.

Review and Adoption of the 2026 Proposed Budget

Submitted by:

John Ruggini

Department:

Finance Department

A. Issue

The Mayor and City Administrator have presented their Executive Budget for the Financial Affairs Committee review.

B. Background/Options

The Mayor and City Administrator have presented their Executive Budget for the Financial Affairs Committee review over the course of the following meetings:

October 7th: Library and Public Works

October 14th Health, Fire, Development, and Tax Increment Districts

October 21st Police, Debt Amendments

Any member of the committee can contact me to schedule other departments to present. These departments were chosen based on the number of changes to their budgets.

We respectfully ask that if any member of the committee would like to propose an amendment, they contact me or the appropriate department director no later than October 17th.

A link to the Executive Budget is attached. A separate document for the Tax Increment Districts will be provided as it was not complete at the time of publication.

C. Strategic Plan (Area of Focus)

All areas

D. Fiscal Impact

Please review the 2026 Budget for the financial impact

E. Recommendation

Following review of the 2026 Budget and 2025 Re-estimate and any amendments, I recommend approval of the 2026 Budget, changes to the fee schedule and final property tax levy for consideration by the Common Council as the Proposed Budget.

2026 Proposed Budget Change

Yard Waste Management Program Modification Options After FAC Feedback

Financial Affairs Committee
October 21, 2025



Current Yard Waste Management Program | Curbside Collection & Drop-off

- Curbside Collection Services
 - Mid-April through mid-October
 - Every other week collection
 - Average of 13 collections per year
 - 10 bags or bundles each collection day
 - 50-pound weight limit
 - Approximately 1,400 tons collected annually
- Drop-off Center
 - Users pay an annual (\$20) or single use (\$5) fee
 - Approximately 1,500 tons of yard waste dropped off annually



Yard Waste Collection Program Changes| Why Now?



Funding

Budget challenges continue to push our team to look for opportunities to reduce expenditures. Changes to yard waste collection has been discussed for many years as a potential levy reduction opportunity.



Productivity

Current collection program utilizes multiple full time public works employees that could be reassigned to more critical work.



Safety

The yard waste collection program exposes employees to activities that have a greater risk of injury vs. many other public works functions.



Equipment

Current refuse trucks used for this operation are past the end of their useful life and equipment reserve funds are not available for replacement.

Yard Waste Collection Program Changes| Alternatives & Process

- A detailed alternatives analysis was presented to the Community Affairs Committee (CAC) on May 13, 2025. CAC and Community comments were utilized to prepare the final proposed alternative that is now included in the 2026 Budget Proposal.
 - Alternatives Presented to CAC in May:
 - No changes to current program
 - Shortened bi-weekly collection (May through August)
 - Spring and Fall collections
 - Spring collection plus optional subscription service
 - No curbside collection program
- At the October 7th Financial Affairs Committee discussion was had regarding possible alternatives to what is included in the 2026 proposed Budget.
 - This presentation includes three alternatives:
 - 2026 Budget Option
 - Financial Affairs Committee Proposed Option
 - Modified Free Collection and Subscription Model



Yard Waste Collection Program| Comparable Program Service Levels

A survey was completed of the following 23 communities, which have similar populations and/or are located in the metro area:

Appleton

Beloit

Brookfield

Butler

Eu Claire

Elm Grove

Fond Du Lac

Green Bay

Greenfield

Janesville

Kenosha

Madison

Manitowoc

Menomonee Falls

Milwaukee

New Berlin

Oshkosh

Racine

Shorewood

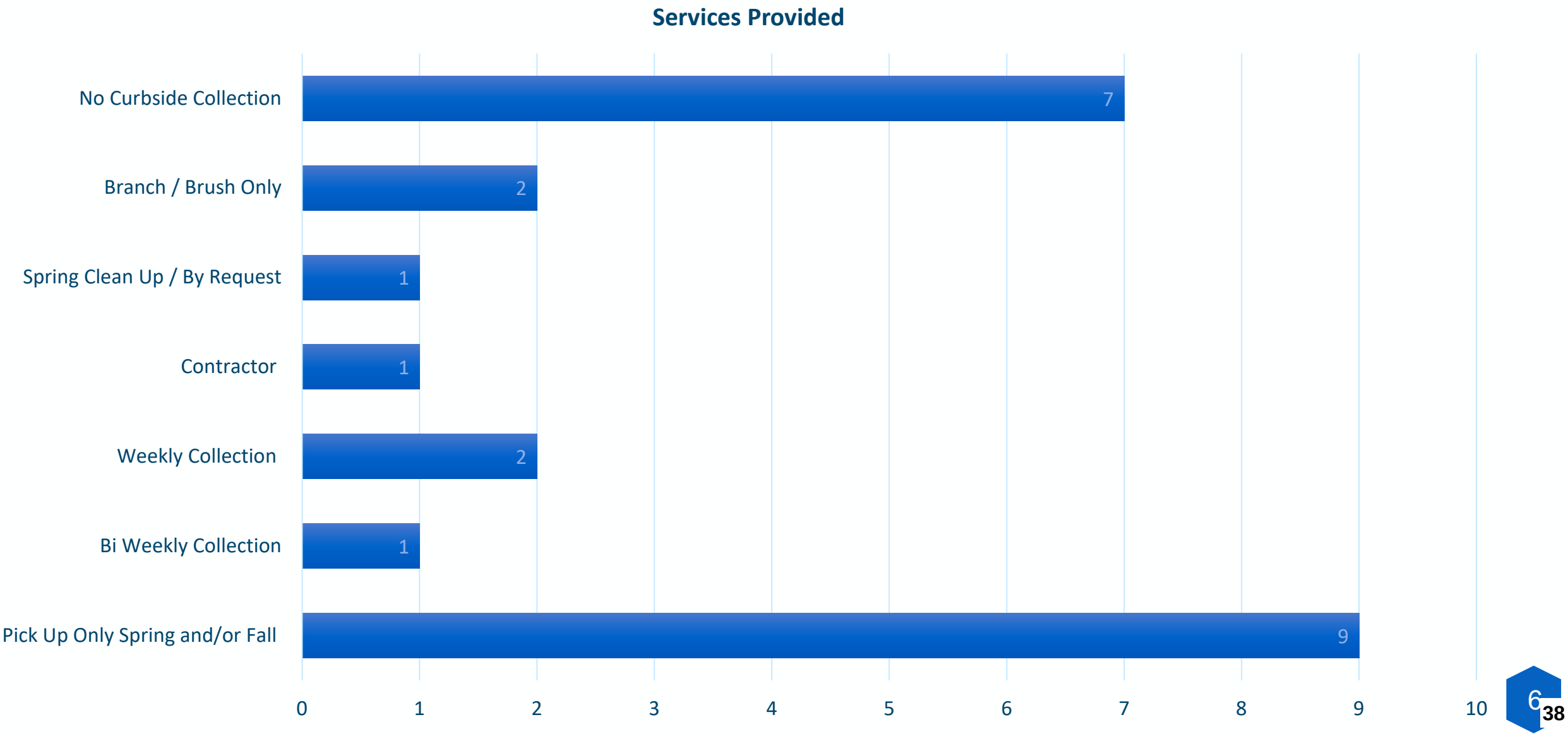
Waukesha

Wausau

West Allis

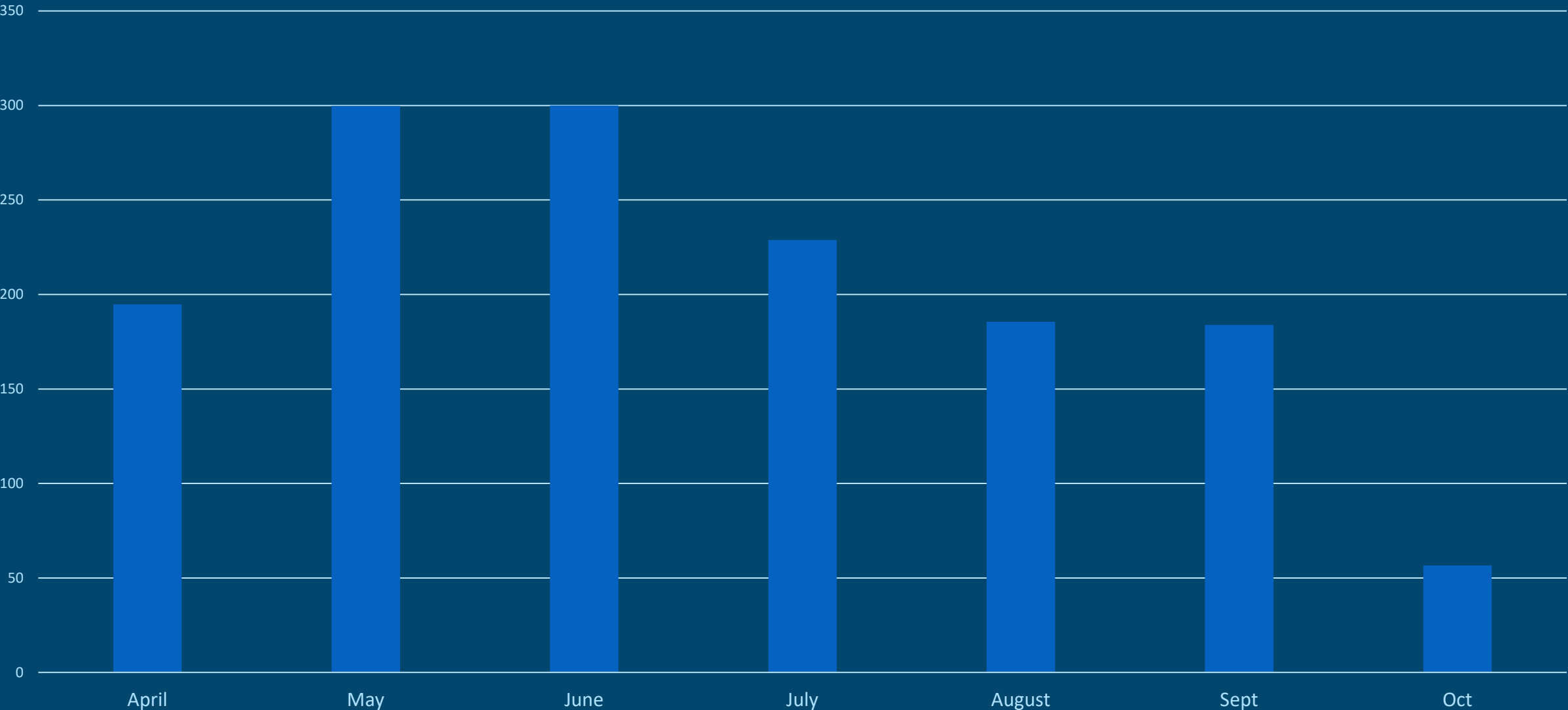
Whitefish Bay

Yard Waste Collection Program| Comparable Program Service Levels



Current Yard Waste Collection Program| Collection Volume

Five Year Average Monthly Tons Collected



Yard Waste Management Program | Continued Challenge

- Age of rear load refuse trucks continues to be a significant challenge
 - The City's fleet consists of five rear load refuse trucks ranging from 18-20 years old
 - Trucks are used for yard waste collection, leaf collection, and large debris removal such as the flood debris cleanup this summer
 - These trucks are not budgeted in the fleet reserve so other funds are needed to replace them
 - Equipment repair costs continue to climb
 - Significant repairs are being made to two packers after the flood debris pick-up
 - The ejector blades, braces, and hydraulic cylinders are wearing out after many years of service
 - May not be able to compact effectively going forward
 - Replacement trucks will likely cost as much as \$400,000 and we recommend replacement very soon



Proposed Yard Waste Management Program | Curbside Collection & Drop-off

Option #1- Contained in 2026 Budget

- Curbside Collection Services
 - Mid-April through end of September
 - Once a month collection
 - Six collections per household per year
 - This was selected following Committee and Senior Commission feedback that a longer season with fewer collections would be preferred over a shortened season.
 - Offer 96-gallon option to purchase yard waste carts for a one time fee of \$85.00
 - More capacity and increased weight limit (200 lbs vs. 50 lbs for bags/bundles)
 - No need to bundle brush inside the cart
 - Easier set out with wheeled carts
 - No container labeling required
 - Cleaner curbside appearance
 - Similar to current refuse and recycling carts, the City will repair lids and wheels for no cost and replacement carts will be available for purchase
 - Reduced likelihood for workplace injuries because the truck will lift the carts utilizing hydraulics instead of employees having to manually lift debris into the truck.
 - 12 bags/bundles/cart each collection day
- Drop-off Center
 - Users will no longer be charged a fee for yard waste disposal at the drop-off center

Proposed Yard Waste Management Program | Positive Outcomes

Option #1- Contained in 2026 Budget

- Positive Outcomes of Proposed Program Changes
 - Yard waste disposal at Drop-off Center will now be free for residents
 - Yard waste carts will now be available for purchase and maintained by the City
 - Reduction in annual truck distance driven by approximately 3,000 miles
 - This will reduce fuel consumption by nearly 1,100 gallons annually
 - Annual greenhouse gas emissions from City trucks will be reduced by approximately 24,400 pounds of carbon dioxide (CO₂)
 - Reduced truck usage may lead to reduced breakdowns/repairs
 - Increased number of allowable items set out to twelve (12)
 - Increased likelihood of resident on-site composting
 - Reduced likelihood for workplace injuries due to reduced number of collection cycles and increased cart utilization
 - General Levy Reduction of \$67,171 in total annual program costs
 - \$3,000 reduction in diesel fuel costs
 - \$64,171 reduction in general levy salary and benefits
 - Moving these expenses to the Stormwater Utility will allow staff to focus on storm water management activities such as street sweeping, catch basing cleaning, green alley maintenance, and storm sewer televising, all of which improve water quality and help reduce likelihood of localized flooding.

Proposed Yard Waste Management Program | Challenges

Option #1- Contained in 2026 Budget

- Program Modification Challenges
 - Once a month collection will result in some residents having to store, compost, and/or remove their yard waste via another option
 - Limited additional revenue means truck replacements will still need to be funded via capital program and/or general levy support

Proposed Yard Waste Management Program | Curbside Collection & Drop-off

Option #2- Financial Affairs Committee Proposed Option

- Curbside Collection Services
 - May through end of August
 - Bi-weekly collection (opposite of recycling weeks)
 - Eight collections per year
 - Require purchase of a 96-gallon yard waste cart for a one time fee to cover cost of new trucks
 - All material must be placed in the cart/s, nothing will be picked up outside of a cart
 - City would offer repair of these carts but replacements would be at the property owner's expense
 - Cost of carts would vary depending on number of households opting into program
 - Goal is to pay for initial allocated truck replacement cost of \$800,000 (plus interest) through cart sales
 -  If we assume 5,000 carts are sold, we would have to charge a one-time fee of \$300.76
 - If we assume 2,500 carts are sold, we would have to charge a one-time fee of \$516.52
 - If we assume 1,000 carts are sold, we would have to charge a one-time fee of \$1,163.79
 - This approach would not be a continued source of revenue so we would need to fund future truck replacements with the general tax levy
 - Same cart benefits mentioned in Option #1 plus substantially less likelihood of employee injury because no items would be collected outside of the carts.
- Drop-off Center
 - Users will no longer be charged a fee for yard waste disposal at the drop-off center

Proposed Yard Waste Management Program | Positive Outcomes

Option #2- Financial Affairs Committee Proposed Option

- Positive Outcomes of Proposed Program Changes
 - Yard waste disposal at Drop-off Center will now be free for residents
 - Yard waste carts will now be available for purchase and maintained by the City
 - Cart sales would offset purchase price of new rear loader trucks (though not future replacements)
 - Reduction in annual truck distance driven by approximately 2,100 miles
 - This will reduce fuel consumption by nearly 775 gallons annually
 - Annual greenhouse gas emissions from City trucks will be reduced by approximately 17,000 pounds of CO₂
 - Reduced truck usage may lead to reduced breakdowns/repairs
 - Increased likelihood of resident on-site composting
 - Reduced likelihood for workplace injuries due to reduced number of collection cycles and cart utilization
 - General Levy Reduction of \$40,300 in total annual program costs
 - \$2,300 reduction in diesel fuel costs
 - \$38,000 reduction in general levy salary and benefits
 - Moving these expenses to the Stormwater Utility will allow staff to focus on storm water management activities such as street sweeping, catch basing cleaning, green alley maintenance, and storm sewer televising, all of which improve water quality and help reduce likelihood of localized flooding.

Proposed Yard Waste Management Program | Challenges

Option #2- Financial Affairs Committee Proposed Option

- Program Modification Challenges
 - Reduced collection duration will result in some residents having to store, compost, and/or remove their yard waste via another option
 - Requiring a cart will be a burden on those who have space constraints on their property and/or only want to set out once or twice per year
 - Limiting residents to items that only fit in their cart will significantly reduce the volume they can put out at one time. This will result in less seasonal volume set out than Option #1
 - One time revenue from cart purchases means only initial truck replacement will be funded. We would still need to be fund future trucks via capital program and/or general levy support
 - Cart cost is high due to truck replacements being funded through program
 - Will not be able to implement until 2027 given lead time on resident communication, cart sign-up, and cart ordering and delivery
 - Start of levy reduction will be delayed

Proposed Yard Waste Management Program | Curbside Collection & Drop-off

Option #3- Modified Free Collection and Subscription Model

- Free Curbside Collection Service
 - Offer free curbside collection once in May and once in mid/late Summer
 - All residential properties that currently receive service would be allowed to set out items like they do now for one collection in May and one collection in mid/late Summer and increase number of items to twelve
 - Remaining items can be placed in the street once leaf collection begins in October
 - No cost to residents who elect to only use this option
- Subscription Service Offered
 - Offer a fee based additional service June through end of September
 - Cart provided by the City as part of annual fee
 - Bi-weekly collection (opposite of recycling weeks)
 - Eight collections per year
 - More details on next slide
- Drop-off Center
 - Users will no longer be charged a fee for yard waste disposal at the drop-off center

Proposed Yard Waste Management Program | Curbside Collection & Drop-off

Option #3- Modified Free Collection and Subscription Model (continued)

- Subscription Service Offered (continued)
 - Require use of a 96-gallon yard waste cart for an annual fee
 - Material would be placed in the cart/s plus an addition five bags or bundles outside the cart
 - Utilize subscription fees to pay for annual subscription program costs totaling \$231,953
 - Pay for initial allocated truck replacement cost of \$800,000 plus interest
 - Pay for annual depreciated costs so trucks can be replaced in perpetuity without general fund support
 - Pay for staff costs and fuel to further reduce general levy support
 - Pay for the cost of the carts, including repair and replacements
 - Cost of annual subscription would vary depending on number of households opting into program
 - If we assume 5,000 homes opt in we would have to charge an annual fee of \$52.06
 - If we assume 2,500 homes opt in we would have to charge an annual fee of \$98.45
 - If we assume 1,000 homes opt in we would have to charge an annual fee of \$237.62
 - This approach would be a continued source of revenue so we would permanently reduce the tax levy support needed for the program
- Same benefits mentioned in Option #1 plus less pressure on the general levy



Proposed Yard Waste Management Program | Positive Outcomes

Option #3- Modified Free Collection and Subscription Model

- Positive Outcomes of Proposed Program Changes
 - Yard waste disposal at Drop-off Center will now be free for residents
 - Subscription is optional so no additional cost to those who don't want the service
 - Subscribers would have yard waste carts that would be maintained by the City
 - Subscription fees would perpetually pay for carts and replacement of allocated costs of trucks, labor, & fuel
 - Reduction in annual truck distance driven by approximately 3,750 miles (assumes 5,000 subscribers)
 - This will reduce fuel consumption by nearly 1,375 gallons annually
 - Annual greenhouse gas emissions from City trucks will be reduced by approximately 30,500 pounds of CO₂
 - Reduced truck usage may lead to reduced breakdowns/repairs
 - Calculations above will vary based on the number and location of subscribers
 - Increased likelihood of resident on-site composting
 - Reduced likelihood for workplace injuries due to reduced number of collection cycles and increased cart utilization
 - **Annual General Levy Savings of \$272,703**
 - Reduction of \$117,000 in general levy salary and benefits now paid by Storm Utility or Subscribers
 - Allocated truck replacement cost of \$71,953 avoided being added to levy (principal and interest on 15 year loan)
 - Allocated truck depreciation cost of \$80,000 avoided being added to the levy
 - \$3,750 reduction in diesel fuel costs
 - All assumes subscribers pay for all fees allocated to subscription program, it's difficult to predict number of participants

Proposed Yard Waste Management Program | Challenges

Option #3- Modified Free Collection and Subscription Model

- Program Modification Challenges
 - Reduced free collection options will result in some residents having to store, compost, and/or remove their yard waste via another option if they decide not to opt in to subscription model
 - Requiring a cart for subscription portion will be a burden on those who have space constraints on their property
 - Administratively challenging, will require perpetual office support beyond current program
 - Will not be able to implement until 2027 given lead time on resident communication, subscription sign-up, and cart ordering and delivery
 - Start of levy reduction will be delayed

