



11333 N. Cedarburg Road  
Mequon, WI 53092  
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[www.ci.mequon.wi.us](http://www.ci.mequon.wi.us)

Water Utility

**MEQUON MUNICIPAL WATER UTILITY COMMISSION**  
**Regular Meeting**  
**Tuesday, January 14, 2025**  
**7:30 PM or immediately following the Committee of the Whole**  
**Christine Nuernberg Hall**

**Agenda**

- 1) Call to Order, Roll Call
- 2) Approval of Meeting Minutes  
**Action requested: review and approve**
  - a. October 30, 2024, Minutes
- 3) Discussion and Possible Action
  - a. Approval of the First Amendment for the Water Services Agreement with MK/S-EP LLC for the Swan Ridge Farms Project
  - b. Approval of Reimbursement for Swan Ridge Farms Phase 2: Upsized Transmission Main
- 4) Adjourn

*Dated: January 14, 2025*

*/s/ Andrew Nerbun, Chair*

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Notice is hereby given that a quorum of other governmental bodies may be present at this meeting to present, discuss and/or gather information about a subject over which they have decision-making responsibility, although they will not take formal action thereto at this meeting.

Persons with disabilities requiring accommodations for attendance at this meeting should contact the City Clerk's Office at 262-236-2914, twenty-four (24) hours in advance of the meeting.

Any questions regarding this agenda may be directed to the Public Works Office at 262-236-2913, Monday through Friday, 7:00 AM - 3:30 PM.



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Water Utility

**MEQUON MUNICIPAL WATER UTILITY COMMISSION**  
**Regular Meeting**  
**Wednesday, October 30, 2024**  
**5:30 PM**  
**Christine Nuernberg Hall**

**Minutes**

1) Call to Order, Roll Call

Meeting called to order at 5:43 P.M.

**Present:**

Commissioner Andrew Nerbun  
 Commissioner Robert Strzelczyk  
 Commissioner Kelly Tolocko  
 Commissioner Dale Mayr  
 Commissioner Gregg Bach  
 Commissioner Brian Parrish  
 Commissioner Peter Bratt  
 Commissioner William Gebhardt  
 Commissioner Jeffrey Hansher -- **Excused**

Also present: City Administrator Jones, City Clerk Fochs, Finance Director Arnett, Assistant Finance Director Keyser, Community Development Director Tollefson, Director of Public Works/City Engineering Lundeen, Water Utility Supervisor Voigt, Buildings Superintendent Bodoh, Administrative Assistant Schlereth, Wastewater Superintendent Weinrich, City Water Engineer Fulsaa, press and interested public.

2) Approval of Meeting Minutes

a. October 8, 2024, Minutes

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Strzelczyk  
**SECONDED BY:** Commissioner Gebhardt

Attachment: 10-30-24 (9989 : October 30, 2024 Minutes)

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

3) Discussion Items

a. 9742: Water Utility Reassignment of Undesignated Cash Reserves

Staff clarified that currently water storage in the City consists of two active reservoirs that are maintained daily to keep the water fresh for use in a disruption of supply. The reservoirs will no longer be needed once a second connection of the Water Works supply is made. Part of the cash reserves reassignment would go towards reviving the currently unused water tower. A functioning tower would provide water in the event of a disruption of supply.

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Parrish  
**SECONDED BY:** Commissioner Bach

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

b. 9733: Proposed FY 2025 Water Utility Budget

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Gebhardt  
**SECONDED BY:** Commissioner Parrish

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

c. Authorization for the Mequon Water Utility to Exceed \$25,000 for the Purchases and/or Services from Core and Main, Etna Supply, Grunau, DF Tomasini, Mid-City, MJ Construction, Rozga, Badger Meter and United Systems & Software, Inc. to Complete Projects as Needed During Fiscal Year 2025

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Gebhardt  
**SECONDED BY:** Commissioner Mayr

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

d. 9793: Water Connection Policy Amend Amortization of Depreciation Costs

Staff will provide a list of water trusts in their district to the Commissioners.

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Gebhardt  
**SECONDED BY:** Commissioner Mayr

Attachment: 10-30-24 (9989 : October 30, 2024 Minutes)

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

e. Status Update - Mequon Water Utility Master Plan

An annual update will be provided to the Commission likely in the second quarter of 2025.

f. Status Update - Mequon Water Utility Leak Audit

The study was done using the utility map that included all areas that are being served.

The first billing cycle since the 6 non-surface leak repairs were completed shows 13-14% of non-revenue water. Staffed advised that there is still work to be done and the goal is to get the non-revenue water down to single digits.

The question was asked if City Water kept track of who the contractors and materials used. City Water stated they use a computer-based map of the water utility (GIS) that provides infrastructure details such as the age of the water main, the diameter, the material, where the laterals are located and made of, etc.

4) Adjourn

a. Motion to Adjourn at 6:10 PM

**RESULT:** **Approved by Voice Acclamation [Unanimous]**

**MOVED BY:** Commissioner Bach

**SECONDED BY:** Commissioner Strzelczyk

**AYES:** Nerbun, Strzelczyk, Tolocko, Mayr, Bach, Parrish, Bratt, Gebhardt  
**NOT PRESENT:** Hansher

Respectfully Submitted,

*Ren Schlereth*  
*Administrative Assistant*

Attachment: 10-30-24 (9989 : October 30, 2024 Minutes)



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Office of Mequon Municipal Water Utility Commission

**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: January 14, 2025**  
**SUBJECT: Approval of the First Amendment for the Water Services Agreement with MK/S-EP LLC for the Swan Ridge Farms Project**

### **Background**

On May 14th, 2024 the Mequon Water Utility entered into a Water Services Agreement (WSA) with MK/S-EP LLC (Developer), for the Swan Ridge Farms project located around the intersection of West County Line Rd Road and North Swan Road in the City of Mequon.

Subsequent to the execution of the original agreement, the Developer chose to split the project into two different phases. This was not contemplated at the time of the original WSA. As such, the City Attorney has recommended that the Developer and the Water Utility amend the original WSA to incorporate the phasing of this project. Exhibit A, attached, is the recommended amendment to the original WSA.

### **Analysis**

The plan for this water main extension follows the Mequon Water Utility build and contribute policy, where the water main will be built by the developer and contributed to Utility once the project is complete. Mequon Water Utility staff will review the plans and the easement for the water main to verify adherence with the Mequon Water Utility standard specifications.

### **Fiscal Impact**

Staff time for plan review and inspection services will be billed back to the developer as written in the agreement. Included in the original agreement is an oversized section of water main that will be utilized by the water utility as a transmission main from the second Milwaukee Meter Pit recently constructed. The utility will pay for the oversizing of this water main as a "betterment of service".

The cost associated with this oversized main was part of the recent bid package, and therefore competitively defined. In addition to the oversizing costs, the future operation and maintenance of the water main facilities, including the main and water service laterals (up to the curb stops) will be required by the Mequon Water Utility. That future cost is unknown, but anticipated to be offset by the rates paid and accrued for providing this utility service.

### **Recommendation**

Staff recommends that the Mequon Water Utility Commission approve First Amendment for the Water Services Agreement (Exhibit A) with MK/S-EP LLC , for the Swan Ridge Farms

water main extension, located in the City of Mequon, subject to any clerical, technical and/or legal changes deemed necessary and appropriate by the City Attorney.

Attachments:

Exhibit A (DOCX)

FIRST AMENDMENT TO THE WATER SERVICE AGREEMENT BETWEEN THE MEQUON WATER UTILITY AND MK/S-EP, LLC FOR SWAN RIDGE FARMS

**RECITALS**

A. The Mequon Water Utility and MK/S-EP, LLC previously entered into a Water Service Agreement for the provision of water service to the Swan Ridge Farms subdivision on May 14th, 2023 (the “WSA”).

B. Swan Ridge Farms was intended to be developed over multiple phases, however the WSA is not clear as to whether it applied only to the first phase of the development, or all phases.

C. The parties desire to make it clear that the WSA applies to all phases on the Swan Ridge Farms subdivision development.

BASED UPON THE FOREGOING RECITALS, it is agreed by and between the parties as follows:

1. The WSA is amended to add a paragraph 15 to read as follows:

15. Definitions. As used in this Agreement, “Development” shall mean the full development of the Swan Ridge Farms subdivision, a subdivision consisting of 83 lots developed in one or multiple phases.

2. All other terms of the WSA shall remain in full effect.

MK/S-EP, LLC  
a Wisconsin limited liability company

MEQUON WATER UTILITY

By: \_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Type or Print)

Name: \_\_\_\_\_  
(Type or Print)

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attachment: Exhibit A (9334 : First Amendment to the Water Services Agreement for Swan Ridge Farms)



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Office of Mequon Municipal Water Utility Commission

**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: January 14, 2025**  
**SUBJECT: Approval of Reimbursement for Swan Ridge Farms Phase 2: Upsized Transmission Main**

### **Background**

The Mequon Water Utility (MWU) entered into a Development Agreement (DA) with MK/S-EP LLC (Developer) in November of 2024 for Phase 2 of the development of Swan Ridge Farms Subdivision. It is stipulated in this DA (previously approved by the Common Council) that MWU will compensate the Developer for oversizing of the transmission water main through this phase of the development.

### **Analysis**

The MWU recently completed a Master Plan for the management and operations of the Water Utility. One of the issues identified is the eventual need for a second connection to the Milwaukee Water Works at the intersection of County Line Rd and Swan Rd. This connection was not immediately necessary for the operations of the Utility, based on the analysis within the Master Plan.

When the Developer approached the City about Swan Ridge Farms Subdivision, the most logical connection for water supply was the second MWW connection at Swan and County Line Road. This is significantly closer than the existing MWU water mains in the Central Growth area. The Developer was tasked with constructing the system large enough to serve as the second connection for MWU, but the Utility would compensate the Developer for the cost of this oversizing. Oversizing of water infrastructure to serve the utility as a whole is referred to by the Public Service Commission as Betterment of Service (BOS).

### **Fiscal Impact**

The DA defined how the Utility would compensate the developer for oversizing the infrastructure. There were two defined projects for this development.

Section 12 a covers the Water Transmission Main cost share:

*(viii) Developer shall extend an oversize water main from its current termination point in Phase 1 to the northeast corner of the Property so that it can be used as a transmission main for the Water Utility. Any portion of the costs eligible for reimbursement shall be reimbursed in accordance with the Mequon Water Utility Water Connection Policy, payable at the time of final plat.*

The Mequon Water Utility Water Connection Policy requires the utility to cover the costs associated with oversizing the water transmission main based on the bid results, see section E under VI Cost to Connect:

*E. For Mequon Water Utility Costs*

*1. The developer shall be responsible for all costs of required water infrastructure sized for the demand of the development.*

*a. Where the Mequon Water Utility system plan requires the installation of water main larger than 12 inches in diameter, the Mequon Water Utility shall pay the difference in cost between the installation of the pipe sized for the development demand and the system demand. Reimbursement for the increased pipe size shall be determined by bidding the water infrastructure sized for the demand of the development and bidding the water infrastructure sized for the system demand. The difference in cost between the water infrastructure sized for the demand of the development and the water infrastructure sized for the system demand shall be considered the reimbursement value.*

The Developer provided the attached (Exhibit A) Reimbursement Request that details the required cost share. The Developer is requesting compensation in the amount of \$69,833.00:

<b>Transmission Main Bid Results</b>	
Project Built as 16-inch Main (BOS)	\$276,123.00
Project Built as 10-inch Main (Nominal)	-\$206,290.00
Oversizing Expense	\$69,833.00

The utility approved up to \$175,000.00 for Betterment of Services on the Swan Ridge Phase 2 project in our 2025 Capital Budget, so the funds are available.

Please note that absent the development, to construct the transmission main, the MWU would be obligated to pay the bid price of \$318,703. The Developer is requesting authorization of reimbursement (including contingency) up to \$77,000, roughly 25% of the project cost. This build and contribute model for the development yields a large cost savings to the MWU and its customers and will add an anticipated 83 customers to the MWU and provide the potential for future expansion to Huntington Park. Sufficient funds are available for this project.

Furthermore, this specific project was identified as a system required loop at some point in the future. Though the utility would not have constructed this project for at least 5 years, it would have eventually needed to add this second connection to the MWW. This development, along with similar projects like the Central Growth area, allow the utility to steadily close the gap on these system loops. Requiring and paying for the oversizing of watermain is a simple yet cost effective way to grow the system. It is a win/win proposition for both the developer and the

water utility.

**Recommendation**

Staff recommends that the Water Utility Commission authorize the payment of up to \$77,000.00 for Betterment of Service to the Developer. This payment to be made after the system is installed and tested per the Water Service Agreement. The authorized amount includes a 10% contingency.

Attachments:

Exhibit A - Swan Ridge Phase 2 Reimbursement Request Letter (PDF)



HOMES • LAND • INVESTMENTS

December 2, 2024

Kristen Lundeen  
 City of Mequon  
 Director of Public Works/City Engineer  
 11333 N. Cedarburg Road  
 Mequon, WI 53092

Dear Ms. Lundeen:

On behalf of MK/S-EP LLC, please accept this letter and associated enclosures as their request for the City of Mequon Water Utility Commission to review and approve the Swan Road Transmission Main Phase 2 contract and to approve MK/S-EP LLC's request to be reimbursed for the oversized transmission main in accordance with the Development Agreement for Swan Ridge Farms Phase 2 and the City's Water Connection Policy. Following is a summary of the Swan Road Transmission Main Phase 2 project, the project costs and the Developer's reimbursement request:

1. The Phase 2 transmission main project consists of connecting to and extending a 16-inch watermain from the terminus of the Swan Road Meter Pit and Transmission Main project approximately 2,197 feet north and east through the subdivision along Migratory Lane, Tundra Court and the outlot adjacent to the property located at 10133 N. Swan Road to the northeast corner of Swan Ridge Farms. The bid items and quantities for the transmission main project are included in Exhibit A.
2. Based on the Development Agreement and the system modeling performed by the Mequon Water Utility, a 10 inch nominal watermain is required to meet the development demand for Swan Ridge Farms. The system modeling is located in Exhibit B.
3. Bid cost of transmission main sized for development: \$248,870.00 (add the Transmission Main Phase 2 – Alternate Bid Items on Exhibit C to the primary bid items 3, 5, 6 and 7 for the project cost of the 10" watermain sized for the development demand).
4. Bid cost of transmission main sized for system demand: \$318,703.00 (see the primary Transmission Main Phase 2 section on Exhibit C).
5. Requested reimbursement for oversizing transmission main: \$69,833.00.
6. Requested total project cost to be authorized by Water Utility Commission: \$350,000.00 (includes approximately 10% contingency). The initial project capital will be provided by MK/S-EP LLC.
7. The published advertisement for bid, affidavit of publication and contractor bids are attached as Exhibit D.

8. The proposed Swan Road Transmission Main Phase 2 contract between MK/S-EP LLC and DF Tomasini Contractors, Inc. is attached as Exhibit E.

Please review this letter and attached documents and contact me with any questions or concerns. If the documents are acceptable, please schedule the review and approval of the Swan Road Transmission Main Phase 2 contract and associated MK/S-EP LLC reimbursement on the January 14, 2025 Water Utility Commission meeting agenda. Thank you for your time spent reviewing this matter.

Sincerely,



Joseph A. Bukovich, P.E.  
Owner's Authorized Representative

CC: Jim Voigt, City Water LLC  
Mike Kaerek, MK/S-EP LLC

Encs.

<https://mlgcompanies.sharepoint.com/sites/MLGFiles/Projects/Mequon - Swan Ridge Farm - Bratt/City Correspondence/Lundeen Swan Road Transmission Main Phase 2 Water Commission Memo for Reimbursement 12-2-24.docx>

**SWAN ROAD TRANSMISSION MAIN-PHASE 2**

Plan Set Last Revised February 8, 2024  
 Owner/Developer: MKS-EP LLC C/O: Joe Bukovich at Point Real Estate  
 Engineer: Pinnacle Engineering Group, Attn: Anthony Zanon

<b>Budget vs. Bid Cost Analysis</b>	
Swan Road Transmission Main Phase 2 Budget (2023)	\$380,155.00
Bid Amount	\$318,703.00
Difference (= is under budget, - is over budget)	\$61,452.00

Transmission Main Phase 2			DF Tomasini				Willkomm Excavating & Grading				Super Excavators				Globe Contractors				
Item	Description	Engineers Estimated Quantity	Unit	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price
1	16" PVC AWWA C900 CLASS 150 DR18 (SPOIL BACKFILL)	1,327	LF	1,327	LF	\$109.00	\$144,643.00	1,327	LF	\$110.00	\$145,970.00	1,327	LF	\$127.00	\$168,529.00	1,327	LF	\$119.00	\$157,913.00
2	16" PVC AWWA C900 CLASS 150 DR18 (GRANULAR BACKFILL)	870	LF	870	LF	\$124.00	\$107,880.00	870	LF	\$120.00	\$104,400.00	870	LF	\$142.00	\$123,540.00	870	LF	\$157.00	\$136,590.00
3	8" PVC AWWA C900 CLASS 150 DR18 (GRANULAR BACKFILL)	10	LF	10	LF	\$98.00	\$980.00	10	LF	\$404.00	\$4,040.00	10	LF	\$227.00	\$2,270.00	10	LF	\$195.00	\$1,950.00
4	16" BUTTERFLY VALVES	4	EA	4	EA	\$5,900.00	\$23,600.00	4	EA	\$4,091.00	\$16,364.00	4	EA	\$6,197.00	\$24,788.00	4	EA	\$6,600.00	\$26,400.00
5	8" GATE VALVES	2	EA	2	EA	\$2,500.00	\$5,000.00	2	EA	\$3,340.00	\$6,680.00	2	EA	\$2,726.00	\$5,452.00	2	EA	\$3,200.00	\$6,400.00
6	HYDRANT ASSEMBLY INCLUDING LEADS AND VALVES	4	EA	4	EA	\$8,200.00	\$32,800.00	4	EA	\$8,401.00	\$33,604.00	4	EA	\$10,061.00	\$40,244.00	4	EA	\$10,000.00	\$40,000.00
7	CONNECT TO EXISTING MAIN/TEMP. HYDRANT REMOVAL	1	EA	1	EA	\$3,800.00	\$3,800.00	1	EA	\$10,099.00	\$10,099.00	1	EA	\$7,906.00	\$7,906.00	1	EA	\$4,900.00	\$4,900.00
				TOTAL 16" TRANSMISSION MAIN BID ITEMS 1-7: \$318,703.00				TOTAL 16" TRANSMISSION MAIN BID ITEMS 1-7: \$211,157.00				TOTAL 16" TRANSMISSION MAIN BID ITEMS 1-7: \$373,129.00				TOTAL 16" TRANSMISSION MAIN BID ITEMS 1-7: \$274,115.00			
				Over/(under) Budget = (\$61,452.00)				Over/(under) Budget = (\$58,998.00)				Over/(under) Budget = (\$7,026.00)				Over/(under) Budget = (\$6,002.00)			
				Difference from low bid = \$0.00				Difference from low bid = \$2,454.00				Difference from low bid = \$54,426.00				Difference from low bid = \$55,450.00			

Transmission Main Phase 2-Alternate Bid Items			DF Tomasini				Willkomm Excavating & Grading				Super Excavators				Globe Contractors				
Item	Description	Estimated	Unit	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price	Contractor Quantity	Unit	Unit Price	Total Price
1A	10" PVC AWWA C900 CLASS 150 DR18 (SPOIL BACKFILL)	1,327	LF	1,327	LF	\$80.00	\$106,160.00	1,327	LF	\$78.00	\$103,506.00	1,327	LF	\$89.00	\$118,103.00	1,327	LF	\$88.00	\$116,776.00
2A	10" PVC AWWA C900 CLASS 150 DR18 (GRANULAR BACKFILL)	870	LF	870	LF	\$95.00	\$82,650.00	870	LF	\$96.00	\$83,520.00	870	LF	\$116.00	\$100,920.00	870	LF	\$127.00	\$110,490.00
4A	10" GATE VALVES	4	EA	4	EA	\$3,500.00	\$14,000.00	4	EA	\$4,248.00	\$16,992.00	4	EA	\$4,338.00	\$17,352.00	4	EA	\$4,700.00	\$18,800.00
				TOTAL 10" TRANSMISSION MAIN BID ITEMS 1A, 2A & 4A: \$206,810.00				TOTAL 10" TRANSMISSION MAIN BID ITEMS 1A, 2A & 4A: \$204,018.00				TOTAL 10" TRANSMISSION MAIN BID ITEMS 1A, 2A & 4A: \$236,975.00				TOTAL 10" TRANSMISSION MAIN BID ITEMS 1A, 2A & 4A: \$246,066.00			