

SEWER POLITICS

CLEANING UP CRONYISM AT MMSD

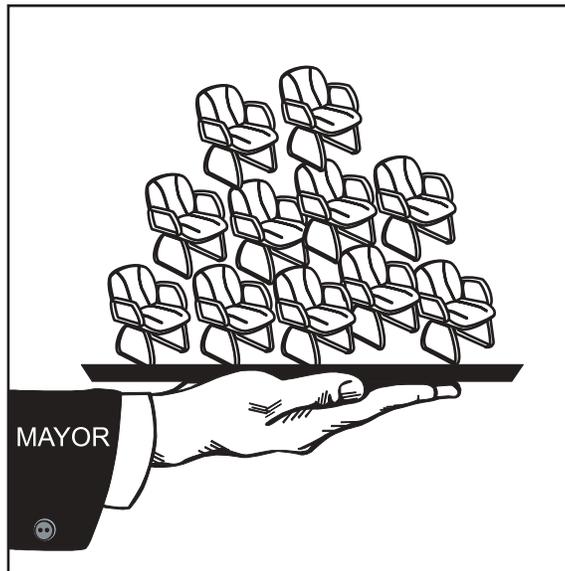
MARK L. KASS

The Milwaukee Metropolitan Sewerage District (MMSD)—the mere mention of the agency’s name evokes strong responses from most elected officials and residents in southeastern Wisconsin.

There is not another governmental agency in the state that receives as much criticism, scrutiny, and questions as MMSD, which is also the only agency in the Milwaukee area that serves a regional citizen base. It has been in the newspaper headlines and on television newscasts for the past several years because of a number of large overflows of untreated wastewater into three Milwaukee rivers and Lake Michigan, including more than 4.6 billion gallons during May 2004.

These overflows have happened despite the public investment of \$2.3 billion in a Deep Tunnel and sewer system upgrades in the 1980s and early 1990s, a move that decreased the number of annual overflows from sixty to about three.

It is a huge agency, one that has more than a \$200 million capital budget and a \$60 million operating budget, as it treats wastewater from 1.2 million people in 28 communities in Milwaukee,



Waukesha, Ozaukee, Washington, and Racine counties. It has a larger budget than all communities in southeastern Wisconsin, other than the city of Milwaukee.

But ask anyone who runs MMSD and the answer will be either the mayor of Milwaukee or a mere shrug of shoulders.

That’s because unlike most other governmental agen-

cies in the Milwaukee area, MMSD is not run by an elected board. It is run by an 11-member board, seven of whom are appointed by the mayor of Milwaukee, with the remaining four appointed by the mayors and village presidents of the eighteen Milwaukee County communities, other than Milwaukee and South Milwaukee. The southern Milwaukee County community is the only municipality in the area to have its own treatment plant and is not part of MMSD.

It is time for the governance of MMSD to change. Or, the continuous problems at the agency and the resulting public outcry will continue.

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The ten communities served by MMSD outside of Milwaukee County do not have any representation on the commission because they have chosen not to join the District. In return for not having any commission members, the communities have gotten a break on their sewer capital payments by not having to pay for flood control work outside of the watershed where they are located.

In October 2004, MMSD approved a budget that will require home and business owners in Milwaukee County to pay 4.5% more than they did for this year; home and business owners in the ten communities outside Milwaukee County will pay an average of 47% more.

District officials point out that the communities outside of Milwaukee County pay less than the \$1.53 per \$1,000 equalized value paid by those in Milwaukee County, although the gap is narrowing. However, municipal leaders outside of Milwaukee County counter that their overall bills are higher because property in those communities is generally worth more.

Menomonee Falls Village President Jefferson Davis said recently that his residents are pushing him to not pay "one more dollar" for new upgrades unless changes in governance and billing occur.

"We want to pay our fair share, but we don't want any more flawed concepts," he said. "We want some representation on that MMSD board because it's taxation without representation."

Mayor appointees

Milwaukee's mayors, ranging from Henry Maier to John Norquist to new Mayor Tom Barrett, have used commission appointments as a political thank you to supporters.

Rather than engineers, scientists or business executives, the MMSD commissioners over the years have, for the most part, ranged from:

- Aldermen who are allies of the mayor, such as Alderman Michael Murphy,

Alderman Marlene Johnson, and Alderman Michael D'Amato;

- Union leaders who are allies of the mayor, such as Candace Owley;
- Close advisors to the mayor, such as former Norquist campaign manager Bill Christofferson;
- State legislators who are allies of the mayor, such as former State Senator Brian Burke, and former State Representative Antonio Riley; and
- High-ranking city employees, such as the former Department of Public Works Commissioner, Jim Kaminski, and City Forester Preston Cole, who the mayor was looking to get more money and prestige.

That's because the MMSD commissioner job pays more than \$10,000 a year, a rarity for a public board. The position also offered full health insurance benefits that, up until several years ago, were provided without any contributions. Not a bad job considering there are only two meetings a month that usually last about two hours each. That's four hours a month, with the month of August off, at more than \$225 an hour.

The MMSD Commission recently, at the urging of Barrett, ended the full health insurance benefits that commissioners receive. But despite some discussion about the level of pay, there has been no movement on the level of compensation commissioners receive.

The four members from the Milwaukee County communities are normally mayors or village presidents looking for a larger regional role, along with the additional money that comes from serving on the board.

In a move aimed at increasing regional cooperation, the MMSD Commission recently elected Greenfield Mayor Tim Seider as its chairman. He is the first MMSD chairman who is not a city of Milwaukee appointee since former Glendale Mayor Don Voith held the position in the mid- to late-1990s.

The end result of the current appointment process is a board that lacks clear oversight, is not held accountable for its actions or inactions, and is dominated by personal agendas of its members, some of whom are aiming for higher office.

A majority of the items brought to the commission are passed on a unanimous vote and rarely questioned. Members frequently get bogged down on minor items, having little discussion over millions of dollars in capital projects.

MMSD Commission member Dale Richards, former mayor of Oak Creek, once remarked that it was amazing the few questions that were asked of some of the projects, even if they were worth more than \$100 million.

We spend more time arguing about the \$20,000 item than we do the \$30 million item.

In my six years at MMSD, there were very few no votes on any issue. And there were far fewer items that were rejected outright.

A former high-ranking MMSD staff person said:

We knew the level of knowledge on the commission was very limited so we could get through most of the items we wanted. You filled it with technical terms and lots of reasoning and there would be few questions asked. They looked to staff to lead the agency. Some of them are just there to pick up the paycheck.

Control of board

There have been years of fighting over how the MMSD Commission should be comprised, back to the beginning of the infamous "Sewer Wars" in the 1980s and 1990s. Resentment and distrust remain over how the

district decided to build the deep tunnel system and bill suburbs for their share of the construction costs based on their property values.

The eight communities in Waukesha, Ozaukee, and Washington counties lost a thirteen-year fight to base sewer costs on usage—how much waste communities flush into the system. They also lost a legislative attempt to change the makeup of the MMSD board in the mid-1990s.

The makeup of the board is crucial because of the size of MMSD and the budget it has. Republicans and Democrats have fought for control of the agency to be able to control the budget and the power that comes with it. Republicans complained for years that Norquist, a high-profile Democrat, was responsible for MMSD shortcomings and the overflows that occurred.

They alleged he was sacrificing the quality of Lake Michigan in return for control of the District and the lucrative benefits he could hand out to supporters.

Norquist strongly believed that any attempt to change governance was an attempt to shift costs from the wealthy suburban residents to the city, where the area's poorest people live. He said,

The real goal of changing governance is to give a tax break to Waukesha and Ozaukee counties at the expense of Milwaukee County taxpayers

Those same Republicans, led by state Senators Alberta Darling and Neil Kedzie, never offered one alternative that would change the situation, other than the prohibitively expensive separation of the combined sewers in the portions of Milwaukee, including the central business district, and Shorewood.

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They made this suggestion even though most experts agreed that it would do little to improve water quality in Milwaukee-area rivers and Lake Michigan.

In a recent op-ed piece on MMSD, Darling said:

In the past, questions surrounding accountability to taxpayers and improper influence have led many to question whether any non-elected board should have the power to levy a tax. MMSD's Board of Directors has wide-ranging taxing authority and almost complete control of a massive annual budget. The power to tax should bring with it the responsibility of open government and should breed candid public accountability.

The one thing that became clear is that no matter which party had control of MMSD, there would be problems because they would use it to advance their own political agenda.

That was very clear during my six years at MMSD. Whether it was the implementation of a program that would benefit Milwaukee to accepting employees transferred from the city of Milwaukee for positions that had to be created, sometimes within hours, almost everything done at MMSD was for a political reason.

For example, there was the time we received a late afternoon phone call from the mayor's office telling us of the next day arrival of Ken Munson, a high-ranking Norquist employee, whom he wanted to move to MMSD because he was looking to put another person in his current city job. We were told Munson would start immediately and were told what his salary would be more than \$90,000 a year.

MMSD staff had to scramble to establish a position, write a job description, and find duties for Munson in a matter of hours. Munson stayed at MMSD for about a year before moving on to another job in the private sector.

No one on the MMSD Commission questioned the move.

Another example is the hiring of lobbyists and consultants for MMSD. Many were dictated by the mayor's office. Sometimes it was to hire a specific person, while other times it was not to hire that same person.

For example, John Tries, a politically-connected consultant and former Norquist chief of staff, was a MMSD consultant for several years after he left the mayor's office in the late 1990s . . . that is until he upset Norquist by helping former Ald. John Kalwitz try to broker a deal in a city pension dispute.

Norquist ordered Tries fired from MMSD. Several months later after Norquist had cooled down and made up with Tries, MMSD was ordered to hire him back.

MMSD has made strides in recent year, under current Executive Director Kevin Shafer, to improve relations with its suburban communities. Shafer has worked hard to try to show that MMSD decisions are made in the best interests of all of its communities, rather than just Milwaukee.

But given its past history, that is a difficult task to accomplish.

Who controls MMSD?

Previous suggestions of having the Milwaukee County executive, governor, or state legislative leaders select the members would involve similar politics depending on which party was in charge at the time the selections were made.

The only way to get past the politics that have dominated MMSD is to:

- Have the chief executive officer of each community served by the district be a member of the board.

This would put a person who is elected and accountable to his or her residents on the board. It would also increase the board to 28 members and set up municipal battles that would have to be fought in the MMSD Commission room.

- Another option would be to have the governor appoint a person from each of the communities. Each appointment would have to be confirmed by the state Senate, similar to other gubernatorial appointees. This would take out some of the politics because the appointments would have to be confirmed by another governing body.

This would be similar to the Metropolitan Council, a regional planning agency serving the Twin Cities' seven-county metropolitan area in Minneapolis and St. Paul. The Council works with local communities to collect and treat wastewater, operate the area's transit system, handle public planning, and works to provide affordable housing opportunities.

The 17-member Metropolitan Council has 16 members who each represent a geographic district and one chairperson who serves at large. They are all appointed by, and serve at the pleasure of, the governor. The state Senate confirms Council member appointments.

- Set up a process to elect commissioners, who would ultimately be held responsible by their constituents.

Similar to legislative districts, the district's 420-square-mile service area could be divided

into 11 districts based on population, with one representative elected from each. This would take away any influence from any major political figure, such as the mayor of Milwaukee, and put people on the board who really want to be there.

This is the way most governing bodies are elected from the state legislature to village boards to the Social Development Commission Board, a Milwaukee social service agency. The terms could be staggered to ensure continuity on the board.

This would also eliminate MMSD's biggest argument against a change in governance: that the current representation is based on population. They argue that more people live in the city of Milwaukee than the suburbs and therefore should get more representation.

Whatever option is chosen, something needs to be done to eliminate the easy excuses now used by suburban communities for not helping solve what is a regional problem. If they were at the table, they would be forced to work together with Milwaukee to solve this serious issue.