

The background of the slide is a photograph of a meeting, showing several people seated around a table. A hand is visible holding a dark mug with the words "Metropolitan District" printed on it. The entire image is covered with a semi-transparent blue overlay.

Welcome

**Commission Meeting
December 18, 2025**

Madison Metropolitan
Sewerage District



Thank You

Paul Kent
for your Dedicated Service

Madison Metropolitan
Sewerage District



Thank You

Dan Purdy

for your Dedicated Service

Madison Metropolitan
Sewerage District



Records Management & Meeting Notice Commission Policies

Madison Metropolitan
Sewerage District

Presented by Amanda Wegner





Agenda

1. Topic A Overview: District records management-related policies
2. Why update CED-2D?
3. Questions & Approval of Topic A
4. Topic B Overview: New public meeting notice policy
5. Why this new policy?
6. Current practice vs. new policy
7. Questions & Approval of Topic B



District records management-related policies

Topic A

Commission Policy CER-2D: *Records Management*

- Delegates authority for District records oversight and administration to the Executive Director.
- Approved by Commission

Administrative Guideline #10: *Public Access to and Fees for District Records*

- Staff policy that outlines District-specific rules and explains how to comply with both those rules and external rules and regulations, including Wisconsin Public Records Law.
- Approved by the Executive Director
- Provided to Commission for background only

Why update CER-2D?

Topic A



- District maintains the right to charge fees to cover certain costs of responding to records requests.
- District experiencing increase in open records requests requiring significant time & resources
- Administrative guideline (AG) previously lacked clear guidance; desire to strengthen guidance and position
- With changes to AG, made recommended update to CER-2D affirming District position on charging



Questions & Approval

The Commission is requested to approve this resolution to amend *Commission Policy CER-2D: Records Management*

New Public Meeting Notice Policy



Why this new policy?

Topic B



- District has discretion in how it complies with Wisconsin Open Meetings Law and related state statutes
- Fiscal responsibility; policy will save an estimated \$15,000 annually in publishing costs
- Provides District with greater control over the timing and posting of meeting notices to ensure compliance with Wisconsin Open Meetings Law



Current practice vs. new policy – Regular meetings

Topic B

	Current Practice	New Policy
Primary posting locations	<i>Not officially designated, but District practice:</i> <ul style="list-style-type: none">• City of Madison• Dane County• DCCVA website• District website	<i>Now officially designated:</i> <ul style="list-style-type: none">• District offices (in publicly available physical locations)• District website
Publication in newspaper	Yes	No
Email to parties that have requested to receive notification	Yes	Yes

IMPORTANT: *Public hearings and bids will be noticed in accordance with state statute*

Questions & Approval

The Commission is requested to approve this resolution to adopt new *Commission Policy CP-2P: Public Meeting Notice Policy*.



Thank you

Madison Metropolitan
Sewerage District



Project Update: Heat and Power Improvements Facilities Plan

December 18, 2025

Madison Metropolitan
Sewerage District

Presented by Ana Uroic Stefanko





Agenda

1. Project Background
2. Project Initiation
3. Existing Heat and Power Infrastructure
4. Alternatives Evaluation
5. Recommendations
6. Next Steps



Project Background

- In 2021, the District completed the 2020 Energy Management Master Plan (EMMP)
- Two key alternatives were identified for facilities planning:
 1. Upgrade the cogeneration engines with higher-efficiency
 2. Convert biogas to renewable natural gas (RNG) for pipeline injection



Madison Metropolitan Sewerage District

2020 ENERGY MANAGEMENT MASTER PLAN

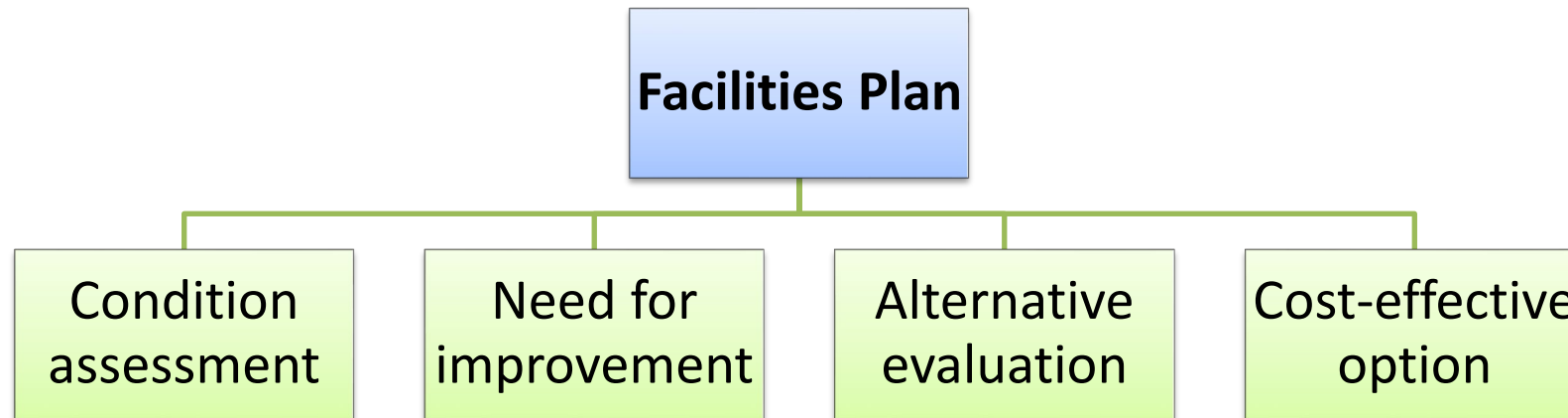
FINAL | December 2021



Project Background

Facilities Plan

- Comprehensive report **required** by the Wisconsin Department of Natural Resources (WDNR)
- Required for Clean Water Fund (CWF)

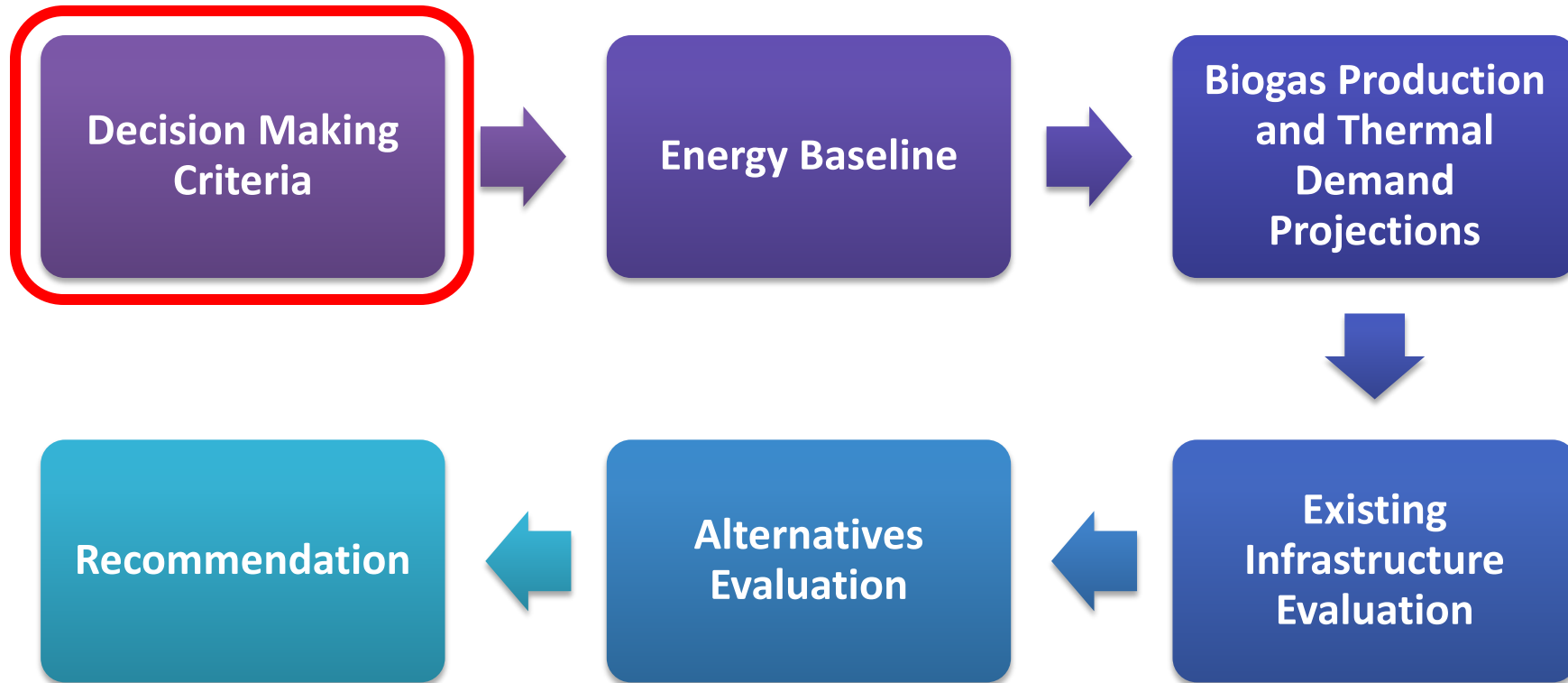


Project Background

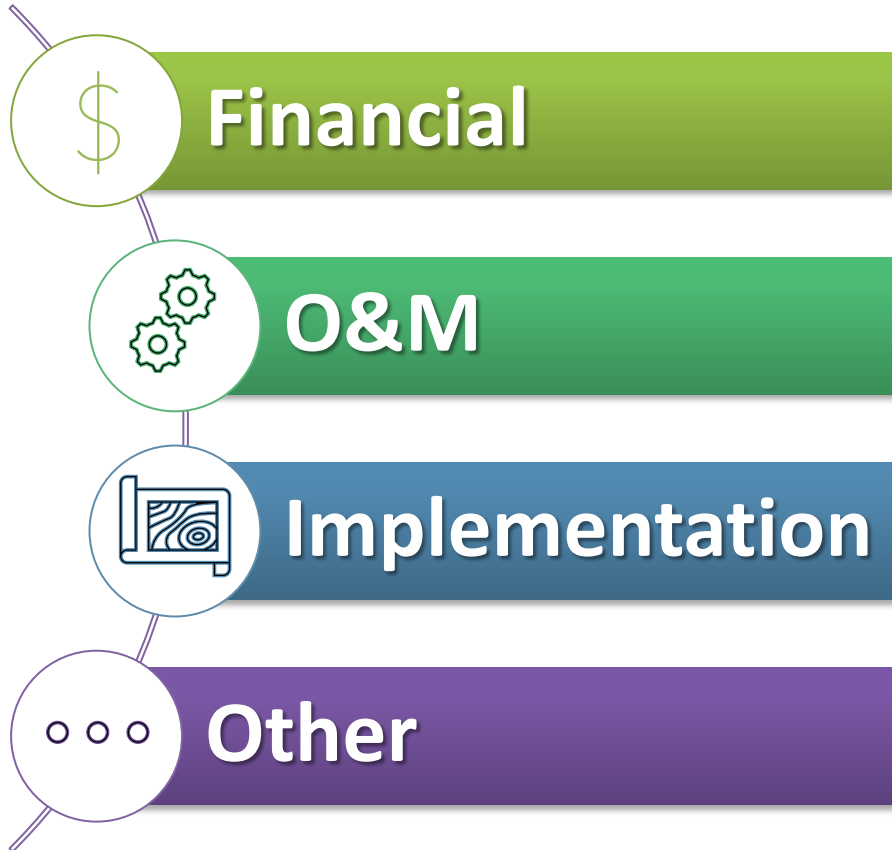
- In June 2024, **Carollo Engineers, Inc.** was selected and awarded the contract to provide engineering professional services (Commission Resolution #2024-04-25-R5)



Project Workflow

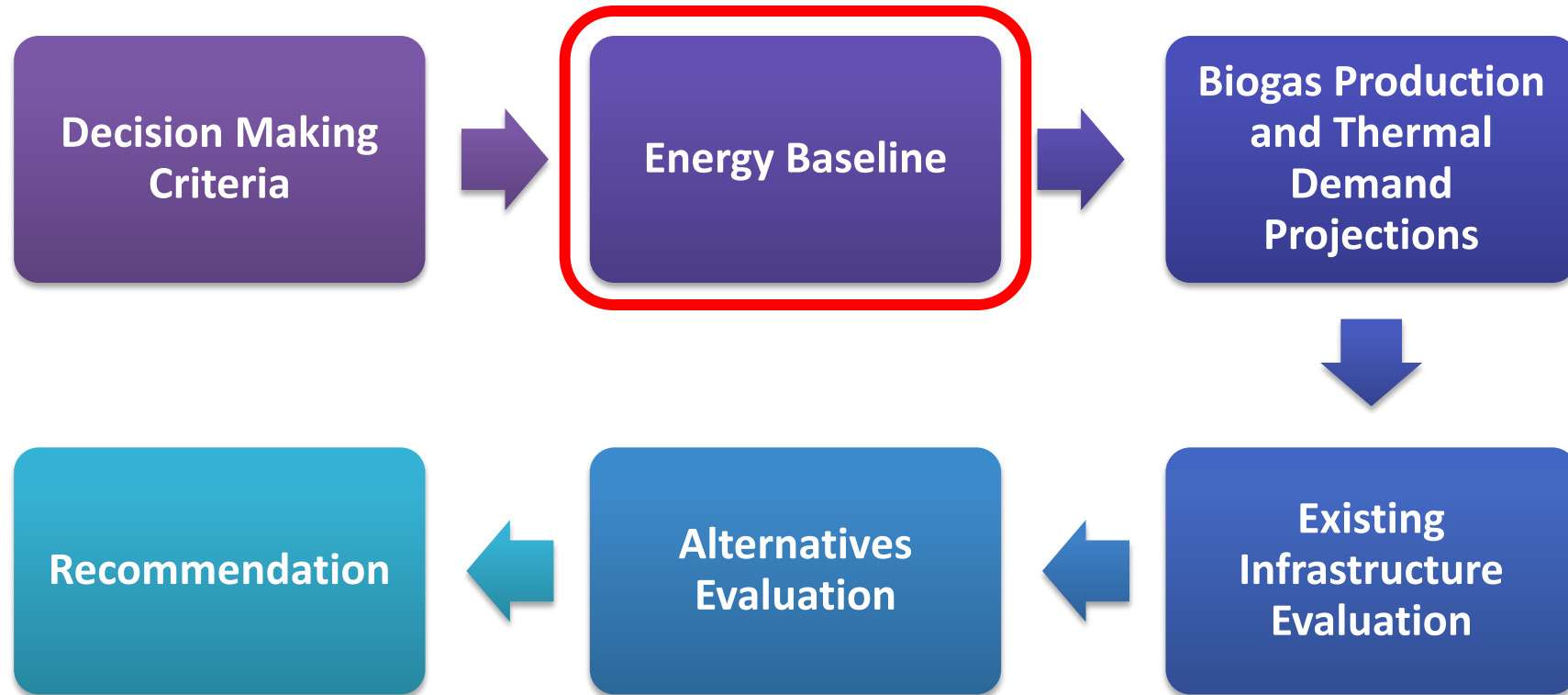


Project Initiation



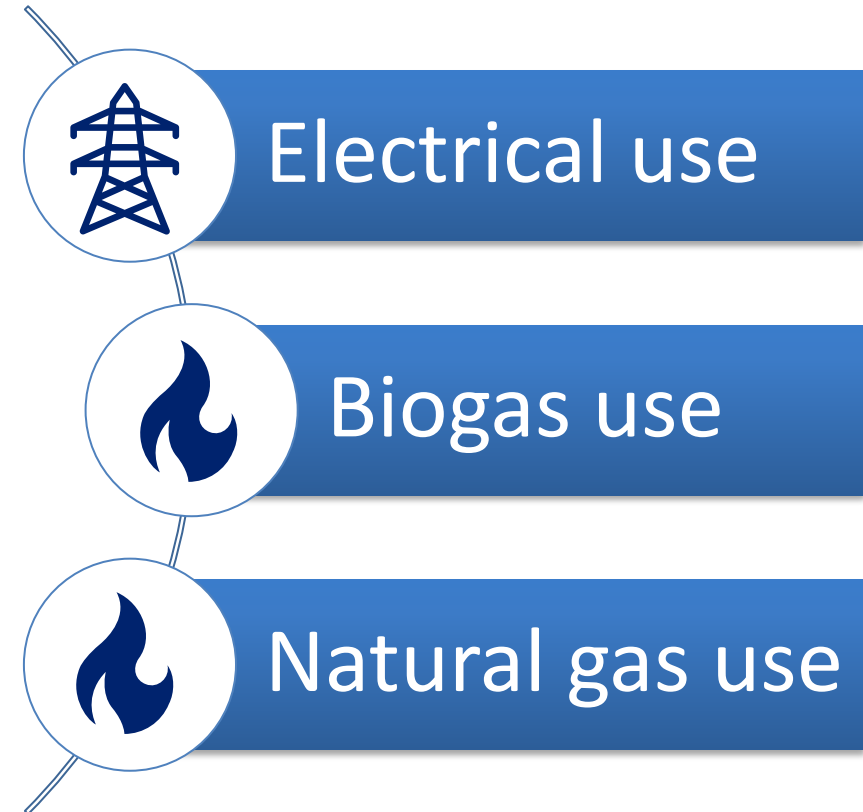
- Establish the **decision-making criteria**:
 - ✓ Capital Cost
 - ✓ Life Cycle Cost
 - ✓ Operational Complexity/Difficulty
 - ✓ Operational Response/Risk/Uptime
 - ✓ Future Site Flexibility
 - ✓ Market Risk
 - ✓ Energy Recovery
 - ✓ Outside Dependence

Project Workflow

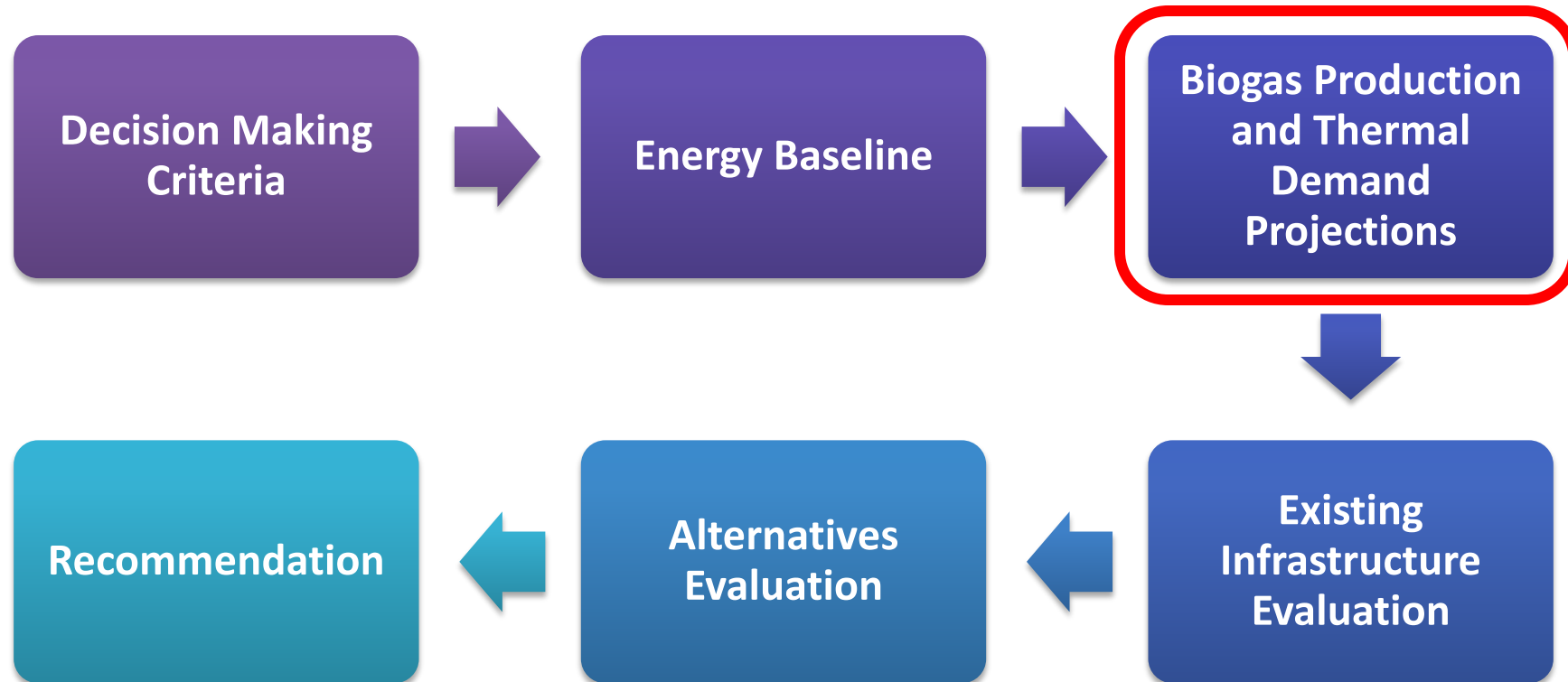


Energy Baseline:

- The energy baseline was detailed in the 2020 EMMP
- There are **no significant** changes impacting the energy use at the Nine Springs plant since the completion of the 2020 EMMP



Project Workflow



Project Initiation

Biogas production:

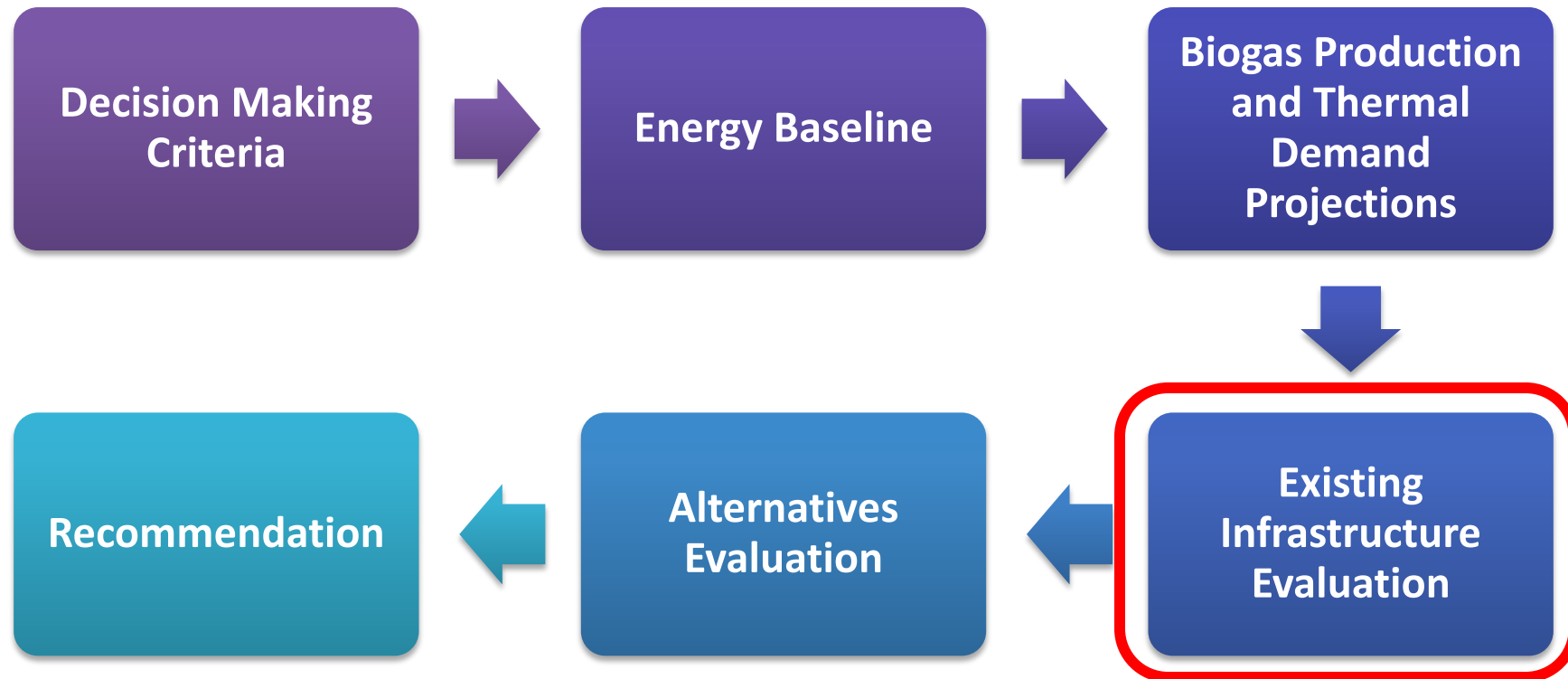
	Biogas Production Projections (cfd)		
	Baseline	Hauled Waste	Thermophilic Digestion
2022	859,000	859,000	859,000
2030	911,000	1,055,000	1,002,000
2040	1,009,000	1,153,000	1,110,000
2050	1,102,000	1,246,000	1,212,000

•**cfd**: cubic feet per day
•**MMBtu**: million British thermal units

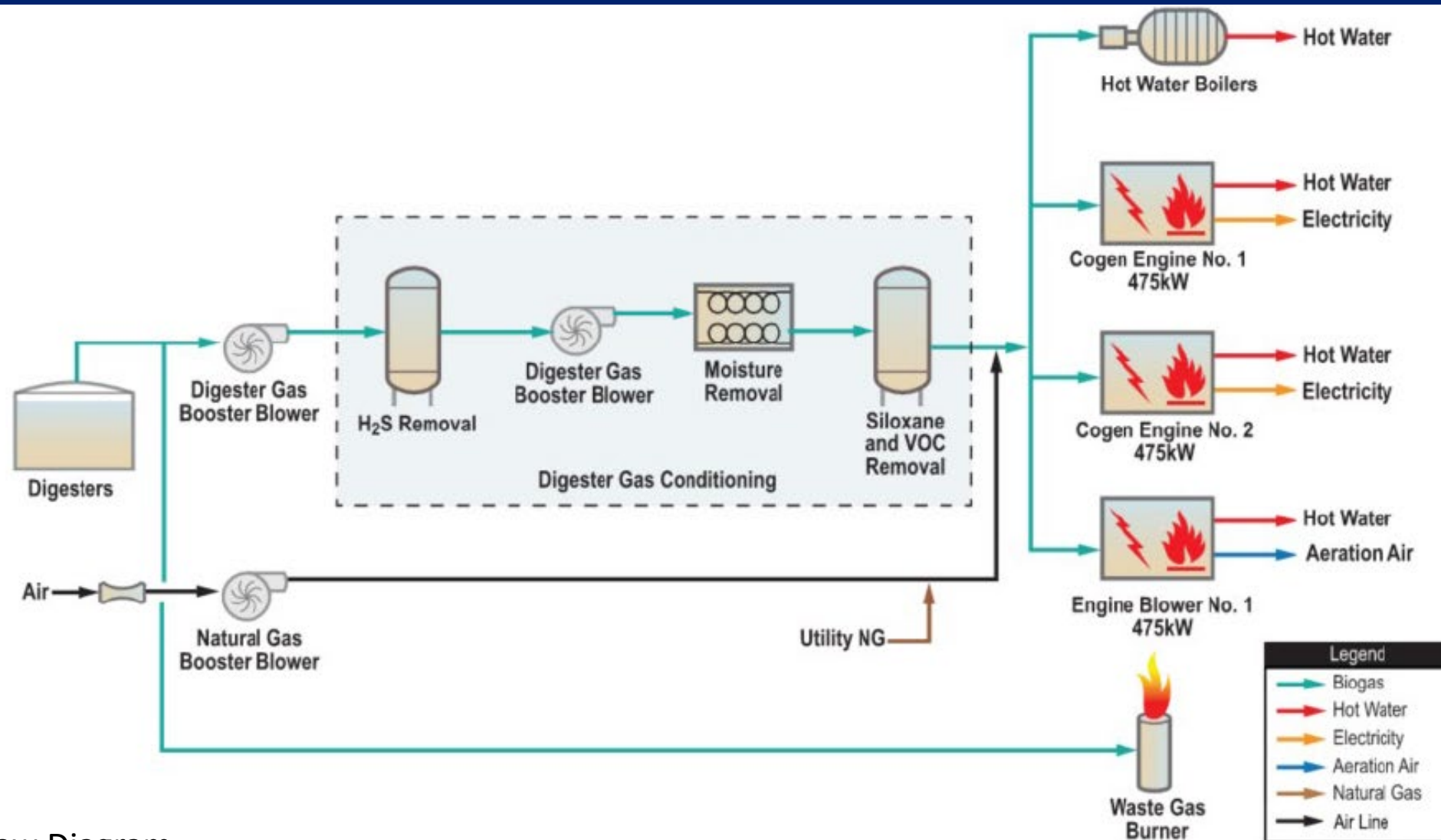
Thermal demand projections:

Building	Current Total Demand		Future Total Demand	
	Ventilation ⁽¹⁾ (MMBtu/year)	Envelope ⁽²⁾ (MMBtu/year)	Ventilation ⁽¹⁾ (MMBtu/year)	Envelope ⁽²⁾ (MMBtu/year)
East, Central, West Interconnected Loop Total	29,400	10,800	37,300	15,500
North Loop Total	1,900	3,500	1,900	4,000
Total	31,300	14,300	39,200	19,500

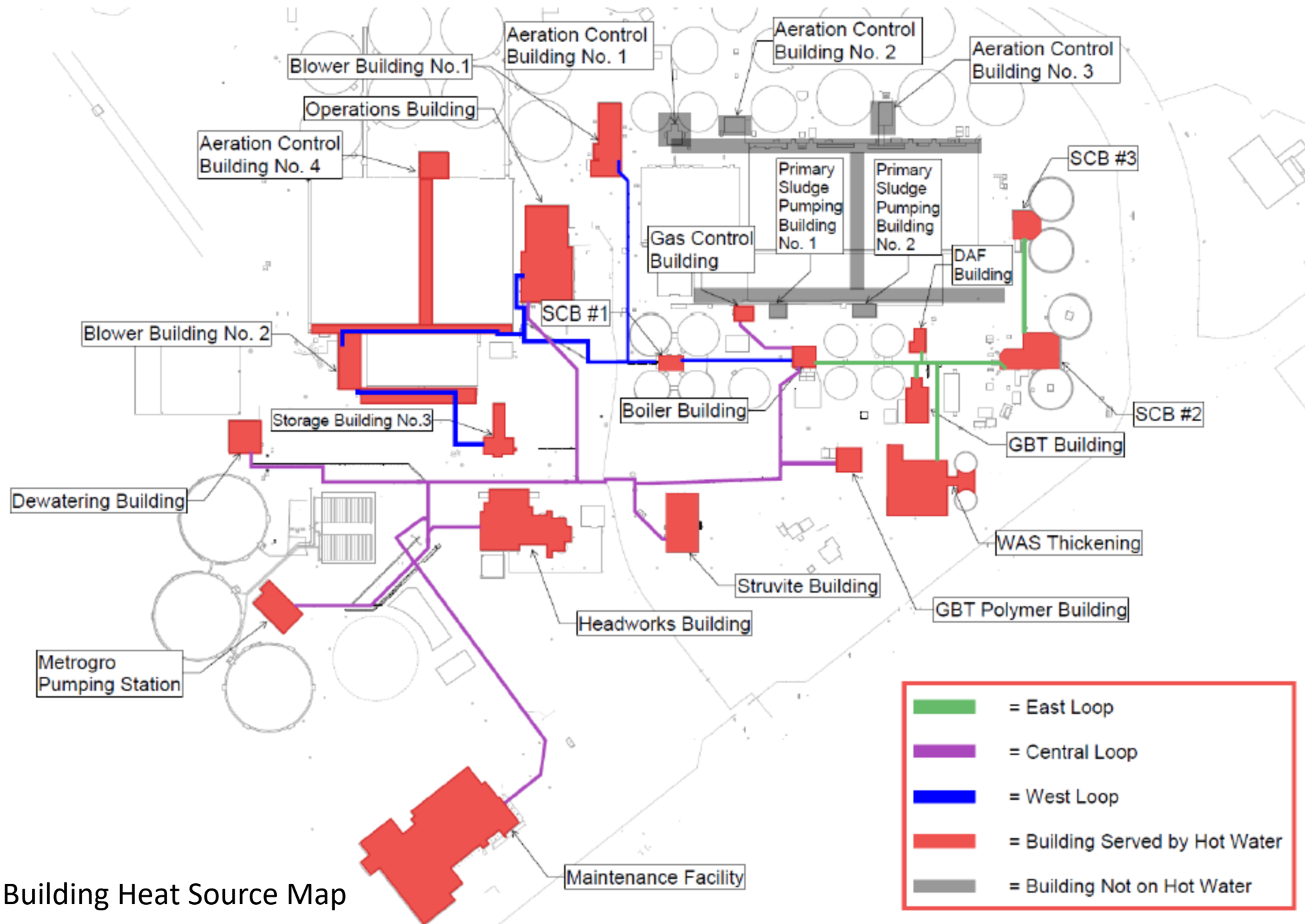
Project Workflow



Existing Heat and Power Infrastructure



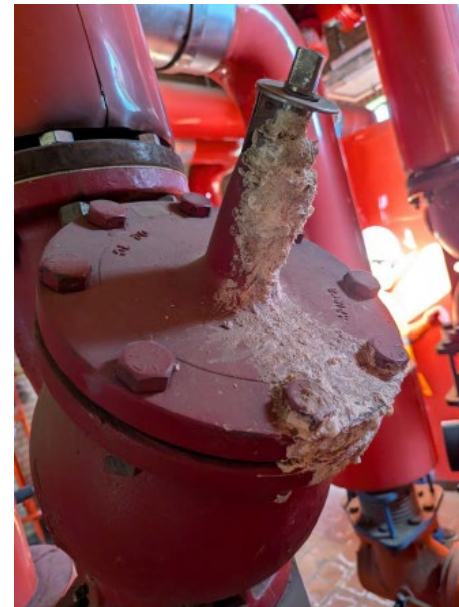
Process Flow Diagram



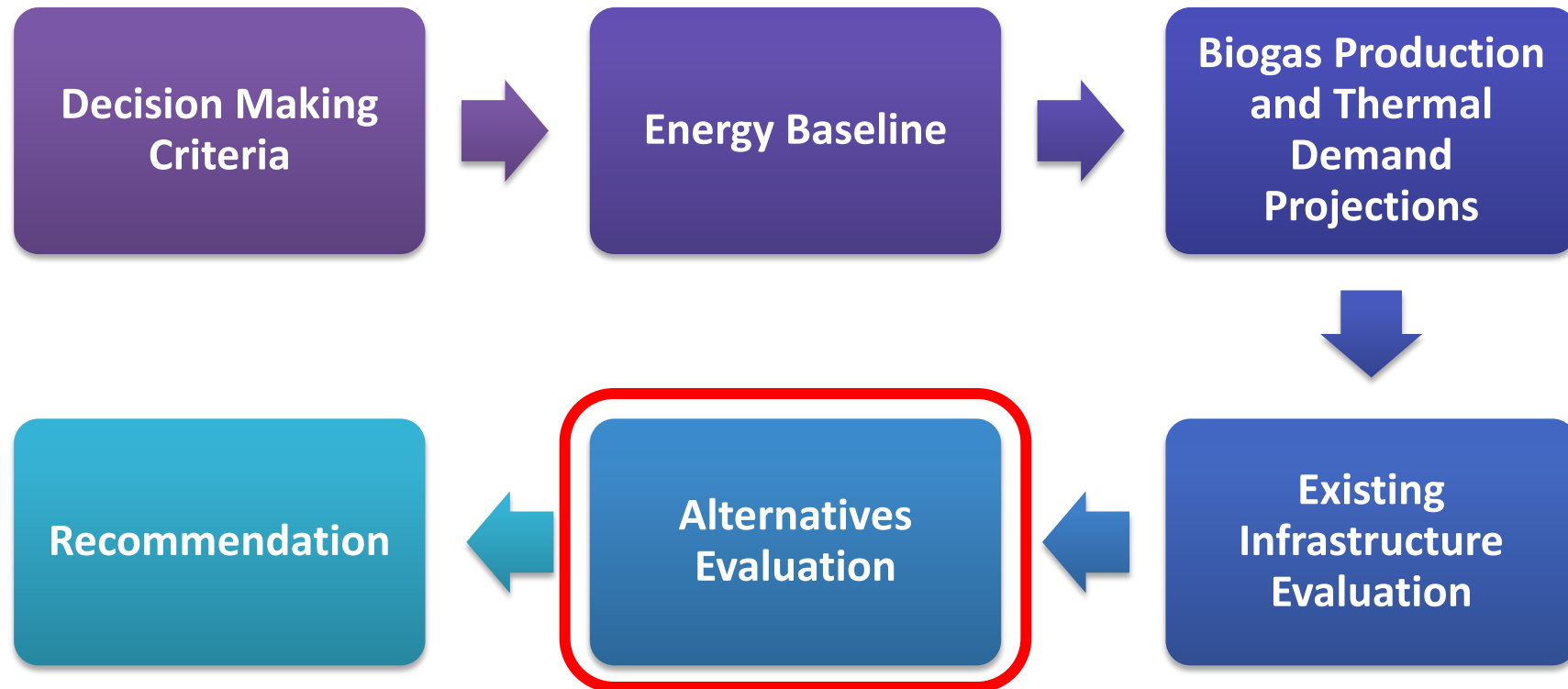
Existing Building Heat Source Map

Existing Heat and Power Infrastructure

- Operational issues for the current biogas and thermal system were identified and documented
- These issues make the system inefficient and difficult to operate



Project Workflow



Alternatives Evaluation

Null Pathway

Maintain existing operations
with no major changes



Pathway 1

*Centralized
heating system*

*Decentralized
heating system*

Upgrade the cogeneration
system with new engines

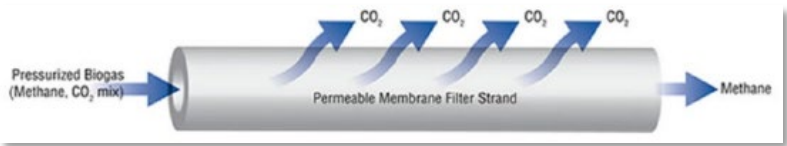


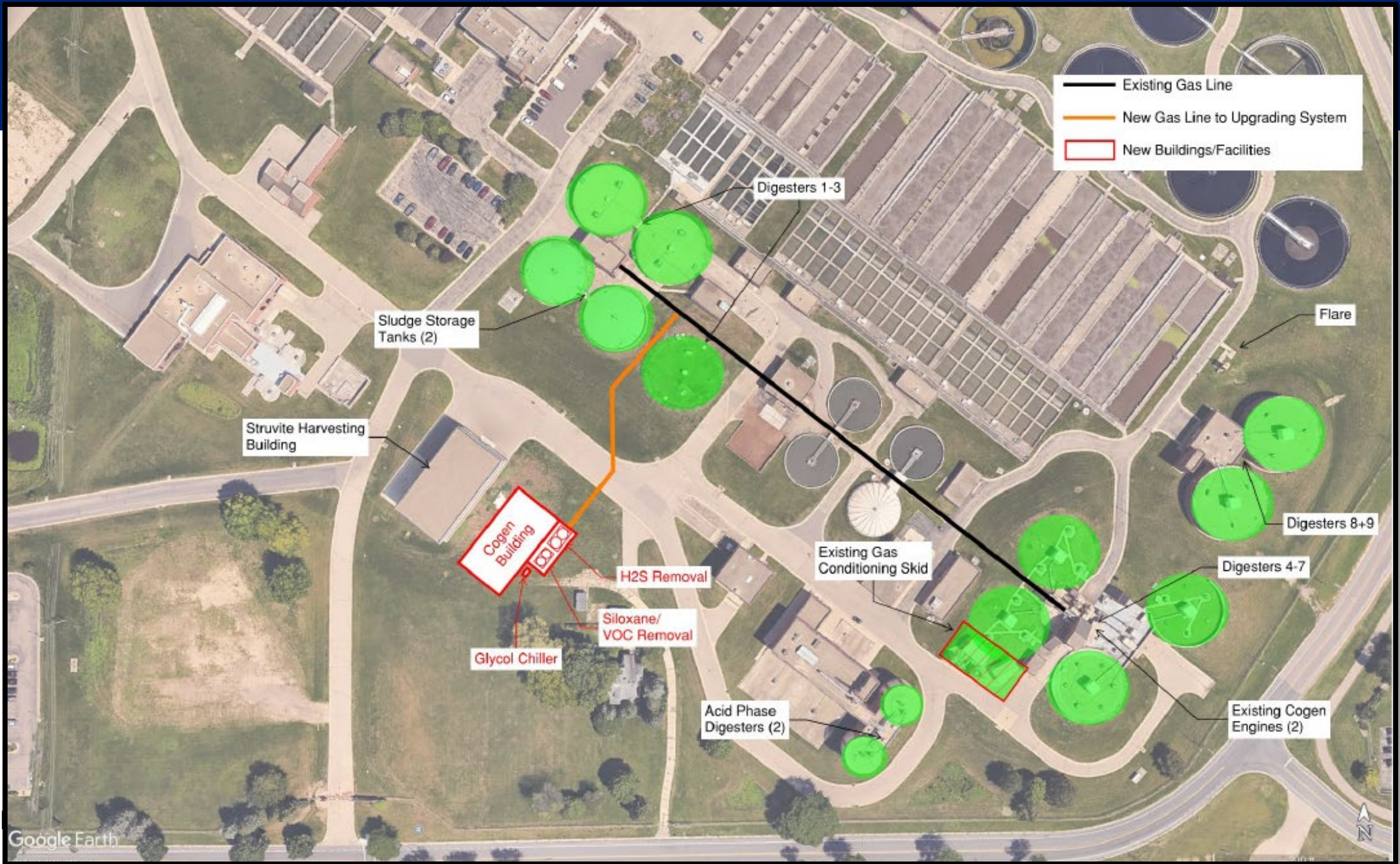
Pathway 2

*Centralized
heating system*

*Decentralized
heating system*

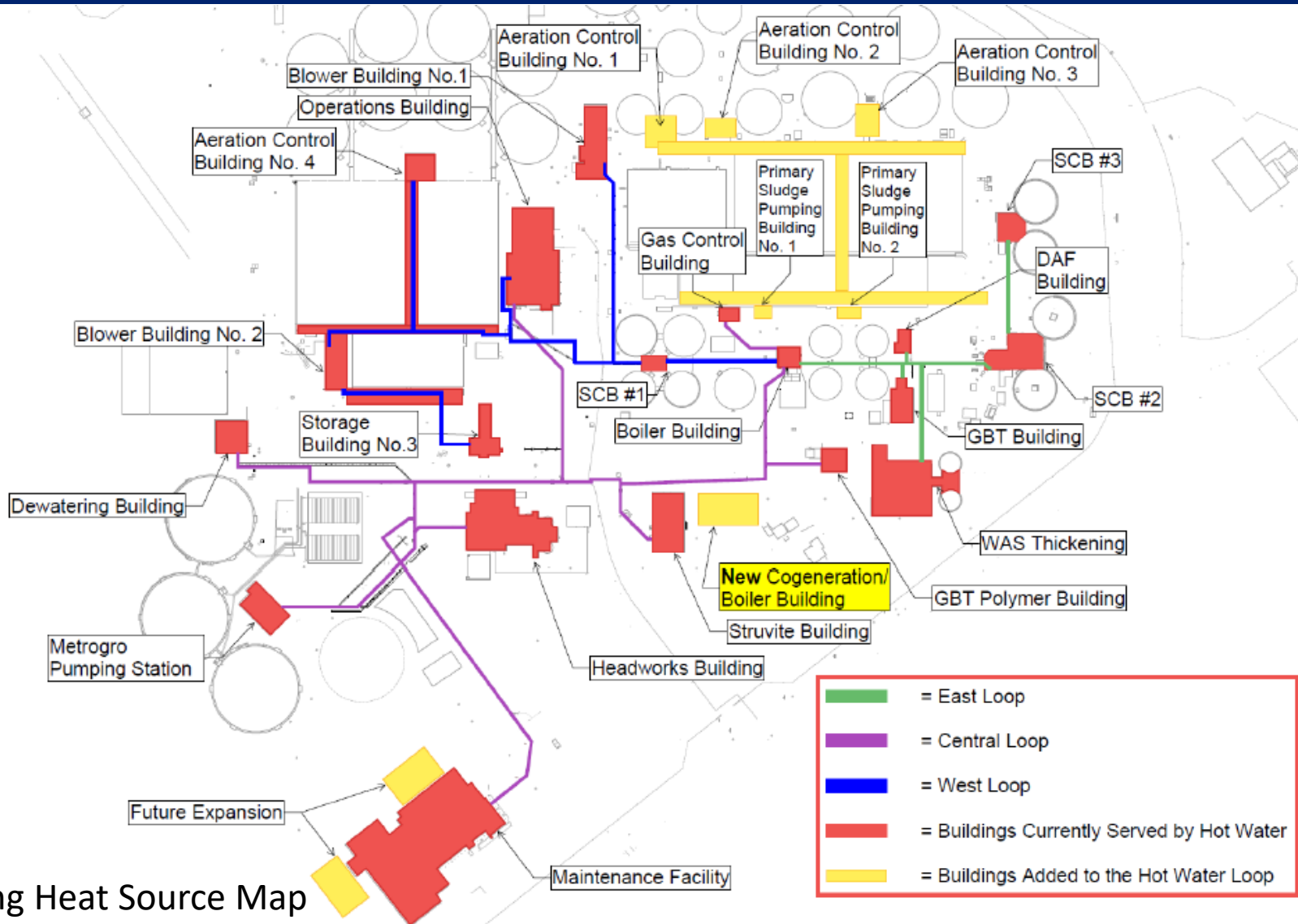
Upgrade the biogas system to
produce RNG for pipeline
injection





Alternatives Evaluation

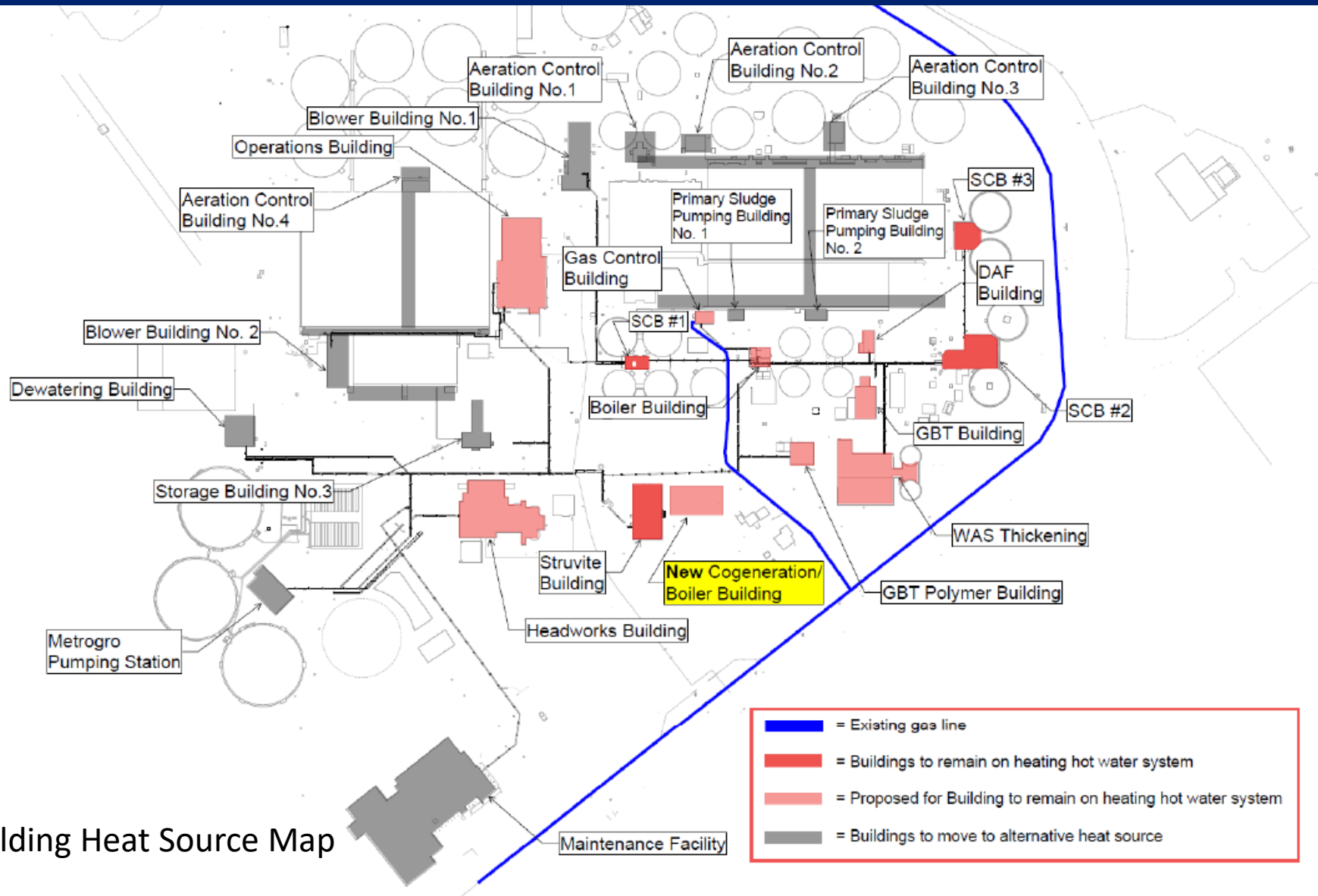
Pathway 1 (Cogen) - Thermal system



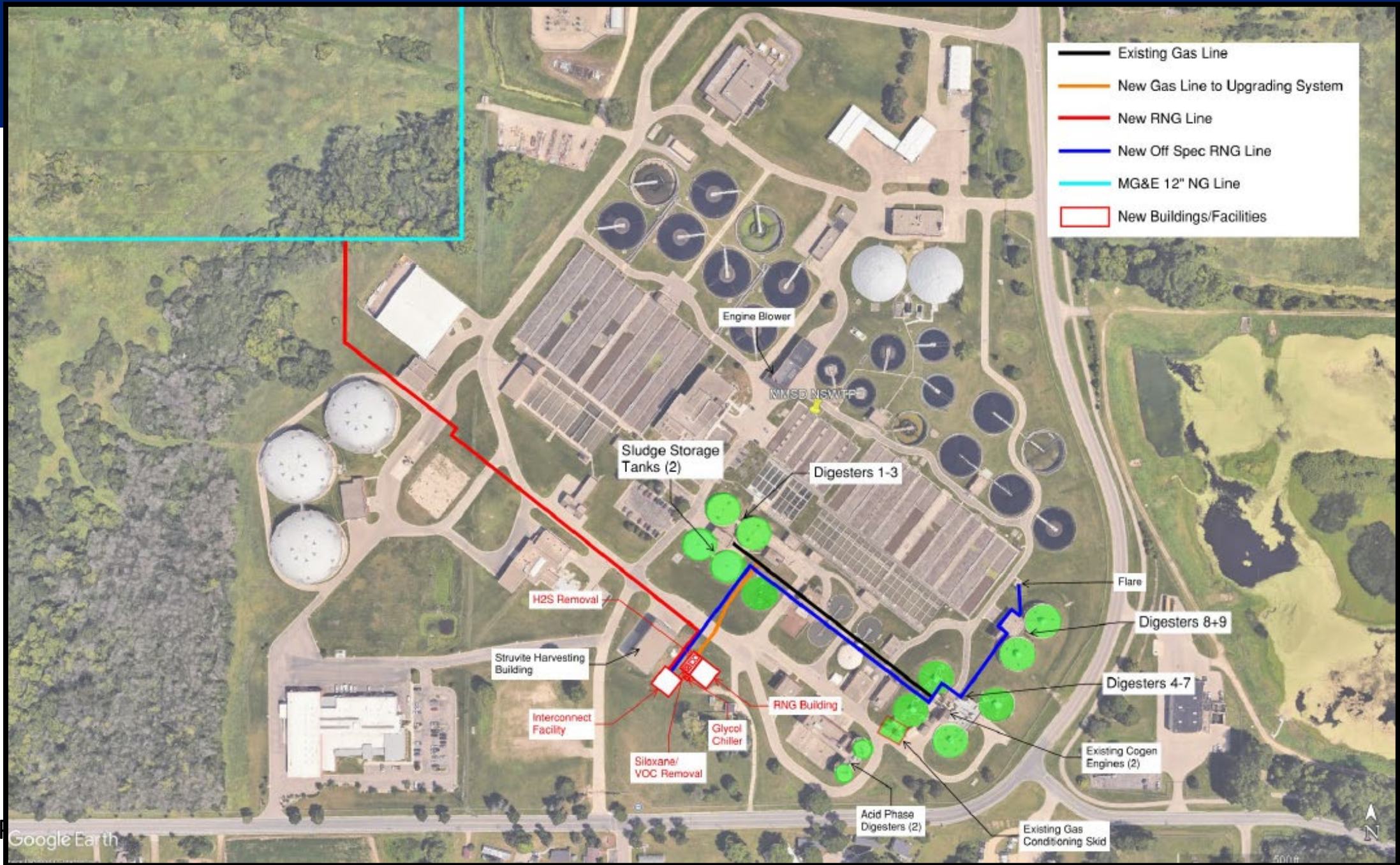
Centralized Building Heat Source Map

Alternatives Evaluation

Pathway 1 (Cogen) - Thermal system

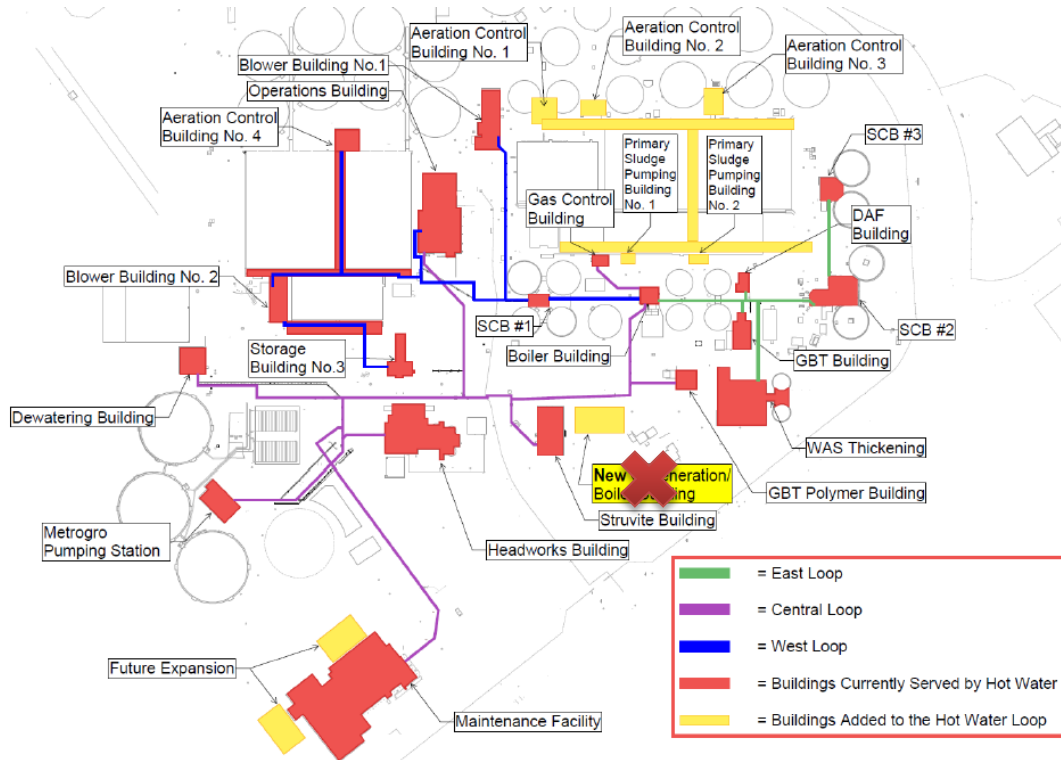


Decentralized Building Heat Source Map

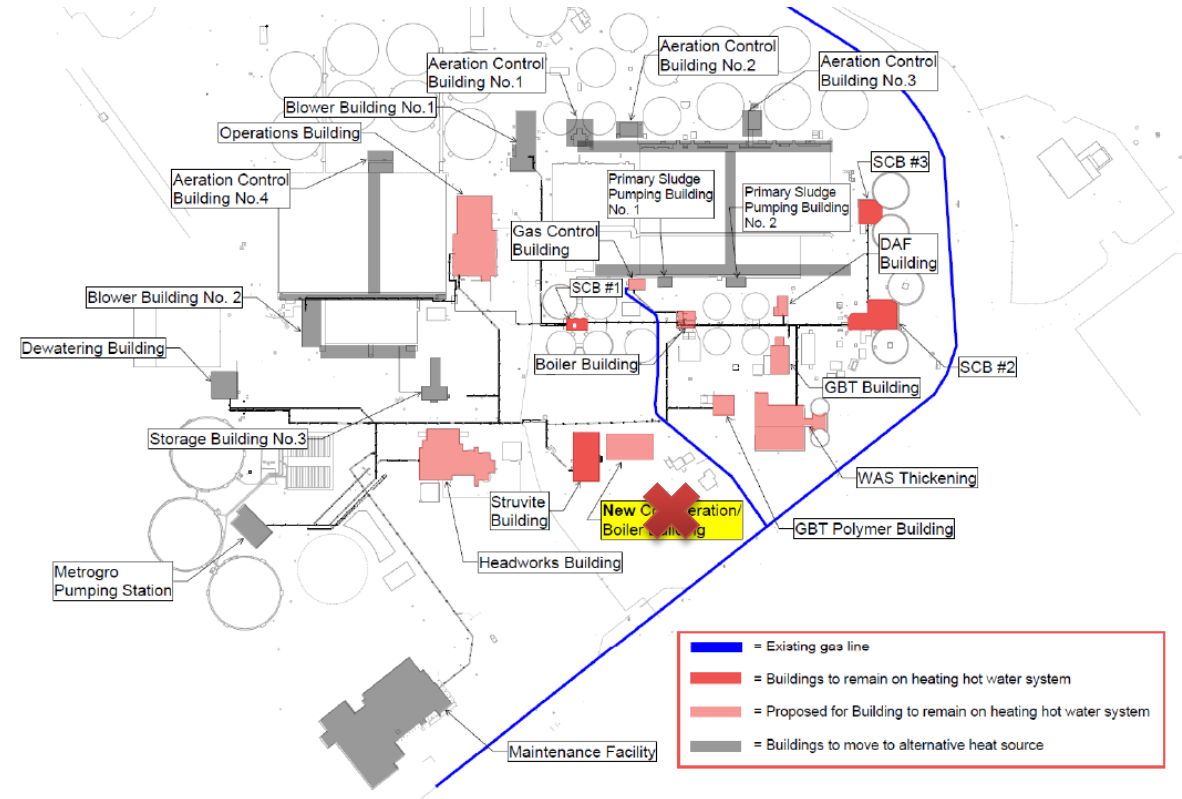


Alternatives Evaluation

Pathway 2 (RNG) – Thermal system



Centralized Building Heat Source Map



Decentralized Building Heat Source Map

- Pathway 2 (RNG) does not recover any heat because there are no cogeneration engines burning biogas

Alternatives Evaluation

Combined Estimated Payback:

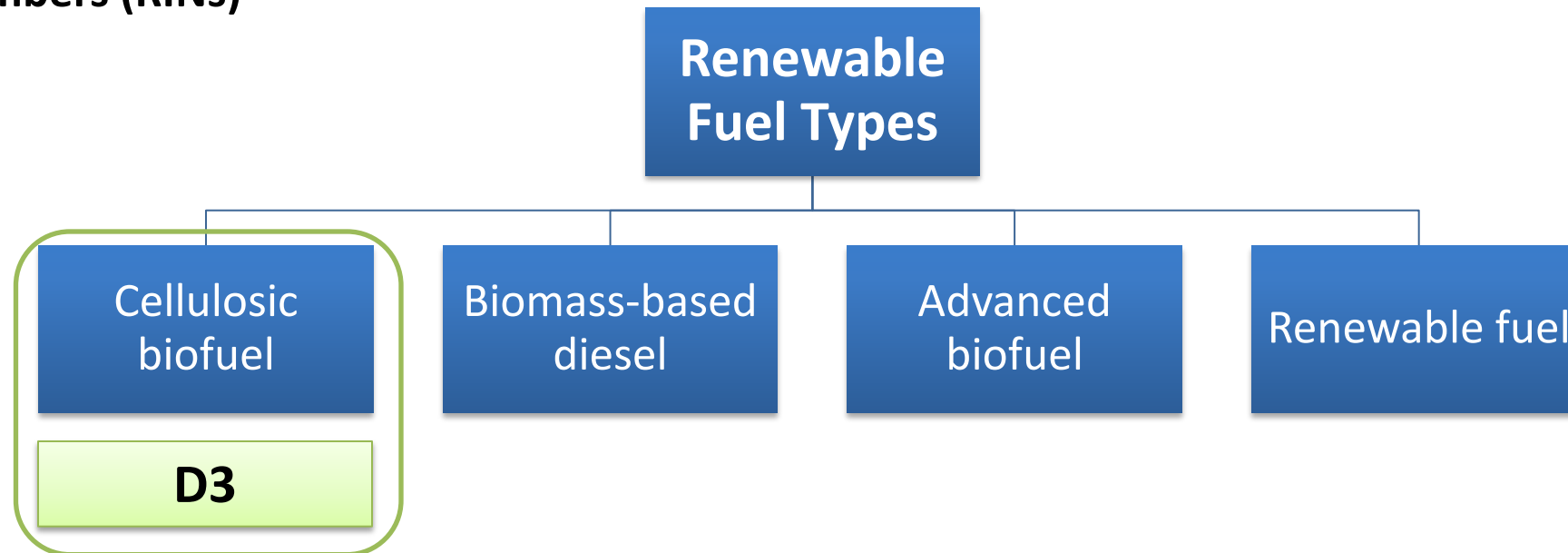
Biogas and Hot Water Pathways	Null Pathway	Pathway 1 (Cogen) Centralized Alternative	Pathway 1 (Cogen) Decentralized Alternative	Pathway 2 (RNG) Centralized Heating Alternative	Pathway 2 (RNG) Decentralized Alternative
Biogas O&M Annual ⁽¹⁾	(\$416,000)	(\$2,218,000)		(\$4,495,000)	
Hot Water O&M Annual ⁽²⁾	\$58,000	\$82,000	\$196,000	\$82,000	\$347,000
Biogas + Hot Water Annual O&M	(\$358,000)	(\$2,136,000)	(\$2,022,000)	(\$4,413,000)	(4,148,000)
Biogas + Hot Water Capital Cost Estimate (2028 Dollars)⁽³⁾	\$4,226,000	\$51,402,000	\$46,385,000	\$50,247,000	\$41,336,000
Simple Payback	12 years	24 years	23 years	11 years	10 years
Total Combined Weighted Score	2.5	3.3	3.4	3.0	3.5

Alternatives Evaluation

Pathway 2 (RNG)

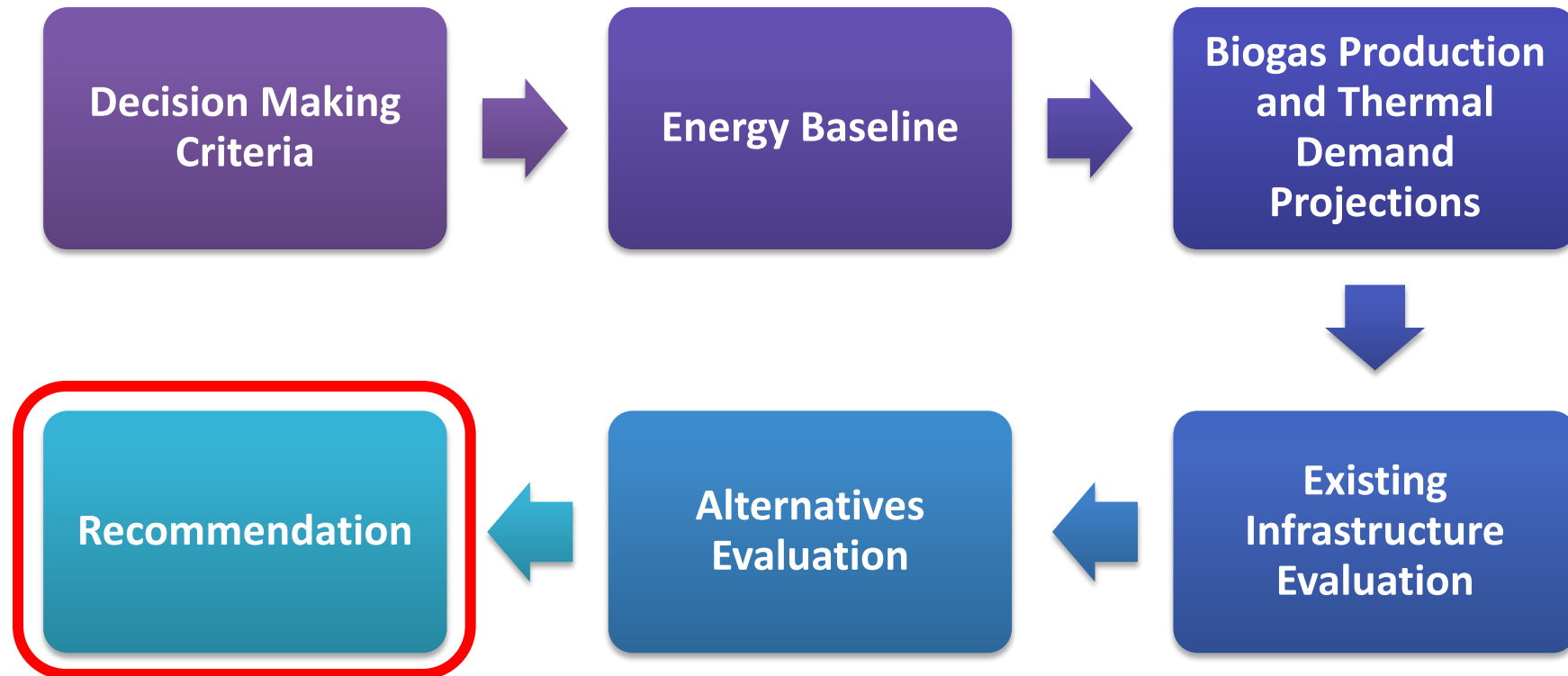
Renewable Fuel Standard (RFS) Program:

- Managed by the EPA and used to offset carbon emissions in the transportation sector
- Obligates fossil fuel refiners and importers to purchase a certain amount of renewable attributes
- Producers of renewable fuels, including RNG, produce these attributes called **Renewable Identification Numbers (RINs)**



- Average D3 RIN value from 2015 through January 2025 was \$2.20/RIN

Project Workflow



Recommendation

- Although the Null Pathway represents the lowest capital cost, it is not recommended due to significant maintenance requirements, increased operational risk and limited capacity, and it is unsuitable for long-term planning due to equipment age.
- **Pathway 2 (RNG) Decentralized is recommended as a preferred pathway** due to:
 - Lower capital cost
 - Significant revenue potential associated with RNG environmental attributes (RINs)
 - Expected reduction in maintenance time by using natural gas for on-site equipment
 - Highest combined score of the decision-making criteria

Next Steps

- In January 2026, the District will hold a public hearing as required under s. NR 110.09(4), Wis. Adm. Code. prior to submitting the Facilities Plan to the Wisconsin Department of Natural Resources (WDNR) for approval
- Upon receipt of the WDNR's letter of approval, District staff will request formal acceptance of the Heat and Power Improvements Facilities Plan from the Commission.
- Prior to initiating the design phase, District will revisit the recommended approach in the future to confirm that the underlying economic evaluation and assumptions remain valid before proceeding with the implementation of the Facilities Plan.

A photograph of an industrial facility, likely a wastewater treatment plant, featuring large cylindrical tanks, complex piping systems, and electrical control cabinets. The scene is dimly lit with a blue color overlay. The word "Questions?" is superimposed in large white text on the left side.

Questions?



Strategic Plan Update

Madison Metropolitan
Sewerage District



Presented by Eric Dundee

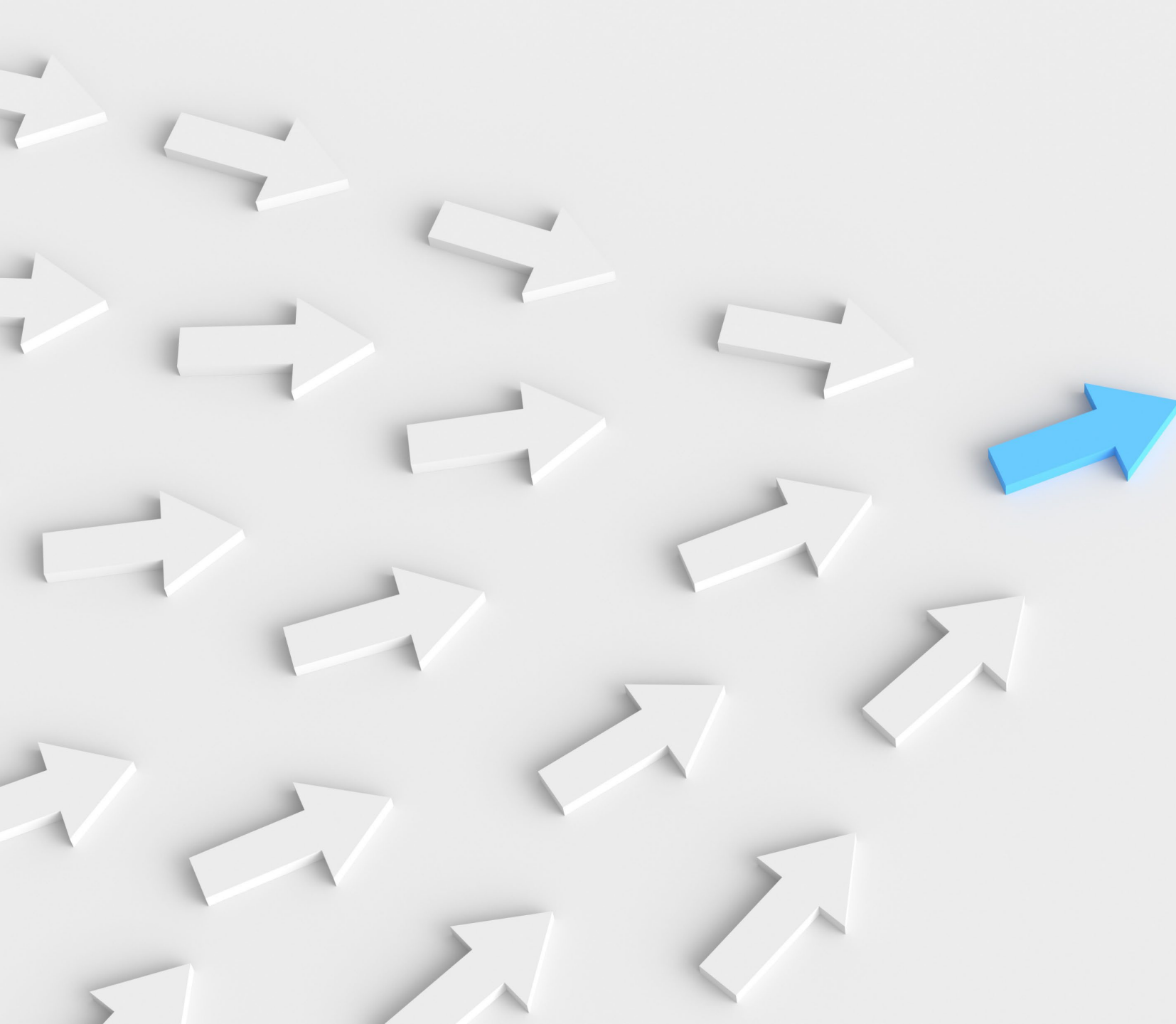


To set the stage...

What is a strategic plan?

*A document that outlines an organization's **goals and the actions** needed to achieve them, serving as a **roadmap for decision-making, resource allocation, and alignment toward a shared vision.***

*It connects the organization's **mission, vision, and values** to **specific, measurable objectives** over a **defined period.***



... to this!





Before we proceed...

- **Today:** “First look” at the updated strategic plan
- **Q1 2026:** Dive into the updated Performance Areas and Performance Indicators
- **By end of Q2 2026:** Three-Year Plan

DISTRICT STRATEGIC PLAN

PURPOSE

Protect public health, welfare and the environment by providing efficient and strategic wastewater management on behalf of our customer communities.

MISSION

Protect public health and the environment

VALUES

- Service
- Reliability
- Sustainability

VISION

We will achieve operational excellence and infrastructure renewal to support the needs of the communities and local businesses we serve.

FINANCIAL CAPACITY & RESILIENCE

As a capital-intensive organization with large and variable costs, attention to revenue sources and spending is foundational to executing our purpose.

For the District, this means having adequate financial resources for staffing and to do the required work needed for infrastructure, operations, maintenance and permit compliance, including resilience during financial disruptions.

INDICATORS

- Balance Relative to Reserve Requirements
- Spending Reflects Asset Condition
- Debt Service Coverage Ratio

INFRASTRUCTURE RELIABILITY

To provide efficient and strategic wastewater management to a growing region, the District requires physical and technological infrastructure, now and into the future, that must perform at a high level of service.

For the District, this means proactively managing and evolving its physical and technological infrastructure to guarantee the performance of critical assets, ensuring financial and maintenance resources are positioned ahead of future repair or replacement demands.

INDICATORS

- Planned Maintenance
- Asset Condition Index
- Critical IT/ OT System Availability

PUBLIC TRUST

As a critical public service with broad reach, the District recognizes the importance of building goodwill and collaborative relationships to positively impact our operations and organizational effectiveness.

For the District, this means striving for public trust and instilling confidence through customer-focused actions, transparent communications, management of high-quality and effective programs, and consistent and dependable service.

INDICATORS

- Community & Stakeholder Sentiment
- Rate Stability
- Service Disruptions

REGULATORY COMPLIANCE

To fulfill our mission to protect public health and the environment, the District complies with applicable state and federal regulations.

For the District, this means monitoring and correcting performance against regulatory requirements, striving to maintain a low risk of future violations, maintaining effective working relationships with regulators, and working to influence regulatory trends to support cost-effective achievement of goals.

INDICATORS

- Permit Violation Frequency
- Permit Compliance
- Environmental Audits

THREE-YEAR PLAN

The Three-Year Plan prioritizes the major short- and near-term projects and/or programs that we must focus on to support the District's vision and the performance areas and their indicators.

For 2026-2029, initial focused projects include:

- ERP implementation and roll-out
- Liquid Processing Improvements Phase 2
- Strategic Plan implementation
- Organizational alignment implementation

DISTRICT MANAGEMENT PLAN

The District Management Plan outlines how staff are aligned to the rest of the vision/strategic plans. It includes at least two things:

1. Workplans for each department and for each division, and
2. Schedule of joint management meetings to ensure progress and accountability on both the Three-Year Plan and division workplans

Madison Metropolitan
Sewerage District



Strategic plan guideposts

DISTRICT STRATEGIC PLAN

PURPOSE

Protect public health, welfare and the environment by providing efficient and strategic wastewater management on behalf of our customer communities.

MISSION

Protect public health and the environment

VALUES

- Service
- Reliability
- Sustainability

VISION

We will achieve operational excellence and infrastructure renewal to support the needs of the communities and local businesses we serve.



Defining & measuring performance

PERFORMANCE AREAS



**FINANCIAL CAPACITY &
RESILIENCE**



**INFRASTRUCTURE
RELIABILITY**



PUBLIC TRUST



**REGULATORY
COMPLIANCE**

Financial Capacity & Resilience

As a capital-intensive organization with large and variable costs, attention to revenue sources and spending is foundational to executing our purpose.

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**FINANCIAL CAPACITY &
RESILIENCE**

Infrastructure Reliability

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Public Trust

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Regulatory Compliance

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Prioritizing work

THREE-YEAR PLAN

The Three-Year Plan prioritizes the major short-and near-term projects and/or programs that we must focus on to support the District's vision and the performance areas and their indicators.

The first Three-Year Plan will cover 2026 to 2029.

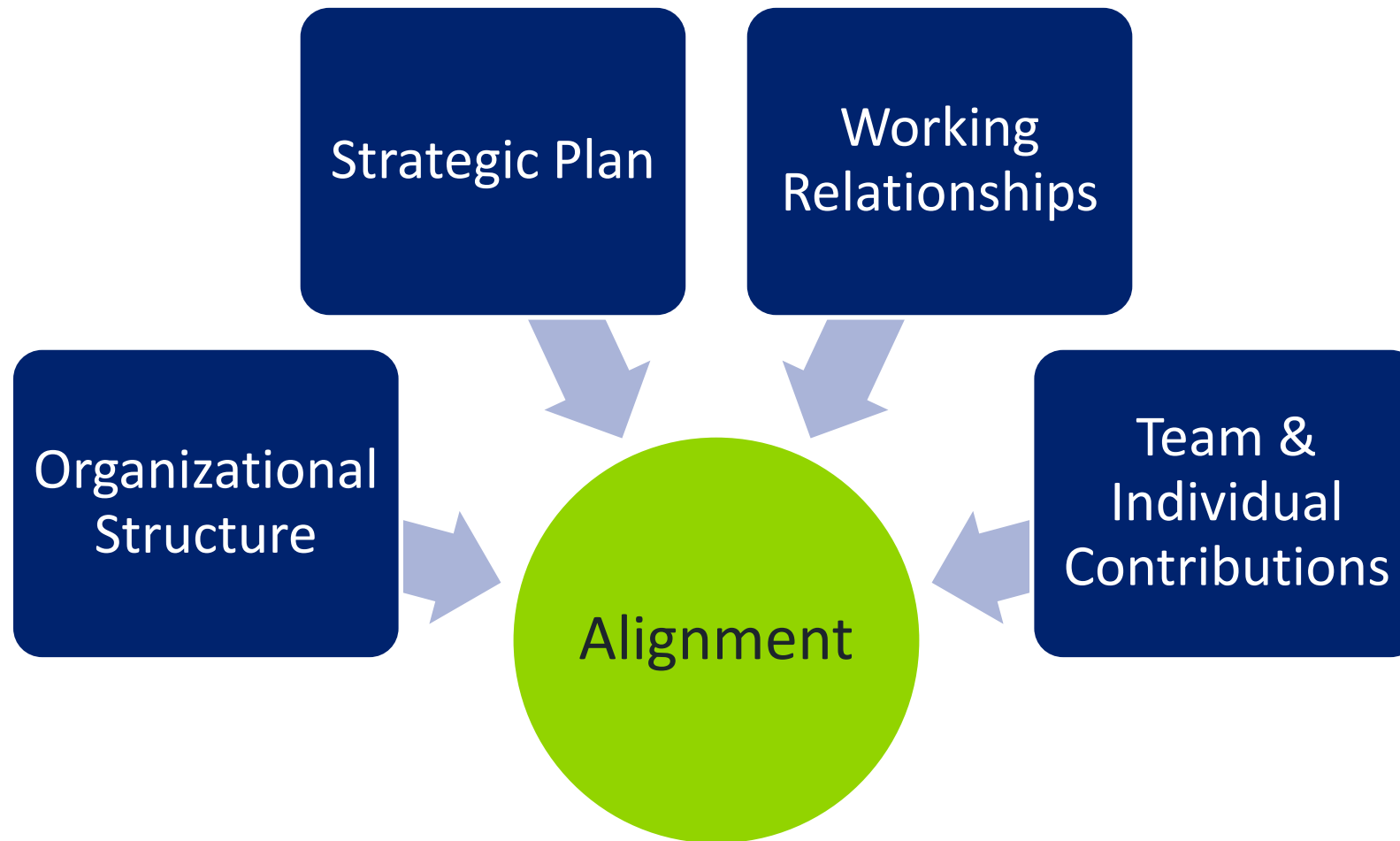
We will complete the first Three-Year Plan by the end of Q2 2026.

DISTRICT MANAGEMENT PLAN

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1. Workplans for each department and for each division, and
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An aligned organization





Madison Metropolitan
Sewerage District





Questions?

Madison Metropolitan
Sewerage District

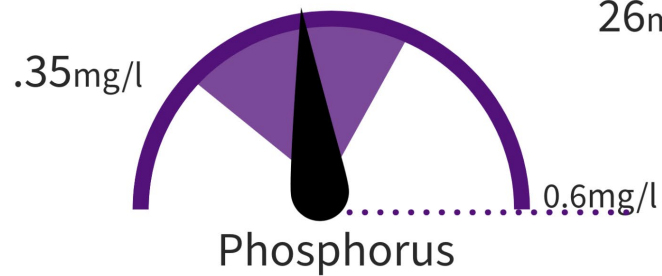
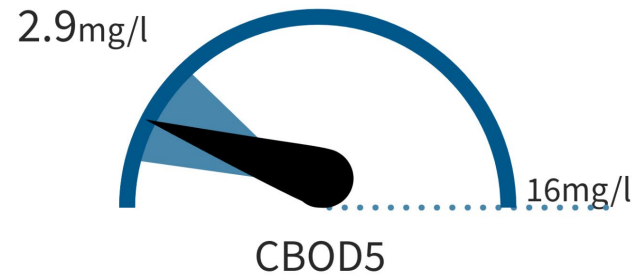




Operations Report

Presented by Alan Grooms





Shaded area represents one standard deviation around the 3-year average

November Plant Performance

Questions?



The Commission is in closed session

Madison Metropolitan
Sewerage District

