

JANUARY 13, 2021

PROPOSAL TO PROVIDE TRANSPORTATION UTILITY  
FEE MODEL & FINANCIAL ANALYSIS SERVICES TO:

# The Village of Elm Grove, Wisconsin



---

Ehlers & Associates, Inc.  
N21W23350 Ridgeview Parkway West, Suite 100  
Waukesha, Wisconsin

Municipal Advisor Registration Number: K0165  
SEC CIK Number: 0001604197

[ehlers-inc.com](http://ehlers-inc.com)

---

## EHLERS ADVISORS:

**Jon Cameron, CIPMA**  
Senior Municipal Advisor  
[jcameron@ehlers-inc.com](mailto:jcameron@ehlers-inc.com)  
262-796-6179

**Brian Roemer**  
Municipal Advisor  
[broemer@ehlers-inc.com](mailto:broemer@ehlers-inc.com)  
262-796-6178

---

# TABLE OF CONTENTS

SECTION A: LETTER OF TRANSMITTAL	3
SECTION B: INTRODUCTION STATEMENT	6
SECTION C: PROFILE OF CONSULTANT	8
SECTION D: BACKGROUND & ORGANIZATION	10
SECTION E: OTHER RELEVANT INFORMATION	14
SECTION F: EXPERIENCE	16
SECTION G: TEAM MEMBERS	25
SECTION H: INSURANCE	31
SECTION I: FEES	N/A



January 13, 2021

Mr. David DeAngelis  
Village Manager  
Village of Elm Grove  
13600 Juneau Boulevard  
Elm Grove, Wisconsin 53122

**Re: Proposal to Provide a Transportation Utility Fee Model and Financial Analysis**

Dear Mr. DeAngelis,

We are pleased to present this proposal for a Transportation Utility Fee Model and Financial Analysis to the Village of Elm Grove. We believe our project team has the expertise and reputation, dedication to proactive client service, and a unique project approach that together provide a compelling relationship option for the Village to consider.

The concept of a transportation utility is relatively new in Wisconsin and has no direct legislation to guide its creation or administration. As the Village considers a consultant for this project, it is important to look for a firm that has the knowledge and experience to consider all aspects of the utility's feasibility. Doing so will help ensure that, if the Village Board agrees to move forward with the creation of a transportation utility, it will possess as much knowledge as possible on the topic and be fully-equipped to implement a utility that is 1) fair to all customer classes, 2) developed with a rate setting methodology that is defensible, and 3) easy to understand and administer.

For this project, we have gathered a multi-disciplinary team to address all aspects of the feasibility analysis. Ehlers will serve the lead consulting Firm, with Jon Cameron as its overall project manager. Jon has over 15 years of experience in conducting utility rate studies, utility creation and feasibility studies. Jeff Mazanec of raSmith Engineers will provide technical support and has in-depth knowledge of transportation utilities. Jeff is an expert in leveraging Trip Generation as a means for developing a utility customer base and user rates. Ehlers' Brian Roemer and raSmith's Justin Schueler will provide analysis support and quality control. Collectively, we believe this is the most appropriate project team to fulfill the Village's needs.

Ehlers is 100% employee-owned by all staff members with at least one year of service. We have been in business since 1955 and maintain offices in Wisconsin, Minnesota and Colorado. Our firm consists of more than 85 Municipal Advisors, Analysts, Specialists and support staff, all dedicated to delivering fully integrated, yet fiercely independent public finance solutions. Our full legal name, address and licensure information is located on the cover page of this proposal.

SECTION A: LETTER OF TRANSMITTAL

raSmith is a multi-disciplinary consulting firm comprised of highly-experienced civil engineers, structural engineers, and land surveyors, with specialized expertise in transportation and traffic matters. This firm - a corporation - was founded in 1978.

Thank you for including us in this RFP process. We appreciate your consideration and look forward to discussing how our project team can best serve the Village of Elm Grove.

Respectfully submitted,



**Jon Cameron, CIPMA**  
Senior Municipal Advisor  
jcameron@ehlers-inc.com  
262-796-6179



**Brian Roemer**  
Municipal Advisor  
broemer@ehlers-inc.com  
262-796-6178



---

SECTION B:

# **INTRODUCTION STATEMENT**

---

## Introduction Statement

The concept of a Transportation Utility is new in Wisconsin. There is currently no direct legislation allowing for the creation of these utilities, and only a few municipalities have created this utility relying upon their Home Rule authority to do so. In recent months, more municipalities such as the Cities of Janesville and Clintonville have conducted feasibility studies for the formation of a transportation utility. The project team of Ehlers and raSmith collaborated with these two cities on their respective initiatives.

In the course of our work together, the Ehlers and raSmith project team collaborated with both municipalities to develop detailed customer databases based on the concept of Trip generation. raSmith conducted an extensive parcel analysis as part of both studies to get a detailed estimate of the number of customer accounts and trips within each municipality. Ehlers worked to develop the revenue requirement for both utilities under multiple funding scenarios and calculated the user rates for both projects. Ehlers also did extensive debt modeling assuming a transportation utility is and is not created. The purpose of the debt analysis was to estimate future tax rates for debt for road projects, show the level of road project funding each year compared to a transportation utility and show the impact on each municipalities' general obligation debt capacity for continuing to fund road reconstruction projects with debt. Finally, as part of both studies, presentations and other public education materials were prepared to assist both Common Councils and the public with understanding the concept and impacts of a transportation utility. We believe there is no other project team that has as much recent experience as the team of Ehlers and raSmith.

The Ehlers and raSmith project team will bring the following to the Elm Grove study:

- » A thorough review and creation of a parcel database based on Trip generation, a concept recognized as one of the more defensible methods for calculating transportation utility rates and has a rational basis for measuring the use of a municipality's transportation system.
- » A clear and easy to understand layout for determining the revenue requirement for the transportation utility under all scenarios the village may consider.
- » The development of a rate structure that is defensible, easy to understand and administer.
- » The calculation of user rates for all scenarios and breakdown of utility user rates for sample residential and non-residential parcels within the Village.
- » Detailed debt modeling for all funding scenarios showing the impact on the Village's future tax rate for debt and general obligation borrowing capacity with and without a transportation utility.
- » An analysis showing the amount of future road projects the Village is able to accomplish with and without a transportation utility.
- » An analysis comparing the total estimated taxes and user rates for sample parcels within the Village for all funding scenarios.
- » The development of detailed presentations to the Village Board on the concept of a transportation utility and the results to sample residential and non-residential parcels.
- » The development of materials to be used to educate the public on a transportation utility.



---

SECTION C:

# **PROFILE OF CONSULTANT**

---

## Profile of Consultant

Creating a transportation utility requires a multi-disciplinary approach. The right project team for this type of study includes an engineering firm that is well versed in traffic generation analysis and understands the concept of Trip Generation and how it can and should be applied to different land use categories within the Village. It also incorporates a consultant who fully understands the universal principals of utility rate setting and can apply those principals to a rate structure for Elm Grove that is fair, equitable and defensible. The Village should expect a financial consultant who is a licensed Municipal Advisor that will prepare “what-if” scenarios with and without a transportation utility and examine the future projected impacts to the Village’s General Obligation debt capacity and tax rate. We believe there is no other project team that has as much recent experience with transportation utilities as Ehlers and raSmith.

For the past 9+ months, the project team of Ehlers and raSmith have led the way in Wisconsin in performing transportation utility feasibility studies for both the Cities of Janesville and Clintonville. While other consulting firms have written on the subject and theorized about these utilities, our project team has been “in the trenches” actually creating some of the first transportation utilities in Wisconsin. The Ehlers and raSmith project team has gained valuable experience with:

- » Helping to develop detailed parcel databases showing the number of Trips per parcel based on the Institute of Traffic Engineers (ITE) Trip Generation Manual.
- » Developing the revenue requirements and user rates.
- » Developing analysis to show the impacts to property owners with and without a transportation utility.
- » Developing estimates of future borrowing plans and tax impacts with and without a transportation utility.
- » Analyzing and developing ideas on potential credit policies and policy impacts.
- » Been active participants in discussions on implementing and administering these utilities.



---

SECTION D:

**BACKGROUND &  
ORGANIZATION**

---

## Background & Organization

### BUILDING COMMUNITIES. IT'S WHAT WE DO.

Ehlers helps public sector clients build outstanding places to live, work, learn and play by delivering focused, fully-integrated municipal financial advisory services. We build strong, long-lasting client relationships - working directly and collaboratively with your staff - to complete projects and drive initiatives forward. We leverage decades of industry experience, deep market and community knowledge, and our unique team-based approach to successfully guide clients through all facets of public finance.

#### Our primary services include:

- » Financial Management Planning
- » Economic Development & Redevelopment
- » Arbitrage Consulting
- » Paying Agent Services
- » Debt Planning & Issuance
- » Investments & Treasury Management
- » Continuing Disclosure

**Founded in Minnesota in 1955**, Ehlers consists of more than 85 advisors, financial specialists, analysts and client support staff. We are an S-Corporation, 100% employee-owned by all staff members with at least one year of service. Specific to the Village's needs, we are staffed and certified as follows:

<b>37</b>	<b>Advisors &amp; Financial Specialists</b> <i>(28 registered MAs)</i>	<b>5</b>	<b>Bond Marketing &amp; Sales Specialists</b>
<b>4</b>	<b>Senior Financial Analysts</b> <i>(4 registered MAs)</i>	<b>3</b>	<b>Senior Arbitrage Consultants</b>
<b>10</b>	<b>Senior Public &amp; Public Finance Analysts</b>	<b>4</b>	<b>Registered Investment Advisors</b>

Our firm and each of its municipal advisors are registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board, meet all professional testing standards as well as continuing education requirements. **Our registration credentials are located on the cover page of this proposal.**

Ehlers' advisors assigned to this prospective engagement have over 20 years' combined advisory and public sector experience, with a strong focus on Utility Rate Studies.

**Today, Ehlers serves more than 1,500 public sector clients across five states. We do not represent developers, investors, broker-dealers or any private sector clientele.**

SECTION D: BACKGROUND & ORGANIZATION - EHLERS

We are headquartered in Roseville, Minnesota with fully-staffed offices in Waukesha, Wisconsin and Denver, Colorado. The addresses for those locations are:

**WAUKESHA, WISCONSIN**

N21W23350 Ridgeview Parkway  
West, Suite 100  
Waukesha, Wisconsin  
262-785-1520

**Public Finance Professionals: 21**

**MINNEAPOLIS, MINNESOTA**

3060 Centre Pointe Drive  
Roseville, Minnesota 55113  
651-697-8500

**Public Finance Professionals: 55**

**DENVER, COLORADO**

4700 S Syracuse Street  
Suite 860  
Denver, Colorado  
303-802-2300

**Public Finance Professionals: 4**

## Corporate Overview

raSmith is a multi-disciplinary consulting firm comprising civil engineers, structural engineers, land surveyors, development managers, landscape architects and ecologists.

Our services are focused on our public and private sector clients' needs in design and construction including land development, site planning and design, structural engineering, municipal engineering, transportation and

traffic, surveying, construction services and geographic information systems (GIS). We work on projects nationwide from our seven locations in Wisconsin, Illinois and California.

raSmith was founded in 1978 by the current owner and CEO, Richard A. Smith, M.S., P.E. Richard A. Smith Jr., P.E., (Ricky) leads the firm as president. The firm employs a staff of 210.



### Office Locations

#### Brookfield, Wisconsin

16745 West Bluemound Road  
Brookfield, WI 53005-5938  
(262) 781-1000

#### Milwaukee, Wisconsin

221 South 2nd Street, Suite 100  
Milwaukee, WI 53204-1412  
(262) 781-1000

#### Appleton, Wisconsin

100 West Lawrence Street, Suite 412  
Appleton, WI 54911-5754  
(920) 731-3499

#### Madison, Wisconsin

4001 Felland Road, Suite 108  
Madison, WI 53718-6459  
(608) 467-3034

#### Cedarburg, Wisconsin

W62 N588 Washington Avenue, Suite 201  
Cedarburg, WI 53012-2074  
(262) 781-1000

#### Naperville (Chicago), Illinois

1245 East Diehl Road, Suite 102  
Naperville, IL 60563-4816  
(630) 405-5722

#### Irvine, California

8911 Research Drive  
Irvine, CA 92618-4237  
(949) 872-2378

**raSmith**  
CREATIVITY BEYOND ENGINEERING



---

SECTION E:

**OTHER RELEVANT  
INFORMATION**

---

## Other Relevant Information

Ehlers serves as the primary Municipal Advisor for the Village of Elm Grove. With our strong relationship spanning decades, Ehlers provides/had provided the Village with the following public finance services:

- » Financial Management Planning, including Capital Improvement Plans
- » Debt Planning & Issuance
- » Dissemination Agent Services (Continuing Disclosures)
- » Paying Agent Services
- » Economic Development & Redevelopment, including Tax Incremental Financing

This work affords Ehlers an in-depth knowledge of the Village's financial landscape and positions us as the most appropriate firm to conduct the Transportation Utility Fee Model and Financial Analysis.

### Legal Disclosure Information

Ehlers has no current or outstanding professional liability claims related to the scope of work requested. We are not party to any current or pending lawsuits or regulatory action.



---

SECTION F:  
**EXPERIENCE**

---

## Ehlers' Relevant Projects & References

### CITY OF JANESVILLE, WISCONSIN

**PROJECT DATES:**

March 2020 - Present

**PROJECT CONTACT & REFERENCE:**

Max Gagin, Finance Director  
 City of Janesville  
 608-755-3037  
 gaginm@ci.janesville.wi.us

**Transportation Feasibility Study**

**The City of Janesville hired the project team of Ehlers, raSmith** and Boardman Clark in 2020 to prepare a Feasibility Study for the Creation of a Transportation Utility. The feasibility analysis included the development of six different user rate scenarios under different transportation utility funding levels. It also included extensive Trip Generation sampling of non-residential parcels and the development of a preliminary database for residential and non-residential parcels. Our goal was to provide an accurate estimate of the total number of trips within the City. We then prepared an extensive debt modeling analysis to estimate the future tax rate for debt under a base level scenario assuming the City did not implement a transportation utility and six funding scenarios. Finally, we developed a summary analysis, scrutinizing the total estimated user fees, wheel tax and future tax rates for debt related to street rehabilitation for an average single-family home. This work was presented to the City Council in September, 2020 for initial feedback. The Council will be conducting more detailed workshops on the utility in January and February, 2021 with the goal of full implementation in 2022.

### CITY OF CLINTONVILLE, WISCONSIN

**PROJECT DATES:**

July 2020 - Present

**PROJECT CONTACT & REFERENCE:**

Sharon Eveland, City Administrator  
 City of Clintonville  
 715-823-7600  
 seveland@clintonvillewi.org

**Transportation Utility Creation Study**

**In 2020, the City hired Ehlers and raSmith** to prepare a Transportation Utility Creation Study, which entailed preparing the database for all residential and non-residential parcels to estimate the total number of trips within the City. It also included the development of transportation utility user rates under two budget scenarios where we explored a) full funding of road costs (both operations and capital) through the transportation utility and b) partial funding of road costs from the utility and the remaining from the general fund. We prepared a future debt analysis, which projected the future tax rate for debt under four different borrowing scenarios; we looked at whether the utility is and is not created and whether or not the City would continue to receive grant funding for road projects. We presented to the City Council several times, updating them on the progress of the study. The City is currently working on developing a draft utility creation ordinance for consideration in 2021.

**CITY OF OSHKOSH, WISCONSIN****PROJECT DATES:**

August - December 2019

**PROJECT CONTACT & REFERENCE:**

James Rabe, Director of Public Works - City of Oshkosh  
215 Church Avenue, Oshkosh, WI 54903  
920-236-5011 • jrabe@ci.oshkosh.wi.us

**Annual Sewer Rate Study, Storm Water Utility Rate Update & Long-Range Cash Flow Analysis for Sewer, Water & Stormwater Utilities**

Ehlers performs an annual update of cost of service rate study which includes development of high strength surcharge rates for industrial customers and development of user rates for Sanitary Districts served by the City. We also complete a long-range cash flow analysis and financing plan for the water, sewer and storm water utilities and present it to the Common Council as part of the City's annual budgeting process.

Ehlers' long-range cash flow analysis includes the preparation of a 10-year financing plan which shows the capital improvement costs within each utility by year, estimated sources of financing and amount of annual cash on hand applied to offset each borrowing. We prepare the estimated annual principal and interest payments for each borrowing and the estimated user rate increases to accommodate capital improvement projects by year. Our work also includes a benchmark analysis of number of days cash on hand and debt coverage on all revenue bonds and compares it to applicable rating agency standards.

Using the information from the annual long-range cash flow analysis we then complete multiple Cost of Service Sewer Rates studies. The purpose of these studies is to calculate user rates for the coming year such that they are fair and equitable to all customer classes and ensure rates are based upon the principles of cost causation. This way, rates are equitably designed to provide required coverage for existing and proposed Sewer Utility debt and adjusted for future capital needs, flow projections, and customer changes. Lastly, we design rates to recover the costs caused by several Sanitary Districts that discharge to the City's Treatment Plant.

## CITY OF WAUKESHA, WISCONSIN

**PROJECT DATES:**

July - December 2019

**PROJECT CONTACT & REFERENCE:**

Fred Abadi, PhD., Director of Public Works - City of Waukesha  
201 Delafield Street, Waukesha, WI 53188  
262-524-3629 • fabadi@ci.waukesha.wi.us

**Annual Sewer Rate Cost of Service User Rate Study & Long-Range Cash Flow Analysis**

Ehlers annually works with the City to perform a detailed cost of service rate study update, including the development of a separate return flow user rate to pay for debt associated with the sewer portion of City's change to Lake Michigan drinking water. In addition to performing the cost of service study, Ehlers also annually updates a long-range cash flow analysis and capital funding plan for future treatment plant and collection system improvements. The City annually updates the capital list and works with Ehlers to identify the future potential funding methods for upcoming projects and to identify the potential user rate impacts. Both studies are presented to the Board of Public Works for approval of the user rates for the next calendar year, and to update them on the potential rate increases over the next several years. This method has been a valuable part of the annual budgeting process and has helped to ensure the successful implementation of several larger scale capital improvement projects.

## CITY OF WHITEWATER, WISCONSIN

**PROJECT DATES:**

January - May 2019

**PROJECT CONTACT & REFERENCE:**

Steve Hatton, Finance Director - City of Whitewater  
312 W Whitewater Street - PO Box 690  
Whitewater, WI 53190-0690  
262-473-1380 • shatton@whitewater-wi.gov

**BUDGET:** \$16,000

**Sanitary Sewer Cost of Service Rate Study & Financial Management Plan**

Ehlers assisted the City with the overall planning and timing for five years of debt modeling as part of a Financial Management Plan. From this a rate increase was needed to ensure coverage on a 20-million-dollar treatment plant upgrade financed with a Clean Water Fund Loan. The Sewer Rate Study included a five-year historical analysis on rate performance against both industry standard methodologies for revenue requirements, a benchmarking analysis depicting common financial measures used by external entities to analyze the fiscal sustainability of a utility, a cost of service study, and ten-year long-range cash flow analysis.

## raSmith's Relevant Projects & References

### VILLAGE OF PEWAUKEE, WISCONSIN

**PROJECT CONTACT:**

Scott Gosse  
Village Administrator  
Village Hall  
235 Hickory Street  
Pewaukee, WI 53072  
(262) 691-5660  
sgosse@villageofpewaukee.com

**TRANSPORTATION USER CHARGE SYSTEM**

The Village hired raSmith in spring of 2020 to develop a trip-generation based transportation user charge system, including determination of assigned trips for each property in the Village. Determination of assigned trips was based on the property use and size or other scalar factor with consideration for other unique property use characteristics. The resulting transportation user fee (TUF) model supports evaluation of various rate structure and revenue generation goals. raSmith is also working with the Village to develop municipal code, policies and procedures to establish and administer the system. The functional model was completed in 2020; the Village is progressing towards full user charge system implementation in 2021. raSmith serves as the Village Engineer and will continue to work with the Village to administer the transportation user charge system after initial implementation.

### VILLAGE OF WINNECONNE, WISCONSIN

**PROJECT CONTACT:**

David Porter  
Village Administrator  
Village Hall  
30 S 1st Street  
Winneconne, WI 54986  
(920) 582-4381  
administrator@winneconnewi.gov

**WINNECONNE TUF MODEL DEVELOPMENT**

The Village of Winneconne hired raSmith in October of 2020 to develop a trip-generation based transportation user fund model to inform the Village Board of the impacts and benefits related to prospective implementation of a transportation utility. Prospective charges for each property in the Village were calculated based on property use and size or other scalar factors with consideration for other unique property use characteristics. The resulting TUF model supports evaluation of various rate structure and revenue generation goals as set by the Village. A first phase of the functional model was completed in 2020 and presented to the Village Board to support formal consideration of TUF implementation in 2021.

## CITY OF OSHKOSH, WISCONSIN

### PROJECT CONTACT:

James Rabe, PE  
 Director of Public Works  
 City Hall  
 215 Church Avenue  
 Oshkosh, WI 54903  
 (920) 236-5011  
 jrabe@ci.oshkosh.wi.us

### TUF MODEL DEVELOPMENT

The City of Oshkosh hired raSmith in December of 2020 to develop a city-wide trip-generation based transportation user fee (TUF) using trip-generation rates published in the Institute of Transportation Engineers Trip Generation Manual and relevant scalar data for each parcel. The purpose of the resulting TUF model is to provide a basis for evaluating various financial alternatives and determining the benefits and impacts of transportation utility implementation. Currently, this project is in the start-up and data collection phase.

## Project Approach

While the factors impacting a Transportation Utility Analysis are unique, our approach to this work mirrors the process of creating a stormwater or any other utility. Ehlers and its project partners will:

- » Collaborate with the Village to determine revenue needs
- » Define & quantify appropriate billable units
- » Create an equitable rate structure while defining policies & practices for implementation

We propose to complete the study as follows:

### Step 1: Project Kickoff Meeting

The project team will discuss the following with Village staff:

- » Information needs & timing for receiving requested data
- » Desired project timeline including identification of all major project milestones
- » Initial thoughts on transportation utility rate methods, including fairness, defensibility, ease of administration & understanding
- » Ideation on the type & extent of costs recovered via a transportation utility
- » Costs beyond Village street rehabilitation program to be recovered via the Utility
  - Debt financing vs. cash financing for program needs
- » Legality of creating a transportation utility in Wisconsin
- » Potential marketing plan for the transportation utility and consideration of briefing or education sessions with elected officials, citizen groups & other interested parties
- » Show examples of related previous work & discuss desired structure/format for final presentation

## SECTION F: EXPERIENCE

After this meeting, the project team will develop a detailed project timeline including the identification of all major milestones and project deliverables. This will be completed within a week of the meeting.

### **Step 2: Information Gathering**

The project team will request and gather the following information:

- » Further history on the street rehabilitation program, including actual previous year costs & current year budgeted costs
- » Actual revenues for general transportation aids from the past three years
- » Debt service schedules for actual debt issued for street rehabilitation work in previous years to be supported by the transportation utility (if applicable)
- » The Villages special assessment policy and understanding of future special assessment projects for roads in the Village's Capital Improvement Budget
- » Past three years of historical expenses and current year budget for all transportation related operational costs within the Village
- » Development of database items for transportation utility:
  - Current property tax roll for the Village
  - Available information on land/property use, business name & structure sizes or dimensions

### **Step 3: Develop Revenue Requirements for the Transportation Utility**

The project team will collaborate with Village staff to identify the annual costs to be recovered by the transportation utility. It is possible that multiple revenue requirements could be developed for further analysis depending on the costs desired to be funded via the utility.

### **Step 4: Develop Alternative Rate Structures for the Feasibility Analysis**

We will identify alternative rate structures for further analysis.

- » Potential rate structures will be evaluated based on:
  - Fairness
  - Equity to all customer classes
  - Ease of administration & understanding

We will conduct a proportionality test for any potential rate structure, evaluating estimated revenues received under user charges. This will compare to revenues received under property tax collection by property classification (i.e. residential, commercial, industrial).

We anticipate that rate structures chosen for further analysis will be fully or partially based upon trip generation as the method for equitably allocating costs to different land use classes, but may also involve a fixed charge as part of the rate structure.

### **Step 5: Conduct Feasibility Analysis for Chosen Rate Structures**

Based on a preliminary review of the properties in the Village of Elm Grove, we anticipate evaluating 2,459 residential, 90 commercial and 50 exempt properties for current use characteristics and assigning their respective TRIP generation rates to populate a functional user fee model. For the rate structures selected for further analysis, we will then complete a feasibility analysis to show the preliminary user rates (based on the defined revenue requirements for the utility) and how those rates would apply to sample Village residential and non-residential properties.

The feasibility analysis will also include a comparison of what sample customers would pay for transportation related services under property taxes versus the utility, as well as a proportionality test showing the distribution of payment between customer classes under property taxes versus the utility.

### **Step 6: Implementation & Administration Analysis**

Our project team will develop recommendations and a tentative timeline for implementation of the utility. They will include suggested items for the ordinance governing the utility, billing practices, potential credit policies and other issues the Village may consider with utility implementation.

### **Step 7: Study Report & Project Deliverables**

The project team will create a final report that includes:

- » A description of the study process
- » Identification of the revenue requirements for the utility & rate methodologies identified for analysis
- » Analysis showing development of the customer database, trip generation methods (if a chosen method) & detailed user rate calculations
- » Development of preliminary user rates within each scenario for sample customers
- » Legal memorandum on the issues to consider with ability to create the utility & methods for funding
- » All supporting data & analysis
- » Policies to be considered with implementation of the utility including items to consider for utility ordinance
- » Summary of all conclusions & recommendations for the formation of a transportation utility

## Proposed Project Schedule

Task	Start Date	End Date
Project Kick-Off Meeting	Week of 2/1/21	
Information Gathering	2/1/21	2/5/21
Revenue Requirement Development	2/8/21	2/19/21
Feasibility Analysis Model Development	2/22/21	3/26/21
Rate Structure & Feasibility Analysis	3/22/21	4/9/21
Implementation & Administration Analysis	4/12/21	4/16/21
Study Report Delivery	4/12/21	4/23/21
Village Board Meeting	4/26/21	4/26/21



---

SECTION G:  
**TEAM MEMBERS**

---

## Proposed Project Team & Qualifications

Ehlers proposes the following professional team to conduct the Village's study:

### MUNICIPAL ADVISORS - EHLERS

**Jon Cameron, CIPMA**

Senior Municipal Advisor

**Project Manager**

*Primary Study Author & Lead Utility Analyst*

**Brian Roemer**

Municipal Advisor

**Project Support**

*Quality Control & Review*

### PROJECT ENGINEERS - RASMITH

**Jeff Mazanec, P. E.**

Senior Consultant

**Engineering Project Manager**

*Utility Parcel Database & TU Model*

**Justin Scheuler, P.E.**

Consultant

**Senior Traffic Engineer**

*ITE Trip Generation Rates*

Our proposed team's individual resumes with qualifications and similar projects appear on the following pages.



## JON CAMERON, CIPMA

### Senior Municipal Advisor

Jon is a Municipal Advisor on our Wisconsin City Team, advising local governments, public utilities and special districts on the design and implementation of custom financial solutions. Prior to joining Ehlers in 2013, Jon was an Economic Consultant with Municipal Economics and Planning, a Division of Ruekert/Mielke. He was also a founding member of Trilogy Consulting, LLC as a Principal and Senior Consultant. Clients rely on Jon for his ability to present complex analysis in an easy to understand format.

☎ (262) 796-6179    ✉ [jcameron@ehlers-inc.com](mailto:jcameron@ehlers-inc.com)

## AREAS OF EXPERTISE

### Debt Issuance & Management

Alternative Financing Options, Funding Sources, Plans & Tools  
 General Obligation and Revenue Debt  
 Environmental Improvement Fund Loans  
 CDA/RDA Lease Revenue Bonds  
 Special Assessment Bonds  
 Refundings/Cash Defeasances  
 Representation to Bond Market & Credit Rating Agencies  
 Referendum Services

### Financial Management Planning

Capital Improvements Planning  
 Project Feasibility Studies  
 Financial Goals & Objectives Facilitation  
 Project Impact Analysis  
 Financial Management Plans  
 Impact Fee Studies

### Economic Development & Redevelopment

Tax Increment District Creation & Amendment  
 CDA/RDA Creation  
 Developer Pro Forma Analysis  
 Development Agreement Negotiation  
 Developer Performance Evaluation  
 Public Participation Process

### Special Financial Studies

Utility Rate Study/Analysis  
 Fiscal Impact Study/Analysis  
 Joint Service Studies  
 Merger/Consolidation Studies

## LICENSES & CERTIFICATIONS

Certified Independent Professional Municipal Advisor  
 Series 50 License: Municipal Advisor Representative

## PROFESSIONAL MEMBERSHIPS

Wisconsin City/County Management Association  
 American Water Works Association - Wisconsin Chapter

## EDUCATION

Bachelor of Science - Criminal Justice  
 University of Wisconsin, Milwaukee  
 Master of Public Administration  
 University of Wisconsin, Milwaukee

## COMMUNITY INVOLVEMENT

**Sussex Jr. Chargers Baseball** - Coach/Volunteer  
**Boy Scouts of America** - Cub Scout Leaders, Pack 175  
**Local Church** - Member/Volunteer



## BRIAN ROEMER

### Municipal Advisor

Brian began his career at Ehlers initially as an intern and worked as a Financial Specialist before being promoted to Municipal Advisor. Before joining the firm, he worked in the financial services industry for five years. Brian is currently working towards his Master of Business Administration with a concentration in Finance at the University of Wisconsin, Milwaukee. Brian has amassed strong experience in utility rate studies, cash flow analysis and financial management planning.

(262) 796-6178 [broemer@ehlers-inc.com](mailto:broemer@ehlers-inc.com)

## AREAS OF EXPERTISE

### Debt Issuance & Management

- Debt Planning & Structure
- Issuance
- Paying Agent Services
- Continuing Disclosures

### Financial Management Planning

- Capital Improvements Planning
- Project Feasibility Studies
- Financial Goals & Objectives Facilitation
- Project Impact Analysis
- Financial Management Plans
- Impact Fee Studies

### Economic Development & Redevelopment

- Tax Increment District Creation & Amendment
- Developer Pro Forma Analysis
- Development Agreement Negotiation
- Developer Performance Evaluation
- Public Participation Process

### Special Studies

- Utility Rate Study/Analysis
- Fiscal Impact Study/Analysis
- Joint Service Studies
- Merger/Consolidation Studies

## LICENSES & CERTIFICATIONS

Series 50 License: Municipal Advisor Representative

## PROFESSIONAL MEMBERSHIPS

American Water Works Association - Wisconsin Chapter

## EDUCATION

Bachelor of Science - Aeronautics, Aviation Science/Aviation Management, Minor in Air Traffic Control  
St. Louis University

## NOTABLE PROJECTS

- Village of Darien, Wisconsin** - Water rate study including an analysis to request a lower than required rate of return to alleviate the burden on ratepayers while proving fiscal sustainability and aid with water loss control plan
- Greenville, Wisconsin Fire Station** - Fire Station needed to keep up with community's growth and features a proper decontamination area so that as responders are exposed to carcinogens and blood borne pathogens, they have a proper decontamination facility

## Jeff M. Mazanec, P.E. Senior Consultant



### Education

B.S. Civil Engineering, UW-Platteville,  
Platteville, WI, 1978

### Professional Registrations

Professional Engineer: Wisconsin, Michigan

### Awards/Honors

William J. Rheinfrank Award, APWA  
Wisconsin Chapter, 2017  
Outstanding Alumni Chapter Award – UW-  
Platteville College of EMS, 2015  
John W. Curtis Chapter Service Award,  
APWA Wisconsin Chapter 2005  
Friends of the Fox 2012 Visionary Award,  
2012  
President's Award, Appleton Downtown  
Incorporated, 2003

### Presentations

Numerous presentations covering a variety  
of engineering, stormwater and  
management issues to professional  
organizations and conferences nationwide.

### Professional Affiliations

American Public Works Association, WI  
Chapter: Life Member; Past President,  
Communications Chair 2010-Present  
Fox-Wolf Watershed Alliance: Watershed  
Conference Committee 2001–Present;  
Director 2000–2007, President 2006  
Northeast Wisconsin Storm Water  
Consortium: Municipal Committee 2011-  
Present  
College of Engineering, Mathematics and  
Science Advisory Board: UW-Platteville:  
Member 1993–Present; Chair 2001-2002  
Green Bay Area Chamber of Commerce  
Public Policy Council 2003-Present  
American Society of Civil Engineers –  
Wisconsin: Member 1976–Present

Jeff has more than 42 years of consulting engineer experience serving state, county and municipal clients throughout Wisconsin and beyond. His experience includes the management of projects and programs, as well as office and regional client management responsibilities. Jeff's project experience includes municipal, water and wastewater, water resources, transportation, and solid waste and environmental engineering services from planning through design and construction phases for public and private clients. He has held key leadership positions in several private and professional organizations within the public works and engineering industry, all with a strong focus on effective communication and team collaboration.

The following transportation user fee (TUF) development projects represent Jeff's prior and ongoing local project experience with the technology or skills required for this project.

### Project Experience

**Village of Pewaukee Transportation Utility Study:** Responsible for the development of a village-wide TUF model as the basis for a pending transportation utility formation in 2021. The TUF model addresses all properties in the Village and addresses unique situations related to seasonal use properties and properties served by non-Village streets.

**Village of Winneconne TUF Study:** Project manager responsible for development of a village-wide TUF model as the basis for a pending transportation utility formation in 2021. The TUF model addresses all properties in the Village, including unique situations related to seasonal use and special use properties.

**Janesville Transportation Utility Feasibility Study:** As part of the Ehlers & Associates team, responsible for development of a city-wide TUF model to assign trips to all properties in the City of Janesville as the basis for a pending transportation utility formation in 2021.

**Clintonville Transportation Utility Feasibility Study:** As part of the Ehlers & Associates team, responsible for development of a city-wide TUF model to assign trips to all properties in the City of Janesville as the basis for a pending transportation utility formation in 2021. Includes assignment of reduction factors and mapping of utility billing accounts to properties citywide.

**Transportation Utility Formation, Village of North Fond du Lac:** Project manager for the development of a functional transportation utility in the Village. As developed, user charges applied to all developed properties in the Village would fund the entire transportation infrastructure system. The trip-generation based TUF model was based on average weekday trip generation rates published by the Institute of Transportation Engineers for each specific land use. An additional heavy truck impact cost factor was also included in the rate structure. Several public information meetings and meetings with representatives of key Village properties and businesses were held. Upon completion in 2003, the transportation utility was not implemented in favor of instead forming a stormwater utility.

**raSmith**  
CREATIVITY BEYOND ENGINEERING

## Justin Schueler, P.E. Project Manager



### Education

M.S. Civil & Environmental Engineering,  
Marquette University, 2014  
B.S. Civil & Environmental Engineering,  
Marquette University, 2008

### Professional Registrations

Professional Engineer: Wisconsin, 2013,  
#42810-6  
WisDOT SE Region Certified TIA  
Preparer

### Professional Affiliations

Institute of Transportation Engineers  
(ITE), Affiliate Member, Section  
Meeting Planning Committee,  
Midwest District Conference Planning  
Committee, 2013 & 2017  
Marquette University, Senior Design  
Mentor, 2008 to present

### Awards

2012 – ITE Martin Bruening Technical  
Paper Award  
2017 – ITE Wisconsin Ken Voigt Young  
Member Award

Justin has 12 years of traffic engineering experience. His primary responsibilities include operational analysis, traffic studies, access and circulation evaluation, parking evaluation, pedestrian/bicycle evaluation, and safety assessment. He has served as the project task lead on many corridor, reasonable access, and traffic studies. Justin has experience with Synchro, Sidra, and HCS traffic analysis software and is very familiar with nationally published traffic manuals including ITE's Trip Generation Manual and FHWA's Manual on Uniform Traffic Control Devices.

### Project Experience

**Traffic Support Services, WISDOT SE Region, 2011 to 2013:** Justin worked on-site part-time at WisDOT's Southeast Region in their traffic operations section. His responsibilities included reviewing traffic impact studies submitted to WisDOT by private developers, performing traffic analysis for intersection control alternatives, analyzing work zone traffic operations, and other traffic analysis.

**Woodman's Markets Trip Study, Wisconsin/Illinois, 2016:** Justin conducted a large-scale, trip-generation study for Woodman's Markets to establish local trip rates for the unique land use. The study included data collection/processing and rate calculations at six existing stores following procedures outlined in the ITE Trip Generation Manual Handbook. Results of this study have been used successfully in subsequent Woodman's traffic impact studies.

**Transportation User Fee (TUF) Model Development, 2020:** Justin assisted in selecting and applying appropriate ITE Trip Generation Manual land uses, independent variables, and trip generation rates as part of TUF model development in the Village of Pewaukee, City of Clintonville, and City of Janesville.

### Traffic Studies

Justin has completed traffic impact and/or trip-generation studies for hundreds of developments in Wisconsin and nationally. These studies estimate development traffic, identify potential impacts to the public roadway system, and recommend mitigation measures where needed. A selection of these studies include:

### Traffic Impact Study

- Hendricks Commercial Development, Delafield
- Westlawn Neighborhood Redevelopment, Milwaukee
- Falls at Pike Creek Apartments, Kenosha
- Walmart Supercenter, South Milwaukee, Greenfield, Delafield, Green Bay
- Titledown Mixed-Use Development, Green Bay
- Germantown Business Park, Washington County
- Shopping mall redevelopments, various locations (WI, IL, MN, OH)

### Trip-Generation Assessment

- Kwik Trip, Waukesha, West Bend
- U-Haul, Kenosha
- Sendiks Fresh2Go, Hales Corners
- Forest Ridge Elementary School, Oak Creek
- Portillo's Restaurants, (WI, IL, IN)
- Senior Living Facilities, (WI, TX, PA)





---

SECTION H:  
**INSURANCE**

---

# Proof of Professional Liability Insurance

Please see the below certificate for information regarding Ehlers' professional liability insurance, including the name of our carrier and the types, amounts and exclusions in our policy.



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
7/2/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Arthur J. Gallagher Risk Management Services, Inc. 3600 American Blvd. West, Suite 500 Bloomington MN 55431	<b>CONTACT NAME:</b> Kimberly Hansen	
	<b>PHONE (A/C, No, Ext):</b>	<b>FAX (A/C, No):</b> 952 358 7501
<b>E-MAIL ADDRESS:</b> Kimberly_Hansen@AJG.com		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A :</b> Federal Insurance Company		20281
<b>INSURER B :</b> Great Northern Insurance Company		20303
<b>INSURER C :</b> Chubb Indemnity Insurance Company		12777
<b>INSURER D :</b> Endurance Risk Solutions Assurance Co.		43630
<b>INSURER E :</b>		
<b>INSURER F :</b>		

**COVERAGES** **CERTIFICATE NUMBER:** 137501843 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			35942179	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	<input type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			73593734	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			79881111	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$ 3,000,000 \$
C	<input type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N/A	71742954	7/1/2020	7/1/2021	<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Errors & Omissions			AIP10013347502	7/1/2020	7/1/2021	Per Claim \$2,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

<b>CERTIFICATE HOLDER</b>  For Information Purposes Only ***** ***** * * * * * USA	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--

© 1988-2015 ACORD CORPORATION. All rights reserved.





---

SECTION I:  
**FEES**

---



January 13, 2021

Mr. David DeAngelis  
Village Manager  
Village of Elm Grove  
13600 Juneau Boulevard  
Elm Grove, Wisconsin 53122

**Re: Proposed Fees to Provide a Transportation Utility Fee Model and Financial Analysis**

Dear Mr. DeAngelis,

Thank you for considering Ehlers and its sub-consultant raSmith to serve as your advisors in conducting a Transportation Utility Fee Model and Financial Analysis for the Village of Elm Grove. We appreciate this opportunity.

**Ehlers' proposed fee for this service shall not exceed \$20,000.** This fee includes any and all reimbursable expenses incurred by Ehlers or raSmith in conjunction with the project.

Our project team is available to commence work with the Village on February 1, 2021. Based on the schedule presented on page 18 of our proposal, we anticipate a 12-week project timeframe, with delivery of the final report slated for late April.

If you have any questions, please don't hesitate to reach out to us using the contact information provided below.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Jon Cameron'.

**Jon Cameron, CIPMA**  
Senior Municipal Advisor  
jcameron@ehlers-inc.com  
262-796-6179

A handwritten signature in blue ink that reads 'Brian Roemer'.

**Brian Roemer**  
Municipal Advisor  
broemer@ehlers-inc.com  
262-796-6178