

**SUMMARY NOTES**  
**Yahara CLEAN Compact Steering team**  
**Friday, September 11, 2020**  
**8:30-10:00 A.M.**  
**Zoom**

**Attendance**

Present: Alison Lebwohl (facilitator), Tracy Harvey (UW-Madison PhD student), Paul Dearlove, James Tye, Kyle Minks, Dale Robertson, Eric Olson, Kathy Lake, Mike Rupiper, Dick Lathrop, Chad Cook, Sarah Dance (UW-Madison fellow & note taker), Missy Nergard, Greg Fries, Coreen Fallat, Katie Hepler, Kelly Hilyard, Ruth Hackney, Martye Griffin, Janet Schmidt, Chad Lawler, Renee Lauber, Matt Diebel

**Anticipated Outcomes**

*Shared understanding of:*

1. Madison Area Builders Association's hopes for the types of recommended strategies the Compact will deliver, and the unique assets they bring to that effort
2. Next steps for gathering similar information from other Compact organizations
3. Next steps for Executive Committee, Steering Team and Subgroups, including consultant-hiring process

**Welcome, Updates & Check In (Missy Nergard, Chair)**

- Nergard convened the meeting with a moment of silence in remembrance of 9/11 victims on this 19<sup>th</sup> anniversary of the attack. She then reviewed the agenda and meeting objectives.
- Tracy Harvey, UW-Madison PhD student, was introduced. Harvey will be interviewing Steering Team members prior to the next meeting. The interviews will help the Executive Committee and consultant better understand the diversity of interests, perspectives and resources that are represented at the table.
- Steering Team members were informed that the Executive Committee approved a service contract with UW Division of Extension (UWEX) to support the Compact's public engagement work. Sharon Lezberg and Samuel Pratsch of UWEX will facilitate three, two-hour subgroup meetings to identify critical audiences and the level of public engagement needed for each to achieve stated goals and objectives.
- *The summary notes of the July 10, 2020 Steering Team meeting were accepted as presented. There were no requested changes or edits.*

**Madison Area Builders' Association (An Interview with Chad Lawler)**

Lawler shared perspectives from the Madison Area Builders' Association (MABA) as part of an interview-style [presentation](#).

## Get to know MABA!

- Approximately 400 Company members, including nearly 100 builder Members
  - Single-family Construction Focus
  - 80%+ are small, family-owned who build 5 or less homes per year
- Trade Association that...
  - Advocates for the industry;
  - Ensures members maintain our high standards of excellence;
  - Staying ahead of regulations and trends; and
  - Educates members and the community.
  - Event host for the Parade of Homes annually.
- Advocacy Focus
  - Housing Affordability
  - Workforce Development
  - Economic and Development Growth



## What we bring to the COMPACT is...

- Federal (NAHB), State (WBA) and local expertise on the impact, both intended and unintended, of decisions on the building industry and housing affordability.
- A finger on the pulse of the housing market in the Madison area, including the real cost of building, including builder profit margins (10-13%) and the 4 L's of housing costs: (Land, Labor, Lumber (materials), Legislation (Gov't Regulation (24.8%)).
- Experience working collaboratively with municipalities and elected officials and staff to find solutions.



## Big Picture...

- What is the ROI?
  - Smart Regulations and Incentives versus overregulation
    - Often the easy answer has cost and time restraints that are unintended and can create affordability and access issues for all demographics, but especially underrepresented and minority groups.
    - Obama 2016 White Paper - <http://bit.ly/2daTO5v>
  - Does this truly remedy the issue? Mitigate the issue? Miss the mark? What is the cost and is there a good ROI?
    - City of Madison EV Ordinance Process/Result



## Big Picture (2)

- Housing Affordability Must be considered
  - \$1,000 Increase in housing cost + 400 families in Dane County are priced-out of the same home - [NAHB Priced-Out](#)
  - Nationally, Government Regulations, on average, account for 24.8% of building costs
  - Cut the Red-Tape and/or Fees to lower housing costs
    - Time is Money - City of Verona 20% Reduction Plan
    - Solutions/Incentives:
      - [Smart Codes, Smart Process Checklist](#)
      - [Development Process Efficiency: Cutting The Red Tape](#)



## **Breakout Room Input**

Following the presentation, the Steering Team went into small breakout rooms to offer input on the following questions:

1. *What stood out for you?*
2. *What might this mean for the work of the Compact?*
3. *Given the needs and views of your organization and constituency, what one or two “big ideas” (solutions, strategy focus, etc.) would you like to see in the Compact plan?*
4. *From the discussion above, which one or two key takeaways would your small group like to share with the larger group?*

Each group’s feedback to Questions #1-4 is presented below. All feedback is numbered to correspond with the order of questions.

### **Group 1** (Rupiper, Fallat, Dance, Robertson)

1. Focus was on factors that influence the cost of building and the importance of return on investment (ROI) when making decisions. People will choose the cheap way out if you give them the option. Interested in hearing more about water quality impacts of housing development (also: land-use change, erosion, impermeable surfaces, flooding, green infrastructure ideas, and more examples of cost-benefit considerations). Good to have MABA onboard and open to supporting water quality-improvement actions.
2. MABA’s Parade of Homes could be used as an educational platform to demonstrate the “Top 10 Ways to Help the Lakes At Home” promoted by Clean Lakes Alliance and its partners. Can put signs and placards up explaining why certain decisions prevent erosion or keep phosphorus out of our lakes. It is hard to know how different policies and rules impact cost. Important to have MABA onboard to help craft and eventually promote recommendations.
3. DATCP: Important that we have these conversations together so we can meet our agency’s obligation but still support farmers. USGS: Ability to monitor and evaluate the water quality impacts of building activities and practices. CARPC: Compact is a great way to gather diverse partners and consider the water quality impacts of our decisions. UW public engagement fellowship: These discussions help in the understanding of how housing costs intersect with environmental justice.
4. Great to have MABA in the Compact and work on outreach initiatives together. Need to understand their stance on different green-infrastructure practices.

### **Group 2** (Hackney, Diebel, Schmidt, Lauber)

1. The ROI associated with Compact recommendations is key. Cost breakdown for home building, affordability of housing, and the cost of project delays. Focus is on single-family homebuilding.
2. We will need to think broadly across disciplines and be cognizant of how the Compact will affect costs for the community. Homebuilders offer one perspective. Strategy making should be thought of as a political process as much as a technical one. Outside-of-the-box thinking is needed.

3. RASCW: How each interest group works toward compromise will determine the success of the Compact. Uncertainty is a cost in itself. City of Madison: Need a path to working out solutions.
4. Would like to hear similar presentations from other Compact members. Want to make sure things keep moving forward after the Compact timeline ends.

### **Group 3 (Hilyard, Cook, Minks)**

1. How cost changes affect the availability and affordability of homeownership. 25% of building cost is regulatory. We'll need to think about how our decisions affect regulations. Regulations might be mitigated, but the time component (efficiency of process) as it relates to cost is interesting.
2. Try to keep the points made in the presentation front of mind for how our decisions will trickle down to builders and then homeowners. Be aware of how our decisions might affect different sectors, and make space for them to respond. We will then need to decide how the Compact responds, and how to reach compromise that stakeholders can live with.
3. City of Middleton: How can we weight strategies for partners in the Compact? From where can we get the most buy-in and support? Dane County: How can we promote infiltration and phosphorus load reduction? UWEX: How can we make this a community plan with stakeholder buy-in? How do we ensure that underrepresented groups are part of the process? The Compact should work to identify the multiple ancillary benefits of recommended strategies. For farmers, it might be productivity, reduced nutrient loss, soil health, or crop production. Important to frame messages for stakeholders, and to keep an eye on the overall lake goal.
4. Community issues raised are most important, including messaging the co-benefits of strategies that will resonate with stakeholders. Identify the risks or extra costs that impact certain stakeholders and use that information when prioritizing or messaging. What are the compromise opportunities? We will want to understand all the potential impacts of strategies. Trying to identify and address those impacts early in the process will support reaching compromises that work for everybody.

### **Group 4 (Nergard, Olson, Lathrop)**

1. Much consideration given to costs and regulation. Wanted to ask a question about development and the need to store more runoff. Runoff volumes have doubled, yet legislation is not keeping up climate change. We are doing better with land management practices as evidenced by decreasing P concentrations, but volume is increasing. How can we store and infiltrate more water in these developments? Great progress has been made in improving landscaping practices, and there is room for improvement. We may be able to do more to incentivize water infiltration and storage applications. Can we find mutually beneficial solutions?
2. Need to get to the core of how a developer can help with water storage and infiltration. Perhaps it is regulatory. As the developer is platting the non-built areas (parks, etc.), designing for retention may be able to keep the costs affordable while increasing storage capacity. Another way to improve infiltration is to address soil-compaction issues through deep tilling, mulching, etc. Instead of directing runoff by curb and gutter, municipalities may need to review regulatory requirements to provide innovative and proven solutions beyond historical and outdated practices.

3. The Compact needs to incorporate climate change modeling and future-looking solutions. It also should work with regulatory agencies to provide for adaptability. Provide homeowners with viable solutions that will help reduce their operating costs, improve health, and help the watershed (i.e., trees acclimated to incoming climate conditions, pests, etc.).
4. Homebuilders and developers should be adapting to the growing need for more runoff reduction in the face of climate change.

#### **Group 5 (Lawler, Hepler, Lake, Tye)**

1. An apartment renter was surprised at all the costs that go into building a home. This reinforces why it is hard to own a home in Madison, and why it makes it hard to attract and retain young (single) talent. Home building is facing similar issues other industries are facing (i.e., increasing operational costs, labor-recruitment challenges, etc.). Trade industries have developed a negative connotation when really it can be a profitable career. It takes time to fit into what is required from a design and cost standpoint... if you deviate, it could mean extra costs and time to complete the build.
2. Housing affordability is added to the decision-making equation. Understanding that we're all here to help the lakes that benefit everyone. However, the more expensive something gets, the more we may start to see diminishing returns.
3. Same as above.
4. Understanding ROI and the full cost of strategies will be important. There might be an opportunity to present at a Parade of Homes site to promote the Compact. Need to look at infiltration opportunities.

#### **Group 6 (Griffin, Fries, Harvey)**

1. Good to know about the City of Madison report, and that MABA thought it was good. Makes sense that regulations can be a cost barrier. The real question is what is the cost to make improvements. It is cheaper to go outside of the city and do an unconnected subdivision (no curb, septic, etc.), but is that what we want? The current model pits cities against each other. Each municipality sets standards, and if some standards are cheaper, the developers may flock there. One way to get around this is to have uniform standards, but is that feasible? Who would set those? Appreciated the example of the EV charging station compromise as a win-win scenario. Another example is bird-safe glass. We don't pay the true cost of living. Should we start expecting to do that? Hard to decide what you are going to try and offset. Costs come into play when trying to do affordable housing. MABA membership is diverse. If we are going to change things, which group are we going to drive our changes toward? Is there a common solution that will help all builders? Incentives are possible, but that just changes who is paying the cost. When you create a TIF district the city can offer financial assistance to facilitate what they want to see there. The Don Miller site is an example of where the City got grants to clean up the site. TIF then helped fund the construction based on an increase on taxes that will occur when the project is done (an increase from the previous owner). City leverages the difference to give up front financial assistance. There are also differences between new development and redevelopment.
2. Regulation is always discussed as a way to get an environmental benefit. You have to agree on a cost for the benefit you want. The County taskforce about two years ago came up with policy proposals, but that cost would fall to farmers. Studies show that

lakes with good water quality support higher property values. Can this help justify the higher cost? It might for developers with properties on the lakes, but other developers may not see the connection between more costly requirements and improved water quality.

3. City of Madison: Phosphorus is the key according to the experts. All the work that has been occurring over the years has kept us even (running in place). We need to do something different, and we need to deal with hard and expensive issues, like addressing the winter spreading of manure. MMSD/Yahara WINS: Environmental watershed tax. Create a dedicated fund. Not dissimilar to a stadium tax. A tax that no one notices. UW internship: Connect people to our water resources, and make them aware of how actions matter. All of us need to be part of the solution. If people can make the connection between their own behavior and the problems we face, then that awareness will generate support for any big ideas.
4. Builders are diverse. Economies of scale reign large. Solutions should be flexible. Link people to natural resources to encourage behavior change. This will also garner support for big ideas like creating an environmental tax. A time-limited tax can generate the dollars needed to help fund big ideas and improve water quality.

## **Report Outs**

### P Loading Subgroup (Matt Diebel)

Subgroup members met on 8/13 and 9/2. Summary notes were previously shared. The wide-ranging discussions focused on where we are with the science, and the priorities for additional scientific development and analysis. General consensus is that the SWAT modeling output and phosphorus-loading target from CLEAN 2.0 are still valid approximations, and probably do not need to be revised as part of this effort and timeline. However, these are still subjects of some ongoing discussion. Going forward, the subgroup plans to start meeting more frequently. It will spend time evaluating progress tracking methods and the effectiveness of the 14 priority actions. It is hoped that this will lead to an eventual dashboard that can be used to better define and communicate progress.

### Public Engagement Subgroup (Carolyn Clow)

Dearlove provided an update in Clow's absence. He reported that leadership met with Sharon Lezberg and Samuel Pratsch of UWEX to plan out the next few meetings of the subgroup. Summary notes were previously shared. The goal of these UWEX-facilitated meetings is to agree on the key audiences the Compact needs to engage, for what purposes, and to what level of participation. Audience-specific methods of engagement will also be considered. Subgroup members are being asked to complete a survey on some of these topics prior to the first meeting on 9/23. Any resulting recommendations will then go to the Executive Committee for approval and coordination with the consultant.

### Executive Committee (Missy Nergard/Greg Fries)

The Executive Committee met on 8/14 and has largely been focused on advancing the consultant-hiring process. A Selection Committee was charged with reviewing and scoring Statements of Qualification (SOQs), interviewing top candidates, checking references, and making a final selection recommendation. Out of 17 firms invited to submit SOQs, seven responded with submissions. Following interviews of the top three candidates (MSA, AE2S and SmithGroup), the Selection Committee was unanimous in its final recommendation. Executive Committee action on the recommended firm and contract-negotiation process

will immediately follow this Steering Team meeting. That decision will then be shared with the Steering Team.

## **Close**

Meeting ended at 10:00 a.m. As members left the Zoom meeting, they were asked to put one word in the Chat to communicate how they feel:

Thankful  
Momentum  
Progress

Impressed (2)  
Informed  
Fall

Great – keep it up  
Good info  
Excited (2)

**SUMMARY NOTES**  
**Yahara CLEAN Compact Executive Committee**  
**Friday, September 11, 2020**  
**10:10-11:10 A.M.**  
**Zoom**

**Attendance**

Present: Missy Nergard (chair), Greg Fries, Kyle Minks, Coreen Fallat, Janet Schmidt, Mark Riedel, Matt Diebel, James Tye, Paul Dearlove, Sarah Dance (UW-Madison fellow & note-taker), Alison Lebwohl (facilitator), Tracy Harvey (UW-Madison PhD student), and Sharon Lezberg (UW-Extension contractor)

**Anticipated Outcomes**

1. Decision on consulting firm and process for contract negotiation
2. Decision on deliverables and timeline for P-Loading Subgroup
3. Decision on next steps for Steering Team, Executive Committee and Subgroups, including Compact member interviews
4. Shared understanding of financials and next steps for public engagement

**Welcome, Updates & Check In**

- Nergard asked if any corrections to the 8/14 summary notes were needed. ***Summary notes from the 8/14/20 Executive Committee meeting were approved unanimously.***
- Tye briefly presented the updated income-expense report (rev: 8/31/20). No questions were raised. His plan was to make these financial reports available at every Executive Committee meeting.

**Decision: Next Steps for RFQ and Contract Negotiation**

Selection Committee summary notes and recommendations had been previously shared (see attached). Referencing the handout, Fries reviewed the Selection Committee's multi-step process that generated the three interview candidates (MSA, AE2S and SmithGroup) and ended with its final recommendation of SmithGroup. He also presented a proposed methodology for negotiating a contract to include a scope of work, schedule and budget.

During discussion, Selection Committee members spoke to some of the qualities and attributes of SmithGroup that helped set it apart. Those included its approach and qualifications around public engagement; dedicated involvement of the principal-in-charge; relevant project experiences; and the depth of its team, including integration of sub-consultants.

***Decision:*** Approval of the Selection Committee's recommendation of SmithGroup as the Compact's lead consulting firm to assist with project management, public engagement, and plan development. (All in favor)

***Decision:*** Approval of the Selection Committee's recommended process and estimated timeline for negotiating a contract with SmithGroup that includes a final scope of work, schedule and budget. The negotiations would be led by Dearlove, and with as-needed assistance from Tye and Riedel. (All in favor)



### Decision: P-Loading Subgroup

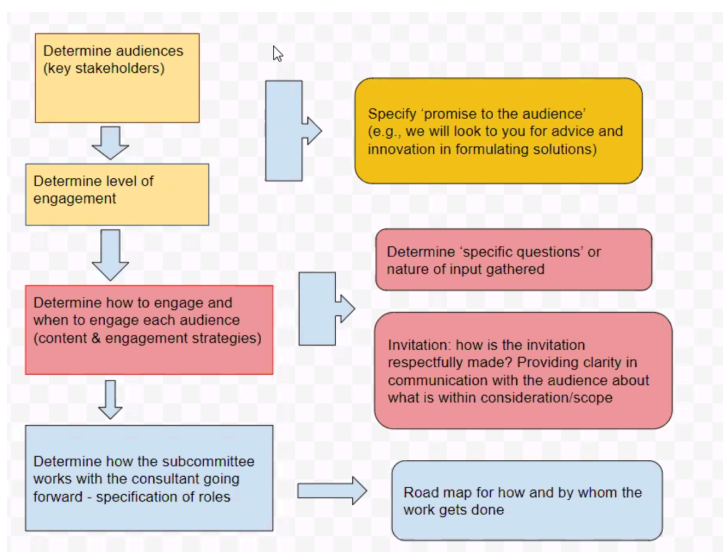
Diebel reiterated the subgroup update that he gave at the preceding Steering Team meeting. Despite good discussion at recent meetings, there are no proposals ready for Exec consideration at this time. The Compact's tight project timeline is going to determine what the group can accomplish. He felt all the right people were at the table, and that members are fully invested. The diverse personalities and expert opinions also make it challenging to keep everyone focused. Areas of consensus are that: 1) the target phosphorus load to the lakes is likely to remain the same; and 2) the SWAT model will not need to be revisited at this time. Going forward, the subgroup is planning to focus on how to measure and communicate progress, and will look at making technical recommendations that inform strategy selection.

During discussion, Riedel (a subgroup member) stressed the importance of communicating agricultural progress and the seasonal timing of phosphorus loads. In addition, Dearlove said it was his intention to work closely with Diebel in figuring out consultant vs. subgroup needs and roles when finalizing a scope of work. He said the subgroup has covered a lot of ground and are working at answering all the right questions.

### Decision: Next Steps for Executive Committee Work Planning

- Tye will be chairing the October meetings. He presented a timeline for what will be happening over the next one to two months. Priorities include: working with SmithGroup to finalize a scope of work and budget; conducting Steering Team member interviews; getting an outline from the P Loading Subgroup on what questions will be answered and by when; and ensuring the receipt of member contributions to pay for the needed consultant work. For the October Steering Team meeting, the plan is to hear from Dairy Farmers of Wisconsin and Discovery Farms. It will generally follow the format of today's Steering Team discussion with Madison Builders Association.

- Lezberg was invited to provide an update on implementing the UWEX contract. A process flow chart (see below) was presented. Also reviewed was a spectrum of public participation that will guide the work of identifying critical audiences and appropriate levels of engagement. Any recommendations will be based on what the Compact really needs and can feasibly take on, and what it can fulfill in terms of public promises. UWEX will also assist in finding the right tools and approaches to get the needed public input, as well as how the subgroup might work with the consultant going forward.



- Tracy Harvey reviewed the proposed questions to be used for the Steering Team member interviews. Executive Committee members were invited to provide feedback on how to prioritize who gets interviewed and which questions were the most critical to ask. Harvey will send out a scheduling poll to line up the interviews. The goal is to interview at least one representative per organization. Responses are intended to assist the Executive Committee and consultant in fully leveraging the assets around the table.

**Close**

Meeting ended at 11:12 a.m.

## ATTACHMENT TO EXECUTIVE COMMITTEE NOTES

### Selection Committee 9/1/20 Post-Interviews Meeting 1:00-1:30 p.m. via Zoom

Attendance: Paul Dearlove (facilitator), Greg Fries (chair), Mark Riedel, Missy Nergard, James Tye, and Kyle Minks

Discussion: Selection Committee members reviewed and discussed the results of their blind straw poll that was conducted following the one-hour interviews with MSA Professional Services, SmithGroup, and Advanced Engineering & Environmental Solutions (AE2S). All members had independently selected SmithGroup as the preferred firm to recommend to the Executive Committee based on the Statement of Qualification reviews and interview performance.

Action: On a vote of 5-0, the Selection Committee recommends SmithGroup as the preferred consulting firm in which to initiate contract negotiations. This recommendation will be brought to the Executive Committee for its approval on 9/11/20.

#### Summary of Process

STEP 1: A total of 17 local consulting firms were approached through an emailed Request for Qualifications. Selection Committee members reviewed seven Statements of Qualification (SOQs) received by the submission deadline. Responding firms: Strand Associates, Applied Ecological Services (AES), SmithGroup, MSA Professional Services, Cadmus Group, Emmons & Olivier Resources (EOR), and Advanced Engineering & Environmental Solutions (AE2S).

STEP 2: SOQs were independently evaluated using agreed upon criteria and procedures. Following a discussion of evaluation results, the committee reached consensus on the top three firms to invite for interviews based on each member's ranking scores and other factors (i.e., relevant project examples, references, etc.). Those firms were MSA, AE2S and SmithGroup.

STEP 3: The committee conducted one-hour virtual interviews with each of the three finalists. Each interview consisted of team introductions, a 20-minute presentation, and 30 minutes to respond to a set of seven questions.

STEP 4: Committee members conducted a blind straw poll to rank the three finalists, and then met to discuss and finalize a decision. ***Unanimous agreement was reached to recommend SmithGroup as the preferred firm for contract negotiations. The decision was based on a combination of the written submittal; interview performance; the firm's articulated skillsets, expertise, experiences, and approach relative to stated project needs; and its relative strength in providing the type and level of public engagement sought.***

#### Recommended Contract-Negotiation Procedure

1. Dearlove to prepare a general scope-of-work outline reflecting main project components and specific needs as informed by existing Compact documentation. Documentation to include: RFQ, logic model, decisions captured in past meeting notes, project timeline, DEI statements, and deliverable descriptions from accepted DNR grant applications. Outline to include responsible parties for each deliverable and the specific role of the consultant.
2. Dearlove to act as the Executive Committee's authorized representative and lead negotiator when meeting with Cassie Goodwin and Jacob Blue, SmithGroup's Principal-in-Charge and Project Manager. Meetings to be used to negotiate a final scope of services, schedule and budget.
  - As needed, subgroup leadership (chairs and UWEX contractors) to be consulted during the development of the scope of work and schedule. A level of flexibility will be built into the scope and schedule and reflected in the budget to accommodate reasonable adjustments as project/decision-making evolves.
  - As needed and whenever appropriate, Riedel and Tye have volunteered to assist with the contract negotiations.
3. Once negotiated, a draft scope of work, schedule and cost estimate to be shared via email with the Executive Committee. Feedback to be discussed and acted upon at either the 10/9 regular meeting or a special meeting of the Executive Committee, depending on timing.
4. Draft contract to be prepared and reviewed by an approved legal representative. Paul Wrycha of Foley & Lardner is recommended as the attorney used by Clean Lakes Alliance. Robert Proctor, attorney who represents the Realtors Association, is recommended as a potential alternative.
5. Draft contract to be shared with the Executive Committee via email for final review. Feedback to be discussed and acted upon at either the 10/9 regular meeting or a special meeting of the Executive Committee, depending on timing. Clean Lakes Alliance (through Executive Director James Tye) to sign the final contract as the Yahara CLEAN Compact's fiscal agent and the Executive Committee-authorized signatory.