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*Memorandum of Understanding Between*

*the Village of Pewaukee and*

*the City of Pewaukee*

*With Respect to Discussions*

*Leading to Possible Merger Of The Two*

*Communities*

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*It is mutually agreed that discussions which lead to a successful outcome will be premised upon the following general principles which should be regarded as a foundation for future negotiations:*

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- 1. It is the intent of this Memorandum of Understanding that the Pewaukee Village Board and City of Pewaukee Council desire to study the issues leading to the possible merger of the two communities notwithstanding the differences in population and equalized values between the two communities.*
- 2. New legislation by the State Legislature will most likely be needed to provide a tax-equalization-adjustment-period between the two communities unless it can be clearly established during the study process that tax levies plus special assessments create an approximately equal burden for taxpayers in both communities..*
- 3. The preparation and dissemination of information leading to any decision, by the elected bodies, to consolidate the two municipalities must demonstrate in a convincing and unbiased manner the tangible benefits for residents in both communities.*
- 4. To the extent that information compiled in the past can be useful in future proceedings, such information shall be updated and used to the greatest extent possible.*

5. After a thorough analysis of all pertinent issues related to possible consolidation by the City and Village staff and a favorable determination by the Village Board and the City Council, it is the intent of this Memorandum of Understanding that the matter will move to an advisory referendum in both communities.

6. It is recognized at this time of renewal of merger discussions that each municipality will need to proceed expeditiously with capital projects which it considers to be in the immediate best interests of its residents. However, to the maximum extent possible, all other major capital projects will be viewed within the framework of a consolidated community.

7. In furtherance of the desire of both communities to move merger discussions forward, it is anticipated that input from highly qualified public and private sources will be available, as financial resources permit. At the earliest possible date, staff will determine the cost of updating previous research and report back to the City Council and Village Board as appropriate.

Dated and approved this 5<sup>th</sup> day of September, 2006 by the Village Board of the Village of Pewaukee.

Dated and approved this 5<sup>th</sup> day of September, 2006 by the Common Council of the City of Pewaukee.

APPROVED:




Scott Klein, Mayor



Charles Nichols, Village President

CERTIFIED:



Kelly DeMotto, Clerk/Treasurer



Susan Atherton, Clerk/Treasurer