

Summary Notes

Meeting of the Pewaukee Merger Advisory Committee

Thursday, January 21, 2010

4:00 p.m., Pewaukee City Hall

Roll Call

In attendance at the fifteenth meeting of the Pewaukee Merger Advisory Committee were, representing the Village of Pewaukee, Village President Jeff Knutson, Trustee Paul Evert, citizen member Mark Muehl, citizen member Tom Houck, and Administrator Scott Gosse. Representing the City of Pewaukee were Mayor Scott Klein, Alderperson Roger Hathaway, citizen member Dan Sanford, citizen member Dave Swan, and Administrator Tammy LaBorde. SEWRPC Advisor Phil Evenson chaired the meeting. Also in attendance at the meeting were William J. Mielke and Christine Cramer from Ruckert & Mielke, Inc., Lawrie Kobza from the Boardman Law Firm, and Evan Zeppos from Zeppos & Associates representing the consultant team assisting the Committee. Mr. Evenson commented that he had placed at each Committee member's desk, copies of the comments and questions made by Pewaukee citizens through the Pewaukee Merger Study website over the period January 13, 2010, through 9:00 a.m. on January 21, 2010. Mr. Evenson indicated that he also provided to Committee members copies of the responses he and the consultant team made to the questions raised during this period.

Summary Notes of Prior Meetings

Mr. Evenson referred to the summary notes of the Advisory Committee's meeting of January 13, 2010. On a motion by Mr. Hathaway, seconded by Mr. Evert, and carried unanimously, the summary notes of the meeting of January 13, 2010, were approved.

Mr. Evenson then referred to the summary notes of the Advisory Committee's joint meeting with the Pewaukee City Council and Pewaukee Village Board on January 20, 2010. On a motion by Mr. Swen, seconded by Mr. Muehl and carried unanimously carried, the summary notes of the meeting of January 20, 2010, were approved.

Further Consideration of Consolidation Plan and Ordinance

Reflecting on the meeting with the Pewaukee Common Council and Pewaukee Village Board held on the previous evening, Committee members had a lengthy discussion relative to the reaction to the presentation by the consultant team of the draft of the consolidation plan and ordinance. A general consensus emerged relative to the following points:

- 1) The timetable set forth in the draft ordinance that would seek to bring a consolidation referendum question to the electorates of the two communities at the April 2010 election is too ambitious. Given the need for the elected officials and the general public to gain a proper understanding of whatever final proposals that the Committee may determine to make, some additional time is needed to properly move this matter along. However, it is important to assure that a consolidation referendum can be scheduled early enough in 2010 to permit a new city council to be elected in time to appropriately deal with budget matters for 2011.
- 2) While the alternative of obtaining new State legislation to permit the creation of a consolidation special assessment district has some advantages, there is also at least one major disadvantage, that being the fact that payments made would be categorized as special assessments and, accordingly, are not deductible in the computation of income taxes for individual property owners. Moreover, there is little to no chance that any such special legislation can be obtained in 2010. Consequently, no further consideration will be given to this approach if this matter is desired to be moved along this year.
- 3) While the merged community budget prepared by the two administrators may well be highly conservative in nature in terms of the assumptions made and has the potential of understating actual cost savings in the general fund budget of a merged entity, it is better to under-promise and over-deliver than vice versa. Reasonable people can be expected to understand that additional cost savings are attainable and take that into account as they consider elections for any new city council. Since such a new council would be responsible for achieving the actual cost savings that a merger would bring, that is where accountability must rest.
- 4) The draft ordinance proposal relative to the termination of the existing municipal courts upon a successful consolidation referendum is sound and legally well founded. The draft ordinance provides that the interim council can create a new municipal court immediately and appoint an interim municipal judge. A municipal judge would be elected for a full term at the same time that the new council members are elected.
- 5) With respect to the potential for accommodating substantial new development in the northwest portion of the present City, such development is more likely to occur and be facilitated by the integration of the two sewer and water utility systems than if merger did

not occur and the present City and developers are faced with finding a way to cost-effectively extend infrastructure to that area.

- 6) Over time it would help to build a single community if there were no special taxing districts that differentially treat the property owners in the new city. A way needs to be found to blend the tax rates into a single rate over some reasonable period of time.
- 7) The draft ordinance should have the existing Village Board create the proposed street utility district prior to the referendum.

Following that lengthy discussion, a motion by Mr. Houck, seconded by Mr. Muehl, and unanimously carried, the consultant team was directed to prepare a revised draft consolidation ordinance that will:

- 1) Appropriately adjust the consolidation referendum timeline in such a way so as to be able to schedule elections for a new City Council later in the year, perhaps at the forthcoming September 2010 primary;
- 2) Provide for the creation of the street utility district by the present Village Board prior to the referendum;
- 3) Provide for a ten-year sunset clause attendant to the street utility district.

In taking this action, it was the intent of the Committee that, following review of the draft ordinance revisions at its next meeting, the Committee would send the ordinance to the City Council and the Village Board and seek, on a preliminary basis, reaction to the proposals being presented. This would include an identification by those bodies of any particular issues that the Advisory Committee may need to address before the matter is formally placed before them for their final consideration.

Public Comment

Following the Committee discussion and action, several members of the public made comments. In general, those comments supported the determinations by the Committee to delay the timetable for consideration of the referendum and to seek ways to improve elements of the consolidation plan.

Next Meeting Date

The next meeting of the Committee was set for 6 p.m. on the evening of Wednesday, January 27, 2010, in the Pewaukee City Hall. Mr. Evenson indicated that he will be traveling and not available for the meeting and asked that Mr. Sanford chair the meeting.

Adjournment

On a motion by Mr. Swan, and seconded by Mr. Klein, the meeting was adjourned at 5:47 p.m.

Respectfully Submitted.

Philip C. Evenson

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