

Summary Notes

Meeting of the Pewaukee Merger Advisory Committee

Wednesday, March 24, 2010

4:00 p.m., Pewaukee City Hall

Roll Call

In attendance at the twentieth meeting of the Pewaukee Merger Advisory Committee were, representing the Village of Pewaukee, President Jeff Knutson, Trustee Paul Evert, citizen member Thomas Houck, citizen member Mark Muehl, and Administrator Scott Gosse. Representing the City of Pewaukee were Mayor Scott Klein, Alderperson Roger Hathaway, citizen member Dave Swan, citizen member Dan Sanford, and Administrator Tammy LaBorde. Mr. Sanford chaired the meeting in Mr. Evenson's absence. Also in attendance at the meeting were William J. Mielke and Christine Cramer from Ruckert & Mielke, Inc., and Mr. John Gardner of Zeppos and Associates, representing the consulting team.

Summary Notes of Prior Meeting

On a motion by Mr. Evert, seconded by Mr. Muehl, and carried unanimously, the summary notes of the meeting of March 10, 2010, were approved.

Report/Discussion/Possible Action on Items Related to Consolidation Plan and Ordinance

This item had been laid over from the last meeting. Mr. Sanford stated that each of the members was to review the reports and requested if any of the members had any modifications; there were no comments. Mayor Klein stated that now that all of the information has been prepared we are just getting into the debate on these issues. The comments that he has heard to date from residents is that there is too much disparity in the tax rates and that the city rate is going down only sixteen (16¢) cents while the village rate is going down one-dollar and ninety cents (\$1.90). He mentioned several items that continue to be issues such as the Street Utility District, how the Village and City differ on road assessments, and the transfer of \$5.5 million by the Village. He suggested that the Street Utility District (SUD) tax rate should be a larger dollar amount than the thirty-three (33¢) cents that has been proposed, possibly closer to one dollar (\$1.00). He also stated that he didn't believe that the SUD should sunset. He stated that he believes that the equalization of tax rates through legislation is the best vehicle for merger. He stated that this process should move forward to the community. Mr. Muehl asked if the legislation would pass would it be another vehicle once the \$5.5 million debt service fund runs out. Ms. Cramer stated that you would have to have that in place at the time of merger. There was further discussion on street assessments. Mayor Klein stated that he had met with the city's auditor who stated that merger would put risk to the city's financial status and wasn't sure that a sixteen (16¢) cent reduction to the city tax rate was enough. Mr. Knutson stated that he understands the comments however the city is saving money in the long run and

the Village is also saving money. He stated that the Village is currently receiving services that city residents will not receive. There is no way to join the communities where everyone will be happy. There are comments about all of these items and they will be up to the new community's Board. He stated that he feels that both communities will benefit from a merger. There was discussion as to the amounts to be borrowed for by both communities and what capital requirements were included in the 2010 budget. Ms. Cramer stated that the first table in the consolidation plan looked at assets, reserves and debt. They also looked at roads and included repairs to the dam. Ms. Cramer stated that they did not look at financing. Mr. Knutson stated that if the Village took the cost of capital items from their sewer/water reserves, they may not have to increase their tax rate for several years. He stated that the Village is bringing more to the table than the city. Mr. Swan stated that the plan proposes to reduce taxes, government spending, and increase equalized values which are all a plus. He would like to see this sent to the public. Mr. Houck stated that the obstacles that we see is paranoia from both municipalities that one will get more than the other. The proposed items tonight achieve the basic goal of tax reduction for both municipalities. He feels that the committee has a plan and ordinance that is acceptable and ready to move forward to the Village Board and Common Council. Mr. Hathaway moved and Mr. Houck seconded to approve the consolidation plan as provided and forward it to the Village Board and Common Council. Motion carried unanimously.

Mr. Sanford stated that each of the members was to review the ordinance provided and requested if any of the members had any modifications. Mr. Knutson stated that he had no comment but still did not like the ordinance related to the SUD and aldermanic districts. Mr. Hathaway moved and Mr. Swan seconded to approve the consolidation ordinance as provided and forward it to the Village Board and Common Council. There was discussion regarding the formulation of the four aldermanic districts and the date of a possible referendum. Motion carried unanimously.

Report/Discussion/Possible Action Regarding the Consolidation "Playbook"

Mr. Swan stated that the playbook was well done and wondered if there was a way to address the issues that were not included as to contracting for services. Mr. Muehl stated that that could be done but he would suggest waiting until the Village Board and Common Council take action as this would require more time and effort. Mr. Sanford stated that the addition of this information would take the playbook from being analytical to political. Ms. Cramer suggested that the playbook be placed on the website. Mr. Swan moved and Mr. Houck seconded to place the playbook as provided on the website. Motion carried unanimously.

Report/Discussion/Possible Action Regarding Submittal of Committee Recommendation to the City Council and Village Board

Mr. Sanford indicated that the document that had previously been prepared had been amended to include comments that Ms. Kobza had. A redline and final version was distributed to the committee for review. Mr. Sanford asked if any of the members had any modifications. Ms. Cramer stated that on the second page, the last bullet point should be changed to “The merger of the two communities should be placed on the ballot for an election...” and delete “the next immediately available general”. Mr. Muehl moved and Mr. Hathaway seconded to approve the executive summary as amended and forward it to the Village Board and Common Council. Motion carried unanimously.

Discussion Regarding Committee/Public Outreach and Alternate Public Information Opportunities

Mr. Sanford stated that at the last meeting Mr. Gardner was asked to put together information on the consolidation plan. Mr. Gardner stated that he looked at the consolidation plan and came up with a listing of the key findings. He kept the listing to one page and this will accompany the information that is being sent to the Village Board and Common Council. He intends to also make the document available to the public on the website, at the Library, Village Hall and City Hall. He will also make the document available to the media. Mr. Swan stated that he would like the findings added to the website. Mr. Houck recommended a change to the first bullet point to add “conservatively” after “A merger would save...”. The Mayor stated that the third bullet point should delete language after the second “Village” in the third line as both communities sewage goes to Brookfield. Mr. Sanford stated that the Key Findings are still separating the Village and the City, we need to focus on reinforcing the idea achieved by merging. Mr. Hathaway stated that the second bullet point “would” changed to “could”. Mr. Knutson stated that the fifth bullet point need to remove “large” in the first line, add “real estate” tax rates to the first line. Mr. Muehl stated that the fifth bullet point needs to change “tax rate” in the last line to “debt service”. Mr. Houck also suggested that in order to carry forward the combined community, the word “current” be placed in front of Village or City throughout the findings. Mr. Swan moved and Mr. Houck seconded to approve the key findings as amended, place it on the website and forward it to the Village Board and Common Council. Motion carried unanimously.

Next Meeting Date

The next meeting of the Committee will be at the call of the chair. Mr. Houck requested that the committee members be notified when the Village Board and Common Council will be placing the items on their agendas.

Public Comments

A public comment period was held. Several citizens from the audience submitted public comments regarding the concept of merger in general.

Adjournment

On a motion by Mr. Hathaway and seconded by Mr. Houck, the meeting was adjourned at 6:04 p.m.

Submitted by Tammy LaBorde