



PEWAUKEE MERGER INFORMATION

A Joint Effort by the Village and City of Pewaukee, Wisconsin

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Stay informed about the possible merger through regular email updates. Please send us your email address so we can get the latest information to you quickly and reduce postage and printing costs. Sign up through the Pewaukee Merger Web site or email pewaukeemergerstudy@sewrpc.org.

AN IMPORTANT MESSAGE TO THE RESIDENTS OF THE CITY AND VILLAGE OF PEWAUKEE

Dear Resident of the City or Village of Pewaukee,

It is good to hear and read that there has been a lot of public discussion over the past several weeks about a possible merger of the City and Village of Pewaukee. That's good because it means citizens are getting involved. As such, we want to make sure you have facts on which to continue the discussion and make an informed decision.

Please understand we both are elected by you to serve the common good, so we know that the most important thing is to make sure people have the facts when they make an important decision. Our responsibility is to supply you with accurate and fact-based information about a possible merger of the City and Village. The decision ultimately rests in your hands. If the Common Council and Village Board approve a proposal to merge, you get to vote "yes" or "no" on whether you want the two communities to become one. That ultimate decision is yours, and we'll try to foster a constructive dialogue as discussions continue.

We recognize and encourage continued discussion over this issue, but we want to make sure the information you have is accurate. We have developed this newsletter to further the discussion. Inside you will find fact-based information about the possible merger, as well as how and where you can learn more about the key issues being discussed.

If you have any further questions, please don't hesitate to contact either of us. We also encourage you to visit the Pewaukee Merger Information Web site (www.sewrpc.org/pewaukee-merger) where you can submit questions and sign up to receive regular email updates as discussions continue. This will help us get information to you quicker while saving the Village and City on postage and printing costs.

Again, we are here to serve residents of the City and Village, and we encourage your involvement.

Thank you for you taking the time to read this information.

Scott Klein
Mayor, City of Pewaukee

Jeff Knutson
President, Village of Pewaukee



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10 IMPORTANT QUESTIONS ABOUT THE POSSIBLE MERGER

1) Why would the City and Village want to merge?

In 2006, the Pewaukee Village Board and City Council agreed to renew discussion of a possible merger/consolidation of the two communities that would only be made if a combined government would be more efficient and less expensive for all residents. A Merger Advisory Committee was appointed to explore various ways a merger might impact all taxpayers and utility customers in a combined municipality. Final estimates have yet to be determined, but based on 2010 proposed budgets for the City and Village, preliminary estimates show that a merger would result in an overall savings of \$331,000 in annual governmental operating costs per year and \$8.3 million in future utility capital costs over the next 15 years. Those cost savings could increase if future elected officials in the combined municipality look at additional cost-saving opportunities. Visit the www.sewrpc.org/pewaukee-merger for more information and to view reports compiled by the Merger Advisory Committee.

2) Have Village and City residents ever voted on whether to merge?

No. If the issue moves to a referendum, it would be the first time a merger of the two communities would come before respective voters. The Merger Advisory Committee has been studying the key issues since 2008, and a preliminary plan or proposed consolidation ordinance has been sent to the City Council and Village Board to determine possible next steps. No decision has been made. If a final merger plan is approved by both government bodies, a June 2010 referendum vote in each community could be held to decide if a merger should happen.

3) Who makes the ultimate decision on whether there is a merger?

City and Village residents will ultimately make the final decision. If the Village Board and City Council approve a final merger plan, voters will be entitled to vote on a binding referendum. If voters decide not to merge, the two individual governments will continue to operate in their current manner.

4) If there is a merger, what happens to the current members of the Village Board and City Council?

If voters approve the referendum to merge, the current Village Board and City Council would be replaced with a new City Council made up of two elected officials from each of four voting districts created through a merger. Under the preliminary plan, voters will choose the new City Council and new Mayor in an election that could be held in August 2010. Current Board and Council members will serve on an interim basis only until the new City Council is established.

Estimated Annual Savings per Property (Based on a \$300,000 Home)					
	Village	City – Water & Sewer	City – Water Only	City – Sewer Only	City – No Utilities
Initial Property Tax Savings / (Increase) ⁽¹⁾	\$498	\$48	\$48	\$48	\$48
Future Water Rate Savings / (Increase) ⁽²⁾	(\$7)	\$102	\$102	\$0	\$0
Future Sewer Rate Savings / (Increase) ⁽³⁾	(\$30)	(\$27)	\$0	(\$27)	\$0
Total Savings / (Increase)	\$460	\$122	\$150	\$21	\$48

5) What happens to property taxes?

Estimates contained in the initial plan provided to the Council and Board show a decrease in property tax rates for the next several years. Depending on future actions taken by the new City Council, these rates may change.

- 1) Based on home with \$300,000 equalized (fair market) value.
- 2) Based on average Village residential customer using 60,200 gallons per year, average City residential customer using 69,300 gallons per year.
- 3) Based on average Village residential customer using 57,200 gallons per year, average City residential customer using 69,300 gallons per year.

NOTE: Above figures include street utility district tax for Village properties.

6) How will a merger impact water and sewer rates?

The preliminary plan under review by the City Council and Village Board found that sewer and water utilities for the merged community, when operated jointly, would be less expensive. Under the preliminary plan, there would be combined utility facilities and one rate structure for utility customers. While there would be no immediate impact on utility rates, it is projected that there would be \$8.3 million saved in future capital improvement costs through the merger over the next 15 years. Operated as a single utility, there would be cost savings for former City water customers and slightly higher future utility rates for Village utility customers. However, these higher future rates for Village utility customers would be offset by the significant property tax savings that would occur with a merger. It's important to note that the \$8.3 million in savings assumes that the new City would not have to replace the existing City Hall water tower. This issue is under review by the City Public Works Director.

7) What is the Street Utility District?

There has been a good deal of discussion about the topic of a Street Utility District (SUD). At this point, it is only a suggestion being considered, and no final decision has been made. Currently, the Village has a higher cost per mile compared to the City for the maintenance of streets, sidewalks and street lighting, as well as services such as leaf and brush collection. An SUD fee that would apply to all properties within the current Village boundaries has been proposed by the Merger Advisory Committee as a means of paying for this higher cost per mile for Village streets. A basic level of street costs for all streets within the merged community would be included in the property taxes paid by all taxpayers. The suggested SUD fee would then pay for the additional services provided in the area of the current Village. If approved by the Village, the SUD would be created by the Village Board before the merger takes place, and exist for a period of 10 years and then automatically dissolve. Even with this additional tax, Village property owners would still benefit from an overall decrease in their property taxes with a merger. As indicated, the idea of an SUD is under review by the Board and Council, and no action has been taken.

8) How will the fire and police departments and other government services be provided under one municipality?

If the City and Village merge, operation of those services would be overseen by the newly elected City Council. All departments, employees and contracts of the existing City and Village would remain in place until either the interim Council or the newly elected Council and Mayor decide to make changes. The preliminary plan under review proposes that the combined municipality would have full-time staff to provide most services and that only the City Planner and City Attorney would be contracted services. The Merger Advisory Committee and its consulting attorney are continuing to review the preliminary proposal to make sure it is consistent with state statutes.

9) If the merger happens, what will happen to the City of Pewaukee's undeveloped land?


Under the preliminary plan, the City's undeveloped land would become part of the new City created with a merger. As discussions have continued, some have stated that if the City and Village remain separate, the City's tax rates would significantly benefit from future development. However, if the City remains separate, it may cost more for the City to provide the sewer and water services to support new development than if the two municipalities were combined. The preliminary plan estimates that a merger of utilities could save about \$8.3 million in future water utility infrastructure. Also, new development may not result in lower tax rates because new development creates demand for City services. Over the long term, new development may further increase the tax rate, as new development has in other municipalities.

10) Where do residents go if they have questions or comments?

As discussions continue, Village and City residents are encouraged to ask questions either at committee meetings, future town hall meetings or through the Pewaukee Merger Web site - www.sewrpc.org/pewaukee-merger. The Web site also allows residents to access reports from studies conducted to date, including the proposed consolidation ordinance currently under review by the City Council and Village Board. Again, no decision has been made, and input from residents is valuable as the process moves forward. The Merger Advisory Committee has made it a top priority to provide residents fact-based and unbiased information through regular email alerts, newsletter mailings and updates posted to the merger's Facebook page and Web site. All materials also will be made available at the Village Hall, City Hall and the Pewaukee Library.

JOIN US ONLINE

Residents and property owners in the City and Village can stay updated about the possible merger by visiting the Pewaukee Merger Web site at www.sewrpc.org/pewaukee-merger as well as the **Pewaukee Merger Information** Facebook page created specifically to provide information to the public. Both tools aim to be a resource to learn the latest news about a potential merger. Residents can also sign up to for email updates to receive information quicker while helping decrease printing and postage costs



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Dear Residents,

As the elected chief executives of the Village and City of Pewaukee, we believe it's important to make sure all of our residents are aware of and informed about the possibilities of our two communities merging.

The information contained on this Web site is intended to keep you and all residents of the Village of Pewaukee and City of Pewaukee updated on discussions regarding this possibility. The overall goal of the merger effort is to determine if a merger would help make government more efficient and lower tax and utility rates for residents in both communities. An advisory committee made up of residents and local officials from the City and Village is studying various ways a merger might impact all taxpayers and utility customers, and we both think it's important to keep you informed. This Web site will help a lot.

Your role in this discussion is important. We believe it's important to provide you with accurate information and an opportunity to ask questions. Through this educational Web site, and a Facebook page, residents will have easy access to facts and updates related to the possible merger. This same information will also be available at the Pewaukee Public Library, Village Hall and City Hall.

Additionally, we plan to communicate with you via email to get information to you quickly and reduce postage and printing costs associated with print mailings. If you are willing to provide us with your email address and forgo receiving information through standard mail, click on the "HELP US SAVE MONEY" box or the link in the left-hand navigation bar or you can send an email with your contact information to pewaukesmergerstudy@sewrpc.org. When doing so, please enter "Add me to the list" in the Subject box.

Thank you for taking the time to learn more about this effort.

[Scott Klein](#) Mayor, City of Pewaukee [Jeff Knutson](#) President, Village of Pewaukee

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