



WISCONSIN LEGISLATIVE COUNCIL

LOCAL SERVICE CONSOLIDATION

Room 411 South
State Capitol

October 5, 2010
10:00 a.m. – 3:00 p.m.

[The following is a summary of the October 5, 2010 meeting of the Special Committee on Local Service Consolidation. The file copy of this summary has appended to it a copy of each document prepared for or submitted to the committee during the meeting. A digital recording of the meeting is available on our Web site at <http://www.legis.state.wi.us/lc>.]

Call to Order and Roll Call

Chair Zepnick called the committee to order. The roll was called and a quorum was present.

COMMITTEE MEMBERS PRESENT: Rep. Josh Zepnick, Chair; Rep. Mark Gottlieb, Vice-Chair; Rep. Mark Pocan; and Public Members Debra Amesqua, Allan Bilbao, Ron Chamberlain, Tina Cruse, Joseph Czarnezki, Ken Hartje, Joe Heim, Chuck Hicklin, William Mielke, Mark Nicolini, Dennis O'Loughlin, and Michael Woodzicka.

COMMITTEE MEMBERS EXCUSED: Representative Jeff Stone; and Public Members Richard Abelson and Dennis Dresang.

COUNCIL STAFF PRESENT: Scott Grosz, Melissa Schmidt, and Jessica Karls-Ruplinger, Staff Attorneys.

APPEARANCES: Larry Arft, City Manager, City of Beloit, and Phil Boutwell, Assistant to the County Administrator, Rock County; Ann Coakley, Director, Bureau of Waste and Materials Management, and Cynthia Moore, Recycling Program Coordinator, Department of Natural Resources (DNR); and Curt Witynski, Assistant Director, League of Wisconsin Municipalities.

Approval of the Minutes of the Committee's August 31, 2010 Meeting

Mr. Heim moved, seconded by Mr. Woodzicka, that the minutes of the committee's August 31, 2010 meeting be approved. The motion passed on a voice vote.

Presentations by Invited Speakers

[Note: PowerPoint presentations and other documents referred to by the speakers are posted on the committee's Internet site.]

Larry Arft, City Manager, City of Beloit, and Phil Boutwell, Assistant to the County Administrator, Rock County

Mr. Arft explained how the Beloit City Health Department consolidated with the Rock County Health Department. He stated that the Beloit City Council and the Rock County Board voted to establish a merger study committee and that a consultant was hired to help with the merger process. He provided an overview of the intergovernmental agreement that transferred Beloit's health department to the county health department. Mr. Arft noted that the merger study committee found that Beloit's tax rate would decrease from approximately \$.48 to \$.21 per \$1,000 of assessed property value. Mr. Boutwell stated that to have successful mergers, there needs to be buy-in from the local governmental bodies, the administration, and employees. He noted, however, that mergers do not always save money. Following their presentation, Mr. Arft and Mr. Boutwell responded to questions from committee members.

Ann Coakley, Director, and Cynthia Moore, Recycling Program Coordinator, Bureau of Waste and Materials Management, DNR

Ms. Coakley briefly described Wisconsin's Recycling Grants to Responsible Units program. She said that 99% of responsible units (RUs) currently receive grants from the state. She listed some inefficiencies with how the current RU structure of recycling programs, such as higher recycling collection costs, inadequate outreach and compliance, high staff turnover, and confusion among residents arising from differences in individual RU recycling programs. She described how efficiency may increase if the recycling program was restructured and RUs consolidated their programs. She suggested having the programs be administered at the county level. She gave examples of regional collaboration efforts in Dunn and St. Croix Counties and between Brown, Outagamie, and Winnebago Counties. Ms. Coakley and Ms. Moore stated that they would be willing to participate in a work group on the issue of consolidating RU recycling programs. Following their presentation, they responded to questions from committee members.

Curt Witynski, Assistant Director, League of Wisconsin Municipalities

Mr. Witynski presented a list of recommendations for committee action that would assist local governments in consolidating service delivery. These recommendations include: (1) amending the Wisconsin Constitution to create an exception to the Uniformity Clause for recently consolidated parts of a community; (2) amending the statutes to allow local governments the opportunity to combine police and fire positions; (3) amending the Municipal Employment Relations Act and other relevant statutes to make the decision to transfer, consolidate, or reassign bargaining unit work, and the impact of the decision, a permissive subject of collective bargaining; (4) repealing the maintenance of effort

requirement on emergency services spending; (5) converting the comprehensive planning grant program to a grant program for local government cooperation and collaboration; (6) establishing a program within the Department of Administration (DOA) to assist multiple local governments in creating a single website to provide cross-boundary services; and (7) broadening the scope of the revenue sharing statute. Following his presentation, Mr. Witynski responded to committee members' questions.

Discussion of Committee Assignment

Mr. Grosz, Ms. Karls-Ruplinger, and Ms. Schmidt reviewed the recommendations for committee action made by invited speakers and committee members. Mr. Grosz briefly explained how 2009 Assembly Joint Resolution (AJR) 65 would have amended the Wisconsin Constitution's Uniformity Clause to make it easier for two or more communities to consolidate. Mr. Mielke stated that there are few communities with the same tax rate and that this is the biggest barrier to consolidation. Mr. O'Loughlin said that this would have helped the Town of Windsor when it was trying to consolidate. There was committee consensus to redraft 2009 AJR 65 as a committee bill.

Ms. Schmidt briefly described 2009 Assembly Bill (AB) 312 which would allow a municipality to combine its police and fire departments. She also mentioned the League of Wisconsin Municipalities' recommendation for legislation to allow for cross-training of officers; appointing a single person as chief of both the police and fire departments; or appointing the same person to serve as supervisor of both police and fire departments. Mr. Woodzicka raised concerns and did not support the committee taking action on any of these ideas. Ms. Amesqua and Mr. Hartje raised concerns over the logistics of a combine departments. Mr. Heim thought smaller communities may want the option to combine departments. There was no consensus among the committee to draft legislation on this recommendation.

Ms. Karls-Ruplinger briefly described the maintenance of effort statute and its proposed repeal under 2009 AB 661. Mr. Mielke supported this idea and explained how the City of Pewaukee had to get a waiver from the Department of Revenue (DOR) to cut its overhead even though this increased its services. Mr. Woodzicka raised concerns over repealing the maintenance of effort statute and opposed this idea. Mr. Hicklin and Mr. Bilbao supported the repeal. Mr. Nicolini stated that repealing the maintenance of effort statute allows for home rule and is an issue of fairness. There was committee consensus to redraft 2009 AB 661 as a committee bill.

Ms. Karls-Ruplinger briefly reviewed the League of Wisconsin Municipalities' recommendation to allow a local government to consolidate services with other governments without requiring collective bargaining of such consolidation. Ms. Amesqua opposed this recommendation and said that labor agreements were the basis for good working relationships. Mr. Woodzicka mentioned that buy-in from employees is needed for successful consolidation. Chair Zepnick asked Legislative Council staff for more information on this recommendation.

Ms. Schmidt briefly reviewed the League of Wisconsin Municipalities' recommendation to convert the Comprehensive Planning Grant Program to a grant program for cooperation and collaboration. She explained the current status of the Comprehensive Planning Grant Program. Representative Gottlieb stated that if a local government could save money by consolidating, then it should be worthwhile to do so without grant assistance. He suggested allowing certain consolidation costs to be exempt from the levy limit. Ms. Cruse stated that her school district is part of a consortium of four school districts receiving a grant for assistance in collaboration efforts. She thought that a grant was a good idea. Mr. Chamberlain suggested three options: (1) an exemption from the levy limit for

consolidation costs; (2) a low-interest rate revolving loan fund for consolidation; and (3) a grant for cooperation and collaboration. There was consensus to draft legislation on each of these three ideas.

Ms. Karls-Ruplinger briefly reviewed the League of Wisconsin Municipalities' recommendation to create a program within DOA to assist a group of municipalities in creating a single website to offer services for multiple municipalities. Representative Gottlieb asked if DOA had authority to already do this. Mr. Witynski said yes, but that there is an issue of funding and resources. Mr. Mielke and Mr. Hicklin raised concerns about drafting legislation on this idea. There was no consensus to draft legislation on this recommendation.

Mr. Grosz briefly reviewed the idea to restructure Wisconsin's recycling program to be administered at the county level. Ms. Cruse stated that this restructuring idea should be discussed further by stakeholders. Mr. Nicolini and Ms. Amesqua raised concerns about mandating consolidation. Mr. Hartje also raised concerns about mandating consolidation and suggested creating an incentive instead. Mr. Grosz stated that Legislative Council staff would provide more background information on the recycling program for the committee's review.

Representative Gottlieb briefly explained his recommendation to require an agency, when promulgating an administrative rule that includes a mandate on local governments, include a mechanism whereby multiple units of government can collaborate or consolidate. Ms. Schmidt explained that under current law, agencies are "encouraged" to design the rule to reflect a balance between the mission of the agency and the goals specified in local comprehensive plans, which includes "encouragement of coordination and cooperation among nearby units of government." She stated that legislation could be drafted to make the statutory language stronger. There was no consensus to draft legislation at this time.

Mr. Woodzicka asked for more information about the ability of local governments to create a fire protection district and consolidating fire services. Ms. Amesqua asked for more information about a state agency creating a template for intergovernmental agreements that local governments could use to assist in consolidating services.

Mr. Grosz explained that Legislative Council staff will prepare bill drafts for recommendations requested by the committee. He said that the staff would also prepare an options memorandum for the various recommendations in which the committee needed further information.

Other Business

There was no other business brought before the committee.

Plans for Future Meetings

The next meeting of the Special Committee will be on *Wednesday, November 10, 2010, in Milwaukee. The specific time and location are to be determined.*

Adjournment

The meeting was adjourned at 3:00 p.m.