

To: Joint Negotiation Committee  
From: Administrator Nicholas Owen  
Date: August 26, 2011

## **Re: Draft Cooperative Boundary Agreement**

Since I cannot be at the September 1<sup>st</sup> meeting I wanted to pass along some questions or clarifications I was looking for with the draft CBA:

### **Section 2 – Establishment of JPC**

2.4 - "... all members of the JPC shall serve for terms of three (3) years." I don't have a problem with the term being three years and not being at the meeting I don't know if there was a reason discussed, but a majority of the other committee and commission terms in the Village are 2 years. I'm not sure how long the Town's terms are, just thought it warranted mention.

**Section 4 – Annexation** – I should have the revised map with the annexation areas ready by the September 1 meeting.

### **Section 5 – Revenue Sharing**

5.12 – One item that came up with the Board review of the revenue sharing is what happens to the payment at the end of the 10 years if a new library is not built? It is clear that the escrow amount goes back to the Town and the escrow stops, but does the Village get the full payment amount as determined by the formula or does the payment stay at the \$10,000?

5.1.2.d – Also discussed at the Village Board was removal of the words "in excess" from the language maintaining the MOE. Also is the intent to use the 2011 budget number alone as the base or the old 3 year running average that was used under the MOE?

### **Section 6 – Commercial and Industrial Development**

6.1.3 – I asked Village Attorney Larry Bechler about this section and he said that while the Village Board can come to an agreement with the Town on where to annex and areas not to annex he is uncertain whether the Village Board can delegate the final decision on annexation in this manner. Further research would be needed before final approval.

6.1.5 – Currently the Village only budgets for C&I development through the use of TIF funds, is this practice acceptable to the Town for this agreement?

### **Section 7 – Utility Extensions**

One item I thought the committee should be aware of is that per PSC rules properties outside of the municipal utilities boundaries (Town Properties) that are served by the Village water utility would be charged a 25% surcharge. The surcharge is to make up for the hydrant rental amount that Village residents pay on their tax bill for the extra capacity in the water system to sustain fire flows. I don't think any language needs to be added to the CBA for this I just wanted to make sure everyone is aware of this requirement as it is a significant cost to town residents.