*** All present are expected to conduct themselves in accordance with our City's Core Values ***

OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of:	**COMMITTEE OF THE WHOLE**
Members	Bill Nagle, Romey Wagner (c), David Nutting, Tom Neal, Gary Gisselman, Keene Winters, Lisa Rasmussen, Karen Kellbach, Dave Oberbeck, Sherry Abitz, Robert Mielke and Mayor Tipple, ex-officio
Date/Time:	**Wednesday, May 6, 2015 at 5:00 - 5:30 PM**
Location:	**City Hall 407 Grant Street - Maple Room**

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1) Update and discussion regarding joint discussions relating to the Village of Brokaw
2) CLOSED SESSION: Pursuant to S. 19.85.(1)(g), Conferring with legal counsel for the governmental body who is rending oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, regarding Brent Zocher, 1014 N. 10th Avenue
3) RECONVENE INTO OPEN SESSION to take action on the closed session item, if necessary

Romey Wagner
City Council President

This notice was posted at City Hall and faxed to the Wausau Daily Herald newsroom on 05/01/15 at 4:01 pm

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For information or to request this service, contact the Clerk's Office at 715-261-6620, Wausau City Hall, Wausau, WI 54403

Summary of Brokaw Discussion of April 27, 2015

Representatives of the two Towns, the Village and Wausau met at the Town of Maine Hall to begin discussions regarding options related to a solution of Brokaw's potential default. Wausau was particularly interested in learning about the other communities' positions on the Cooperative Boundary Agreement (CBA) concept that was floated by Texas counsel at a previous meeting.

There was no substantial detail added to the CBA concept at last night's meeting. Essentially, the meeting provided the Town and Village reps an opportunity to air a number of "options" as follows:

Stated/Proposed by Brokaw:

- "Village is not viable to remain a municipality in the long term."
- Consolidation with Wausau through discussions on purchase of utility services — subject to binding referendum. This was Brokaw's preferred option, and deemed most feasible.
- Negotiate reduced or extended debt with TIF debt and Village debt bank.
- Seek state assistance to help fund TIF debt and provide for more economic development opportunities.

Proposed by Texas:

- CBA involving the Towns and Village only.
- Brokaw dissolution.
- Litigation — "many possible cases" including challenging constitutionality of related state statute.
- Possible expansion of Wausau "down the road" in a tiered plan, effective in 10 years for example.
- Wausau exercise clout with state legislators to seek a solution.

Proposed by Maine:

- Receivership model for Brokaw (no detail offered).
- Balloon and string.
- Brokaw finds ways to reduce expenses related to "overbuilt" water system.

Both Towns reiterated their reluctance to accept any loss of land, citing input from their residents regarding maintaining their lifestyle and avoiding Wausau's "high taxes." Wausau requested that the Towns calculate possible financial impact to residents if Brokaw's debt falls on the Towns, so that residents have more facts to consider in the future. The Towns stated that they have been trying to capture that data, but it is difficult. Town of Texas said they could calculate a "ballpark" figure.

Wausau repeated its willingness to be part of a solution, or to step back and let the three communities formulate one of their own. Wausau asserted that most of the suggested "options" lacked verifiable viability, with uncertain outcomes (e.g., litigation, binding referendum, constitutional challenge, etc.). Further, Wausau pointed to the reported June 2016 deadline for resolution before insolvency may occur. Wausau contended that it is time to choose a course of action, and reiterated that a CBA has been identified as the most workable, equitable solution, and the state's preferred option.

A CBA involving Wausau would need to include a significant physical connection between Wausau and Brokaw. The Town of Maine fears that their entire "panhandle" section would be taken by Wausau. Wausau stated that any cooperative solution would require give and take, with no party completely satisfied, and no party unduly harmed. Wausau stressed that "status quo" is not an option, and regardless of which action is taken, Town footprints and fiscal realities will change.

The Towns and Village expressed willingness to look further into the various options, attempt to gather financial impact data as it relates to their residents and attend the May 13 Committee of the Whole meeting in Wausau. In particular, there appeared to be a willingness to further discuss how a CBA may be pursued. Other topics which should be addressed:

- Define "Compact Design" as it relates to area affected.
- Clarify debt levels and responsibilities.
- Identify steps to reduce liabilities.
- Identify short term and long term benefits/negatives, assets, debt.
- Discuss contamination issues (DNR's position, mitigation resources).
- Water utility fiscal / physical status, maintenance, possible system changes.

Below is text of Wausau's position, delivered verbally at the meeting:

Wausau's Brokaw Position Rationale — April 27, 2015

As Wausau enters into preliminary discussions with the Towns of Maine and Texas and the Village of Brokaw, we have been asked to prepare a position statement. At this time, Wausau's position is one of open-mindedness, and basic good practices as they relate to the interests of our residents. Wausau's designated representatives have told representatives of the Towns and Village that our city welcomes the opportunity to sit down with all four communities to explore options, without preconditions. Wausau may be in a position to provide important assistance, but this would have to be within the context of considering mutual benefit and risk to all parties involved.

Following are the salient considerations for this initiation of discussions.

1. *Brokaw reports that June 2016 is their debt deadline. In the absence of any other actions by the four parties, Brokaw faces likely default and subsequent dissolution, with its assets and debts (approx. $3 million) falling to the two Towns, along with ongoing operational expenses for the two utilities. The possibility of Brokaw declaring bankruptcy has been floated, but deemed unsupportable by regional legislators.*

2. *Brokaw's TIF district would not transfer to the Towns in the event of dissolution. The TID would transfer to Wausau if the two communities merged. This is a significant consideration.*

3. *Citizens of Texas, Maine and Brokaw deserve to know how a default would impact them financially — and how that impact might compare in Wausau-Brokaw merger scenarios. Numbers should be calculated and distributed ASAP.*

4. *The Towns have stated publicly that they oppose any solution that involves loss of land to Wausau. There have been public statements that Wausau "wants Brokaw" and wants to "annex" Town lands.*

5. *Maine's representatives state that approximately 31% of their tax base lies in property that Wausau wants; Texas similarly states 20%+ of their tax base is at jeopardy. Both of those views appear based on a notion that Wausau seeks to carve a broad corridor to Brokaw.*

6. *Town representatives suggested a "balloon and string" option, but Texas counsel deemed this unworkable and borderline illegal. Wausau sees no value in such an option, which only would provide a tenuous connection to a sizable debt property.*

7. *Town of Texas counsel stated in a pubic meeting that the Towns were open to discussing a "Cooperative Boundary Agreement." The scope or details of such an agreement were not defined.*

8. *The state contends that Cooperative Boundary Agreements are the most effective and fair means of settling such issues. The details of such agreements are negotiated by all involved communities, and subject to state approval. It is a complicated process, affecting zoning, services, assets, liabilities, and land transfer.*

9. *Wausau comes to the preliminary discussions primarily to learn more about the Cooperative Boundary Agreement concept proposed by Texas counsel, and to gauge overall willingness to collaborate.*

10. *Wausau believes that the four communities can work together, with fair give and take, to arrive at a solution that optimally protects everyone's interests. Wausau knows this cannot be accomplished to everyone's 100% satisfaction. Many seek that status quo be maintained, but the prospect of a Brokaw default represents a looming, significant change in Town footprints and fiscal realities, and requires a pragmatic solution effort. Regardless of the outcome, status quo is not an option.*

VILLAGE OF BROKAW MUNICIPALITY DISCUSSION NOTES

TOWN OF MAINE TOWN HALL

APRIL 27, 2015 6:00 PM

Prepared by David Oberbeck, Alderperson District 9

How Best To Proceed: A Community Solution Is Required

Village of Brokaw "The Village is not viable to remain a municipality in the long term"

What is the impact to the surrounding townships?

- Short Term
- Long Term
- Benefits/Negatives
- Assets
- Debt

Protect interests of all parties

Town of Maine March 30 Public Hearing "Residents against loss of land, fear high taxes with City of Wausau"

Provide alternative means to provide services… example modify the water system

Options

- Cooperative Boundary Agreement
- Dissolution
- Special Legislation
- Litigation
- Consolidation
    - Contiguous Boundaries
    - Referendum

"Municipalities will not challenge balloon string annexation"

- Stated that this is not possible with the current laws

Village per the Auditor

- able to reduce debt (3.7 million to 3.0 in near future)
- extended time to repay debt
- reduced expenses
- refinanced TID

Water Utility

- income has fallen from 301K to 128 K
- maintenance issues
    - frozen water lines
    - water loss due to installation problem … now corrected
    - 29 days for water to be transported from Wausau to Brokaw as a result of low volume

Contamination Issues

- DNR conclusions regarding assistance at the state level
- Resources to mitigate

Next Meeting: May 13, 2015 6:00 PM Wausau City Council Chambers

- What is to be included in a Cooperative Boundary Agreement?
- Define "Compact Design" as it relates to area affected
- Clarify debt levels and responsibilities
- Identify steps to reduce liabilities