

1 TABLE OF CONTENTS

1	TABLE OF CONTENTS.....	2
2	INTRODUCTION.....	4
2.1	BACKGROUND	4
2.2	SCOPE OF EVALUATION.....	4
3	CURRENT PROGRAM.....	5
3.1	How it Works.....	5
3.2	COST TO PROPERTY OWNER	5
3.2.1	INVOICING STATISTICS	6
3.2.2	AVERAGE INVOICE / AVERAGE INVOICE BY YEAR.....	7
3.2.3	AVERAGE COST BY IMPROVEMENT TYPE	7
3.2.4	ASSESSMENTS BY LAND USE	8
3.2.5	TERMS OF PAYMENT.....	9
3.3	PROS & CONS	10
3.4	ATTACHMENTS IN APPENDIX	11
4	ALTERNATIVES.....	11
4.1	VEHICLE REGISTRATION FEE.....	11
4.1.1	ESTIMATE OF REVENUES FOR CITY OF WISCONSIN RAPIDS.....	12
4.1.2	CORRESPONDANCE WITH MUNICIPALITIES.....	12
4.1.3	REVENUE NEED	13
4.1.4	PROS AND CONS	13
4.1.5	ATTACHMENTS IN APPENDIX.....	14
4.2	TRANSPORTATION UTILITY.....	14
4.2.1	STORM UTILITY CHARGE REFERENCE USING ERUs.....	19
4.2.2	REVENUE NEED	19
4.2.3	PROS AND CONS	19
4.2.4	ATTACHMENTS IN APPENDIX.....	20

4.3	GENERAL PROPERTY TAX INCREASE.....	20
4.3.1	REVENUE NEED	20
4.3.2	PROS AND CONS	21
4.3.3	ATTACHMENTS IN APPENDIX.....	21
4.4	PAYMENT IN LIEU OF TAXES (PILOT) FOR WASTE WATER UTILITY	21
4.4.1	Water Works & Lighting Commission Reference	22
4.4.2	REVENUE NEED	22
4.4.3	PROS AND CONS	23
4.4.4	ATTACHMENTS IN APPENDIX.....	23
4.5	LOCAL SALES TAX.....	23
4.6	NO SPECIAL ASSESSMENTS	23
5	COMPARISON MATRIX.....	24
6	CONCLUSIONS & WRAP-UP	25
7	APPENDIX	26
7.1	Initial Scope of Study.....	27
7.2	Current Program - Ordinances and Procedures.....	38
7.3	Vehicle Registration Fee – Community Correspondence	46
7.4	Transp. Utility – Community Correspondence & League of WI Municipality article.....	88
7.5	General Property Tax Increase - City Assessor’s Fiscal Impact	111
7.6	PILOT – WWLC PILOT	113

2 INTRODUCTION

2.1 BACKGROUND

There have been recent and growing concerns around special assessments regarding assessment of sidewalk, assessment procedures and the amount of assessments to property owners. The Council has instructed staff to perform a review of the special assessment process and identify available funding options as a substitute for special assessments.

The current special assessment program is meant to collect revenue from property owners whom directly benefit from the improvements to the street. This revenue is used to offset street construction and maintenance costs being paid for from the general levy.

The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively. Although the direct costs to property owners through assessments is high (as represented as a one-time charge) AND \$2.3 million road construction & maintenance budget is considerable - the impacts of those dollars only covers 30% of the need of a sustainable program.

With current budget amounts, a street built in 2020
may not be rebuilt until 2170, which
is 100 years past its useful life.

There are growing disparities between aging streets and the ability to keep up with the replacement need. Additionally, it is anticipated that a \$5.3 million dollar budget would be the needed amount to replace and maintain streets at a sustainable level. This fact is an important point to consider as this document is reviewed.

2.2 SCOPE OF EVALUATION

This document will review and summarize the current special assessment ordinances along with other funding options available to the City in lieu of the current special assessment program. The scope of the study will compare and contrast options, including the current special assessment procedures, based on a variety of variables to weigh the pros and cons of each option. Each option will be presented in a matrix format with a description of how the funding source works along with a list of variables for comparison. The variables can be graded or scored to provide an at-a-glance summary of the pros and cons of that funding option in comparison to the other options.

3 CURRENT PROGRAM

3.1 How it Works

The current Special Assessment program is based on an assessment of new infrastructure improvements that provide benefit to the adjacent property owner. The costs are based on lineal feet of frontage along the improvement project and includes the following types of improvements: new or replacement asphalt pavement, sidewalk, curb & gutter, sanitary & water services. [see Figure 1]

The assessment process begins through the adoption of a Preliminary Resolution that identifies the City's intent to levy special assessments, which properties it affects and an estimate of the assessment cost of the improvements. There are a variety of design progress meetings and notifications with property owners through design & construction. After construction is complete and all the costs are known, Proposed Assessment Reports are created which identify assessment costs to property owners based on actual costs. The property owners are invited to an Assessment Hearing to make any statements regarding the correctness and validity of the Proposed Assessment Report. After the Assessment Hearing closes there is a consideration on passing a Final Resolution which adopts the Proposed Assessment Report and causes the assessment charges to be levied against the property owners.

3.2 COST TO PROPERTY OWNER

The cost to property owners are based on lineal feet of frontage along the improvement project and includes a variety of improvement types: asphalt pavement, sidewalk, curb & gutter, sanitary & water services and sanitary & water mains (new construction only). Each of the improvements is assessed based upon cost percentages identified in the City's ordinances and policies. [see Figure 1]

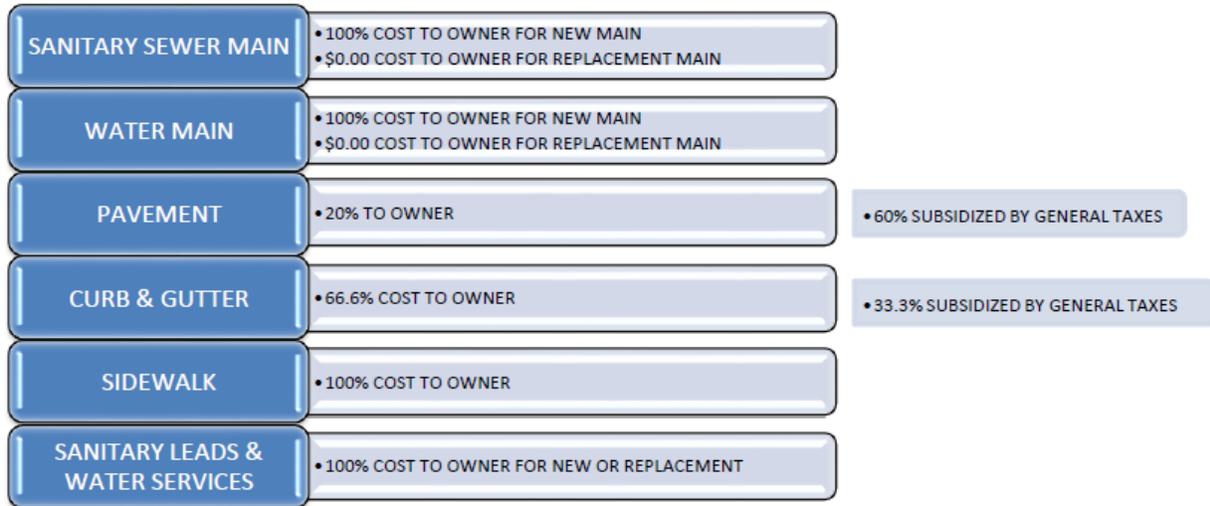


Figure 1. Improvement Cost Apportionment

3.2.1 INVOICING STATISTICS

Over the past 10 years the City has assessed 38 different projects comprised of 525 properties with a total invoice amount of \$2,793,962 [see Figures 2 & 4]. This equates to each property paying \$5,321.83 on average; however, there can be a significant range in values depending on the frontage of the property and what items are being assessed [see Figure 3]. For example, corner properties may have their sanitary and water services from the side street which may not be replaced with the project being assessed. This alone can swing an invoice to the specific property by about \$2,000.

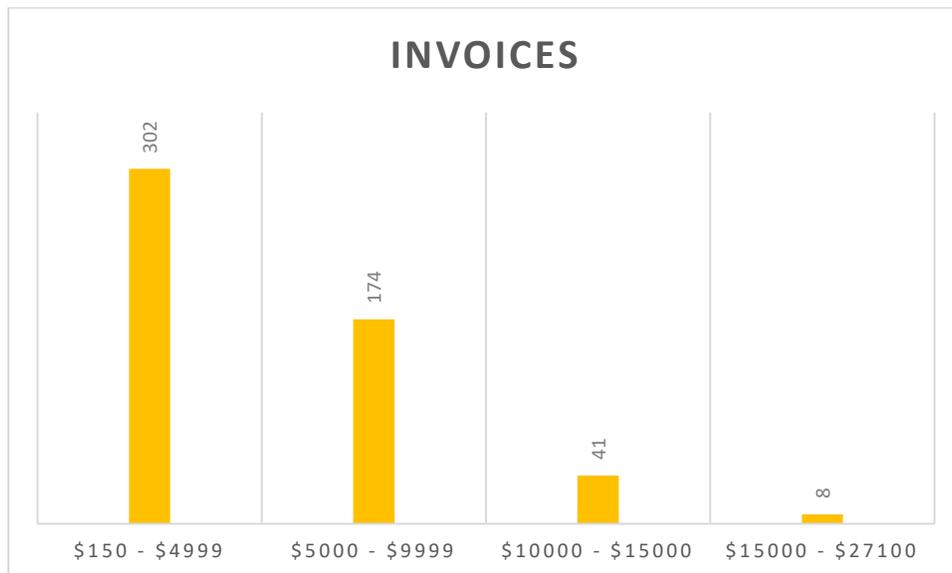


Figure 2 – Invoice Count and Amount over past 10 years

Invoice Statistics	
Sum	\$ 2,793,962.04
Max	\$ 27,056.85
Min	\$ 183.54
Count	525
Average	\$ 5,321.83
Stgd Dev.	\$ 3,562.46

Figure 3 – Property Invoice statistics over past 10 years

3.2.2 AVERAGE INVOICE / AVERAGE INVOICE BY YEAR

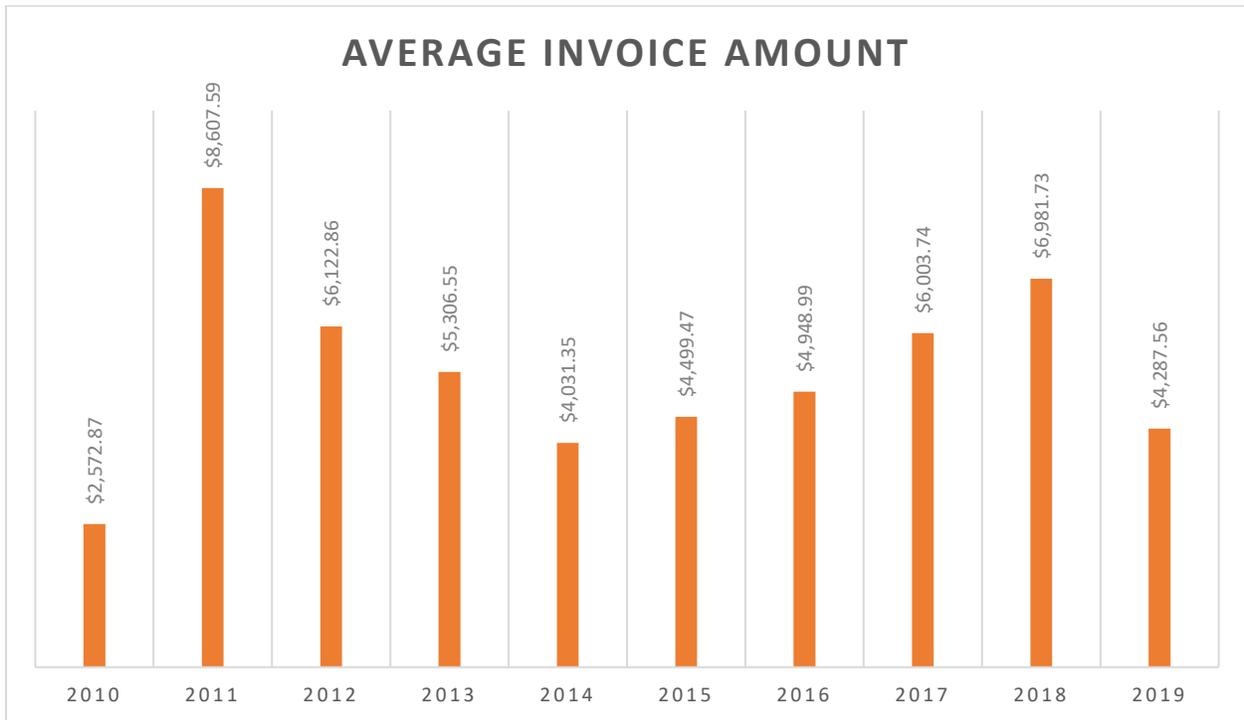


Figure 4 – Average invoice amount by year for past 10 years

Note - 2019 Data is low as assessment hearings are still pending and only one 2019 project has been assessed to date.

3.2.3 AVERAGE COST BY IMPROVEMENT TYPE

As shown in Figure 5 below street surfacing is the bulk of the assessment cost to property owners, accounting for 41% of a typical assessment invoice. Even at a cost share percentage of 20% of the full cost for street surfacing, these costs are almost twice the amount of any other individual assessable item.

Additionally, sidewalk is the next most expensive item accounting for 24% of a typical assessment invoice.

All street related improvements (sidewalk, pavement, curb & gutter) make up 80% of the cost of special assessments on average over the past 10 years.

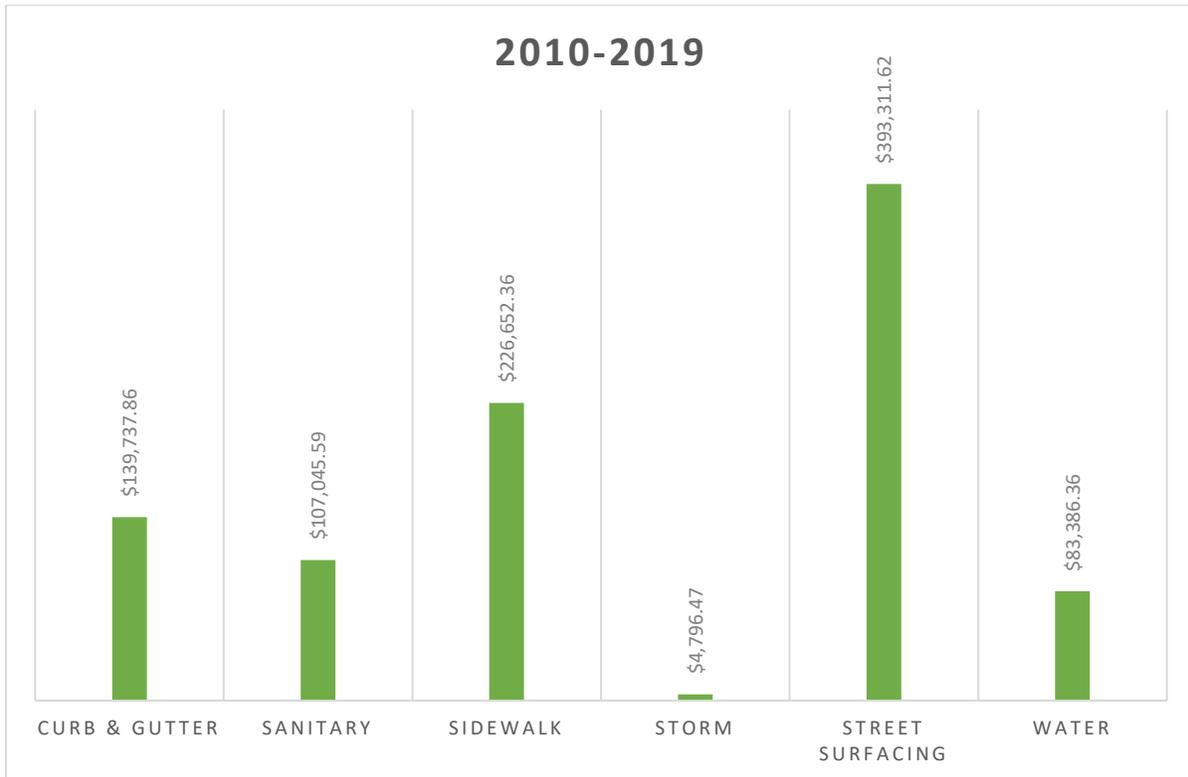


Figure 5 – Showing the relative cost difference between assessable items

3.2.4 ASSESSMENTS BY LAND USE

Looking back at the previous 10-year history, the land uses shown in Figure 6 have seen improvements and been charged special assessments. As expected, the largest group receiving assessments were single-family properties [see Figure 6]. Additionally, exempt properties accounted for just over five percent of properties receiving assessments. This information can be useful for consideration when reviewing possible alternative funding sources on fairness, equitability and impacts to different land uses. For example, the general tax levy does not impact the same property use types as does special assessments. In addition, Vehicle Registration Fees do not charge fees to vehicles over 8,000 pounds. Vehicles over 8,000 pounds are mostly used by commercial and manufacturing properties and significantly impact the roads in which they travel.

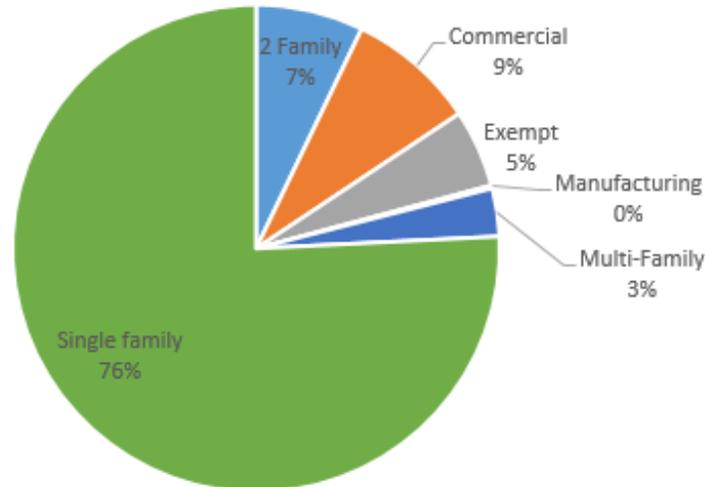


Figure 6 – Assessments by land use

3.2.5 TERMS OF PAYMENT

For assessments levied for an improvement or combination of improvements totaling \$300 but less than \$1,000 in any one special assessment year, if full payment is not made prior to November 1, the assessment will be placed on the five-year payment schedule on the real estate tax bill. Similarly, for assessments levied for an improvement totaling \$1,000 but less than \$5,000, the assessment will be placed on a ten-year payment schedule. Lastly, improvements totaling \$5,000 or more will be placed on a fifteen-year payment schedule.

Property owners may then pay their special assessment under two options:

- (1) in full without interest with the real estate taxes or
- (2) they may pay the first payment of the assessment without interest with the current real estate tax bill. The balance is paid in equal installments on the remaining real estate tax bills and accrues interest based on the rate. The remaining balance may be paid in full at any time with interest calculated through the month of payment.

Year	% interest
2010	8.00
2011	8.00
2012	3.25
2013	3.25
2014	3.25
2015	3.25
2016	3.50
2017	3.75
2018	4.50
2019	5.50

Figure 7 – US Prime Rate Adopted

3.3 PROS & CONS

The current special assessment program creates challenges with property owners and City staff administering the assessment ordinances and policies and creates a dynamic that is generally unhealthy and unproductive toward the goals of providing successful street replacements.

The property owner's response to the proposed assessments can and has influenced elected officials and has led to avoiding projects, deviating from standards and arbitrarily reducing assessments.

Often times the property owners present the case that the costs are unaffordable. The one-time bill from special assessments is sometimes a stark amount, but the cost of the improvements spread out over a 15-year period is generally very similar to, or lower, than utility bills and other monthly bills seen by property owners.

The Engineering Department is certainly aware of the effects caused by the City's use of Police Powers to levy assessments and the property owner's reaction to the proposed costs they are given. This awareness is evident prior to the projects, during and after construction, up to and through final invoicing of the assessments. This constant vigilance, coupled with the need to track all costs & quantities and formally document and notice all aspects of the assessments, creates a significant administrative effort. The effort and counter-productive nature of the current special assessment program versus the annual revenue comes into question on a regular basis.

Pros

- Funding source based on actual improvement and amount of improvement
- Separate from the general taxes
- Collect funds from tax-exempt properties

Cons

- Assessments can be an expensive, one-time cost for the average homeowner.
- Assessment funds are generally from the same community tax base (excluding non-taxable properties)
- Property owners do not anticipate this expense and usually are unable to plan for it much in advance.
- Impacts project designs as property owners are upset and less willing to discuss issues that will fix or address issues.
- Engineering staff spend considerable amounts of time inspecting, documenting, discussing, measuring and calculating special assessments along with many meetings

and phone calls with property owners answering their questions about special assessments. The process is very formal with many steps and a lot of detail.

- City is on an unsustainable pace for maintaining/reconstructing city streets utilizing the current assessment program. Other funding alternatives provide additional opportunities over the current assessment program

3.4 ATTACHMENTS IN APPENDIX

1) Ordinances & Policies

4 ALTERNATIVES

4.1 VEHICLE REGISTRATION FEE

Since 1967, municipalities have been allowed to impose an annual vehicle registration fee, or “wheel tax,” on motor vehicles. In 1979, this authority was extended to counties. Until 1983, the fee applied only to automobiles and station wagons. The fee was limited to 50 percent of the state registration fee and was collected by the local government that imposed it. Since 1983, state law has permitted any municipality or county to adopt an ordinance that imposes a flat, annual registration fee on automobiles and trucks of not more than 8,000 pounds customarily kept within that jurisdiction. Vehicles may be subject to both a municipal and a county fee. All vehicles exempt from the state fee are also exempt from local fees. There is no limit on the amount of the fee.

The WisDOT collects the fee when the annual state registration fee is paid. DOT retains 17 cents per registration for administrative costs. The rest of the fee is remitted to the jurisdiction imposing the fee. Municipalities are permitted, but not required, to share any portion of the fee with the county or vice versa. Revenues from the wheel tax must be used for transportation-related purposes. See Wis. Stat. § 341.35(6r).

A municipal governing body must enact an ordinance in order to impose a local vehicle registration fee. The municipality must notify DOT at least 120 days prior to the first day of the month in which the ordinance takes effect. Repeal of the fee is also by adoption of an ordinance by the local governing body. At least 60 days’ notice to DOT is required prior to the first day of the month in which the repeal is effective. As of December 20, 2019, the following cities and villages are collecting a wheel tax:

Appleton (city, \$20)

Beloit (city, \$20)

Bellevue (village, \$20)	Lodi (city, \$20)	New London (city, \$20)
Eden (village, \$20)	Madison (city, \$40)	Platteville (city, \$20)
Evansville (city, \$20)	Manitowoc (city, \$20)	Portage (city, \$20)
Fort Atkinson (city, \$20)	Milton (city, \$30)	Prairie du Sac (village, \$20)
Gillett (city, \$20)	Milwaukee (city, \$20)	Rice Lake (city, \$20)
Green Bay (city, \$20)		Sheboygan (city, \$20)
Iron Ridge (village, \$10)	Montello (city, \$20)	Tigerton (village, \$10)
Janesville (city, \$20)		Waterloo (city, \$15)
Kaukauna (city, \$10)		

The Municipality | February 2020 17 Feature ▶ p.16-17

Counties with vehicle registration fees:

Dane County (\$28)	Green County (\$20)	Milwaukee County (\$30)
Dunn County (\$20 beginning for April 2020 registrations)	Iowa County (\$20)	Portage County (\$25)
Eau Claire (\$30)	Langlade County (\$15)	Richland County (\$20)
	Lincoln County (\$20)	St. Croix County (\$10)
	Marathon County (\$25)	

4.1.1 ESTIMATE OF REVENUES FOR CITY OF WISCONSIN RAPIDS

According to the WI DOT’s website <https://wisconsindot.gov/Pages/about-wisdot/newsroom/statistics/veh-info.aspx>, there are 19,933 vehicles registered in the City of Wisconsin Rapids that are eligible for the registration fee.

Revenue Potential

- \$20 per vehicle registration = \$398,660
- \$25 per vehicle registration = \$498,325
- \$30 per vehicle registration = \$597,990

4.1.2 CORRESPONDENCE WITH MUNICIPALITIES

- Rice Lake (pop. 8,370) Fee is \$20 with revenues close to \$150,000 per year. Started in 2019. Still utilize special assessments.
- City of Portage (pop. 10,437) instituted the vehicle registration fee in 2017 to increase revenues for street improvements. They still assess for sidewalk, driveway approaches, sewer & water services, curb & gutter, and alleys. They borrow for the remaining street improvements that cannot be otherwise funded. Fee is \$20 and has an annual revenue of \$170,000.

- Fort Atkinson (pop. 12,505) stopped assessing for projects in early 2000s and enacted the vehicle registration fee in 2015. Fee is \$20. They are now moving toward a ROW Utility to take further advantage of revenues to fix sidewalks, streets, and curb & gutter.
- Milton (pop. 5,538) continues their special assessment program and has not borrowed for any tax-levied projects in the last 5 years. Fee is \$30.
- New London (pop. 7,137) enacted the vehicle registration fee in 2017 and did not charge special assessments before or after the vehicle registration fee was enacted. Very little money comes from the General Fund for road projects. Fee is \$20.

4.1.3 REVENUE NEED

Vehicle registration fees are a unique way to capture additional revenue from the vehicle owners using the infrastructure; however, the heavy vehicles (>8,000 lbs) that can have detrimental impacts to the roads are excluded from this fee.

The revenue collected through a vehicle registration fee can certainly be incremented annually to:

1. Offset the current special assessment revenue. The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively.

or

- b) increase funding to move toward a fully sustainable program. This would increase the street reconstruction budget by \$3 million, from \$1.5 million to \$4.5 million plus maintaining a current maintenance budget of \$800,000.

See Section 2.1 for additional discussion about budgets and sustainability.

4.1.4 PROS AND CONS

Pros

- No Assessment Hearings
- No Large Assessment Invoices
- Flexibility in funding increases
- Directly captures costs from users
- Little administrative effort - DOT processes registration fees and direct deposits funds to the municipality

Cons

- Only captures vehicles less than 8,000 lbs
- The State retains \$0.17 of each registration fee
- Communities we talked to generally seemed to use this program as a component of street funding and not a substitute for special assessments

4.1.5 ATTACHMENTS IN APPENDIX

1) Community Correspondence

4.2 TRANSPORTATION UTILITY

One funding option researched by City staff was a Transportation Utility Fee (TUF). TUF's raise revenue through the creation of a transportation utility, similar to a public electric, sewer/water, or stormwater utility. Much like other public utilities, a transportation utility charges fees based on a customer's relative use of the utility. In other words, under a TUF, residents, public organizations, and businesses would pay a fee based on the amount of traffic they generate within the municipality's transportation/street system.

One challenge associated with the implementation of a TUF lies in the estimating of trips generated by each particular property. A customer's road usage (or trip generation) is not readily measurable, therefore models are often employed for estimating trip generation based on the type, size, and characteristics of a property. The most prominent trip generation model being used is the *Trip Generation Manual* by the Institute of Transportation Engineers (ITE). This trip generation model is based on over 4800 studies conducted in the US and Canada since the 1960's. It is this data that municipalities can use to estimate trip generation for various types of properties. Daily trip generation is determined for each property. Annual trips generated are then compiled for the entire municipality. The desired annual revenue for the municipality is then divided by the annual trips generated to determine a base rate cost per trip. This base rate will be used to establish the TUF as it will be charged against each property.

City staff met with Jeff Mazanec PE from raSmith to discuss his work on developing TUFs. Jeff stated that there are several methods for generating the fees, but most of his models used trip generation methodology as they provide clear justification for the fees. Trip Generation fees are based upon:

1. A certain amount of value to have access to roadways
2. The number of trips being generated to and from access points cause degradation to the roadway

3. A fixed charge component which provides an overall system benefit

Mr Mazanec is currently working with Pewaukee (pop. ~13,000) on developing a model for the TUF. RaSmith's fees for producing the model were approximately \$15,000.

In lieu of estimating trip generation through ITE models, one other methodology used by municipalities for determining individual property fees is based on the amount of impervious area or equivalent runoff units (ERU's). The rationale for utilizing this methodology is twofold.

1. The amount of impervious area for a particular property can be viewed as an indication of the amount and type of traffic generated, and therefore the impact to municipality's transportation system.
2. The impervious data for each individual property is often readily available for communities that already have a storm water utility.

The City of Neenah currently utilizes this method to generate approximately \$400,000 annually to aid in street project funding and eliminate transportation-based special assessments. Similar to trip-based fees, base rates for ERU-based fees would be determined by dividing the desired annual revenue by the total ERU's within a municipality. The City of Wisconsin Rapids already maintains an ERU database for the storm water utility.

Other possible methodologies potentially used to determine transportation utility fees for individual properties would be fees based on assessable frontage or on parcel area. None of the municipalities studied were utilizing these methodologies, therefore no additional research was conducted on these methodologies.

Once a base rate is determined, communities can then implement rules or provisions for pricing and how various types of properties will be charged for the TUF. Potential provisions for pricing may include rate reductions for educational institutions, downtown businesses, or places of worship, artificial caps (or maximum contributions) on fees, and utilizing a process known as binning where municipalities group base rates into pre-determined fee groupings based on trip generation or other units of measure.

All TUF pricing provisions can vary significantly and are entirely determined by each individual community.

Through the League of Wisconsin Municipalities, City staff found that some communities in Wisconsin were either considering or have actually begun utilizing TUF's to help fund public streets, including the following communities:

1. City of Clintonville

2. Village of Weston
3. City of Neenah

City staff reached out to all of the aforementioned communities to get a better understanding on the background/reason for each community switching, some of the lessons learned during the process, as well as each community's perception of how the TUF was working.

City staff first contacted the City of Clintonville. Clintonville is a city of approximately 4,500 in northeast Wisconsin. It maintains approximately 38 miles of roads and has budgeted approximately \$148,000 over the past 4 years to pay for all street maintenance and improvement projects. The City does not utilize any special assessments to generate revenue for its streets. The City's current street budget is not nearly enough to cover the costs required to maintain the streets on a sustainable level. Because of this, the City of Clintonville recently had a study (Master Thesis) conducted to determine the feasibility for utilizing a TUF to provide for additional revenue for road maintenance/improvement projects. City staff contacted Sharon Eveland (City Administrator) and found that the City of Clintonville has not yet implemented a TUF. Eveland plans to use the study to present to City Council and will recommend a trip generation-based system as recommended by the study because it is thought a trip generation-based system would more likely stand up in court should the City's new policy be contested by the public. Eveland also mentioned she strongly cautions against any reductions or exemptions as the TUF may take the appearance of a tax. Aside from this, Eveland did not have much to report given that the TUF had not yet been implemented.

Weston is a village with a population of approximately 15,000 in north-central Wisconsin. In 2013, the Village was beginning to receive significantly less funding from the State General Transportation Aid Program which was used to support street maintenance efforts. Because of this shortfall, the Village initially enacted a TUF to generate approximately \$60,000 a year. It's also important in noting that the Village did and continues to utilize special assessments on their street improvement projects. The Village's intent was to continue to fund street improvement project via special assessments, while implementing the TUF to fund street maintenance activities. The TUF was based on 2 separate charges. The first or base charge was to be based on street frontage. The second charge was to be based on trip generation, however this charge was never implemented as the TUF was discontinued, due to poor public support. In correspondence with the Village's Director of Public Works (Michael Wodalski), City staff ascertained that there was very little public involvement while the TUF was first being implemented. Wodalski explained that more public information and defining of the need for the funding early on would have been much more helpful in implementing the TUF. The Village is now utilizing short-term borrowing to fund street maintenance work. This is allowing the Village to increase tax rates via the debt service exemption.

Neenah is a City with a population of approximately 26,000 just south of Appleton. In an effort to reduce the impact of special assessments for street resurfacing, street reconstruction, and sidewalk construction projects, the City created a study/scoping group to review options for possibly implementing a transportation fee. The group looked at five (5) options to generate enough revenue to eliminate special assessments related to street work:

1. Wheel Tax
2. TUF Based on Trip Generation
3. TUF Based on Assessable Frontage
4. TUF Based on Parcel Area
5. TUF Based on Impervious Area

As the Neenah Director of Public Work (Gerry Kaiser) pointed out, the wheel tax was first considered by the City as the City of Appleton had recently adopted the wheel tax. After further review, the City decided not to adopt a wheel tax based on the concept that wheel tax did not apply to heavy vehicles that actually cause most of the damage to the local roads. Also there would be no contribution from some of the larger commercial entities that generate a high amount of traffic.

The City also reviewed implementing a TUF based on trip generation. After additional consideration, the City decided not to pursue this option as there would have been a considerable cost associated with hiring a consultant to administer and maintain a trip generation-based TUF. The City felt this cost was not justified, given they were only looking to generate approximately \$400,000 in annual revenue.

The City also considering implementing a TUF based on both assessable frontage and parcel area, but felt these two (2) metrics would not provide as accurate of a prediction for traffic generated for a single property as the area of imperviousness would. Since the City already maintained a storm water utility, impervious areas for each property had already been compiled. The City then decided to move forward with a TUF based on impervious area or equivalent runoff units (ERU's) based primarily on the following reasons:

1. Impervious area can be viewed as an indication of the level of development and more broadly viewed as an indicator of impact on the local transportation system.
2. The data that would be used to charge fees was already available through the City's storm water utility.

The TUF or TARF (Transportation Assessment Replacement Fee) was implemented in Neenah without the help of any outside consultants. The Council set the TARF rate at \$23 per ERU for the next five (5) years to raise about \$400,000 annually. All single-family residential properties are charged for one (1) ERU (or \$23) annually. Other properties are charged based on their respective ERU's up to a maximum of 90 ERU's. The \$400,000 raised annually essentially replaces the revenue formerly raised through special assessments for street-related items. The

fee is included in quarterly installments on a property owner's utility bill. For properties that recently received special assessments for street construction (within the last 5 years), the City's TARF fee will be waived for a 5-year period of time after the property was assessed. The TARF does not cover costs associated with the construction of new subdivision streets. Properties or developers along those streets are still subject to special assessments. Those properties would then likewise receive the 5-year fee waiver as previously mentioned.

Kaiser found it worthy to note some special considerations for communities that would implement a TUF similar to the City of Neenah:

1. The TUF was placed on the utility bill, so the City needed to adjust for those bills that were going to tenants rather than landowners. The City's utility billing clerk needed a significant amount of time to make those adjustments. The utility billing clerk needed to add about 1,000 accounts to the utility billing system.
2. Though the City initially considered the impervious area mapping to be complete and up-to-date, it was later deemed necessary to re-assess impervious areas across the City because these areas were being used as two (2) separate billing metrics (storm water and TUF).

Regarding the public's involvement in transitioning to the new system, discussions on the proposal and transition to the new system took place at open committee and council meetings. No public information meetings or focus group meetings with different property sectors took place. No public surveys were utilized in the development of the TUF either. The Mayor, however, did discuss this during some presentations around the community. Once the TUF was adopted, the City created a FAQ informational sheet and included other information in the quarterly newsletter as well.

Kaiser noted that generally the public has been very happy with the change. There is some sentiment among property owners in newly-developed subdivisions that the TUF should be used to cover street costs in these areas as well. Kaiser also noted one surprising revelation that there was only a relatively small amount of kickback from property owners recently assessed by the City. Kaiser said this topic probably caused the most angst and discussion among the Council during the proposed implementation of the TUF. In the end, Kaiser said most residents affected by the transition were appreciative of the City's 5-year waiver on TUF fees.

Kaiser said he is not aware of any legal challenges to the City's new TUF system and he attributes this to the fact that the City capped the number of ERU's that could be charged to any one property, so as not to create any unreasonable annual fees on any one property.

Overall, regarding the possible implementation of a TUF, there are many things to consider and both advantages and disadvantages associated with a TUF. Some noteworthy possible disadvantages to the implementation of a TUF include:

1. Change can be difficult. New methodologies in public works funding will likely take time to fully understand and adopt.

2. There will be higher costs for some properties. There will likely be added costs for non-residential/commercial properties.
3. There will likely be a higher initial effort. Getting started will require time to develop and explain the rate structure as well as some of the finer details associated with the TUF.
4. There will be new charges for tax-exempt property owners.

4.2.1 STORM UTILITY CHARGE REFERENCE USING ERUs

To give a comparable cost to a property in the City, the 2019 storm utility fee is \$37.08 per ERU charged annually. This fee generates \$827,000 annually. Also, all single family properties are charged 1 ERU (equivalent residential unit which equates to 2,620 SF of impervious surface). Multi-family properties are charged at a rate of 0.65 ERUs per unit. Non-residential properties are charged based on actual impervious surface present on the property.

4.2.2 REVENUE NEED

A transportation utility does present an equitable way for the City to secure the needed funds from infrastructure users via fee-based methodology. Just as other utilities charge fees based on use, so would a transportation utility.

The revenue collected through a transportation utility can certainly be incremented through the annual budget process to either:

- a) Offset the current special assessment revenue. The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively.

or

- b) Increase funding to move toward a more sustainable street replacement program. A fully sustainable program would increase the street reconstruction budget by \$3 million, from \$1.5 million to \$4.5 million plus maintaining a current maintenance budget of \$800,000.

See Section 2.1 for additional discussion about budgets and sustainability.

4.2.3 PROS AND CONS

Pros

- Equitability
 - based on use and would not limit to only vehicles < 8,000 lbs.
 - Include tax-exempt properties
- No Assessment Hearings
- No large assessment invoices

- Low administrative effort once the program is set up and running
- Desire for projects versus the ambition to stop projects and avoid assessment costs
- Effective communication with residents to talk about and solve real problems with the design and construction of a new street without the angst and constant focus on costs
- Flexibility in funding increases for a long-term sustainable program
- Consistent invoicing to properties
- No impact to taxes

Cons

- Initial utility set up would require significant effort comparatively

4.2.4 ATTACHMENTS IN APPENDIX

1) League of Municipalities June 16th, 2020 letter “Funding Streets through Transportation Utility Fees”

2) Neenah FAQs

4.3 GENERAL PROPERTY TAX INCREASE

Special Assessments would cease under this alternative, and an increase in the general property taxes would occur to close the funding gap for street projects. All taxpayers would be contributing, but would not include tax-exempt properties from contributing toward road infrastructure improvements.

In considering this option and the need to offset \$350,000 in revenue from special assessments there would be a tax rate increase of about 0.00033 which would change the local mill rate from 0.01209 to 0.01242. As an example to a residential property with a \$100,000 home value, the property taxes would increase by \$33 per year.

In order to implement this option, a levy limit referendum with voter approval would be required to raise taxes by an equivalent amount currently obtained by special assessments.

4.3.1 REVENUE NEED

A general property tax increase is a way for the City to secure needed funds but does represent some unique challenges when considering increases to the revenue in the future if they were needed. Also, tax-exempt properties are excluded from contributing toward improvements that also benefit their properties.

To reiterate the current funding and what the funding would look like in a sustainable program:

- a) The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively.

- b) A fully sustainable program would increase the street reconstruction budget by \$3 million, from \$1.5 million to \$4.5 million plus maintaining a current maintenance budget of \$800,000.

See Section 2.1 for additional discussion about budgets and sustainability.

4.3.2 PROS AND CONS

Pros

- No Assessment Hearings
- No administrative effort
- No large assessment invoices
- Desire for projects versus the ambition to stop projects and avoid assessment costs
- Effective communication with residents to talk about and solve real problems with the design and construction of a new street without the angst and constant focus on costs

Cons

- Tax exempt properties do not contribute to the improvements
- Tax rate is higher when compared to other communities
- Taxes have to increase for additional funding toward streets replacement & maintenance

4.3.3 ATTACHMENTS IN APPENDIX

- 1) City Assessor – Fiscal Impact for Wisconsin Rapids

4.4 PAYMENT IN LIEU OF TAXES (PILOT) FOR WASTE WATER UTILITY

The Waste Water Utility PILOT could provide additional revenues to the City to offset special assessment revenues to fairly spread costs of street improvements to all properties (including tax-exempt entities) and create a stable revenue stream with minimal effort. The City currently receives a PILOT from WWLC. It should be noted that PILOT revenues are commonly used to reduce the General Fund across many department services, and are not usually specific to transportation funding only, although the funds can be used to offset transportation costs.

The cost of PILOT payments are an effect of higher rates to utility ratepayers. The governing body that owns the utility has discretion on the appropriate amount of PILOT. Waste Water Utilities are not regulated by the Public Service Commission (PSC) and are exempt from PILOT.

According to a 2012 letter from the League of Wisconsin Municipalities to the PSC:

Municipal utilities make PILOTs to their municipalities for many compelling reasons, including:

- a) Municipalities, as the owners of the utilities, should receive a dividend in return for the considerable investment they make and risk they incur in establishing the utilities.
- b) Municipal utility facilities directly benefit from public services provided by municipalities, such as police, fire, and snow plowing.
- c) Municipal utility facilities are located on land within the municipality that could otherwise be privately developed with the owners paying property taxes.
- d) PILOTs provide historically stable and essential revenue that can be used to improve key public services, lower property taxes rates, or to pursue other policy goals.
- e) PILOTs are a way for municipalities to more fairly spread the cost of public services to tax exempt entities, and thereby provide some relief to property tax payers.

4.4.1 Water Works & Lighting Commission Reference

Municipally owned water and electric utilities in Wisconsin are subject to a payment in lieu of local general property taxes, or PILOT, and are statutorily governed by the Public Service Commission, PSC.

The Water Works & Lighting Commission pays the City a PILOT of \$1,898,122. The payment is calculated based on an equivalent property tax as compared to the current tax rates and considers the asset value of infrastructure for both the Electric Utility and the Water Utility. The calculation is in conformance with the PSC procedures.

The Electric Utility has an assessable value of \$49,402,210 with an equivalent computed tax of \$1,084,876. The Water Utility has an assessable value of \$37,032,884 with an equivalent computed tax of \$813,245.

4.4.2 REVENUE NEED

Although the assessed value of the Wastewater Treatment Facility is not readily available, it would likely be comparable to the Water Utility with an equivalent computed tax (or PILOT) around \$800,000.

To reiterate the current funding and what the funding would look like in a sustainable program:

- a) The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively.
- b) A fully sustainable program would increase the street reconstruction budget by \$3 million, from \$1.5 million to \$4.5 million plus maintaining a current maintenance budget of \$800,000.

See Section 2.1 for additional discussion about budgets and sustainability.

4.4.3 PROS AND CONS

Pros

- No Assessment Hearings
- No administrative effort
- Desire for projects versus the ambition to stop projects and avoid assessment costs
- Effective communication with residents to talk about and solve real problems with the design and construction of a new street without the angst and constant focus on costs
- Consistency between WWLC and Wastewater
- No impact to tax rate

Cons

- As infrastructure is replaced the PILOT increases.
- PILOT can be a disincentive to replacing aging infrastructure as the calculation increases the PILOT as new assets are installed.
- Sewer fees increase
- Fees are not specific to street replacement and general offset the tax levy

4.4.4 ATTACHMENTS IN APPENDIX

1) WWLC PILOT

4.5 LOCAL SALES TAX

A local sales tax was considered as a possible option to research. The initial research concluded that the City of Wisconsin Rapids cannot enact a sales tax. A county or state can create a sales tax, and in some cases, cities and villages that have been designated as “premier resort areas” such as the Wisconsin Dells.

We have included this as an option that was looked into, but since this is not a legal option for the City to consider we have kept the discussion short.

4.6 NO SPECIAL ASSESSMENTS

The removal of special assessments altogether is an option to be considered; however, as a standalone option this leaves a significant funding gap in street replacement and street rehabilitation that would be detrimental to the sustainability of the city’s roadway infrastructure.

As it is, the current funding provides for 0.5 to 1 mile of roadway replacement / rehabilitation annually and considering the 150 miles of roadway within the City and 50 year expected life

span, our current efforts are well below the sustainable rate of 3 miles of roadway replacement / rehabilitation needed every year.

The current special assessment revenues per year are approximately \$350,000 for street related items. The street replacement and maintenance program is currently budgeted at roughly \$1.5 million and \$800,000, respectively.

A fully sustainable program would increase the street reconstruction budget by \$3 million, from \$1.5 million to \$4.5 million plus maintaining a current maintenance budget of \$800,000.

See Section 2.1 for additional discussion about budgets and sustainability.

So although removing special assessments is an option it would best function as an option paired with another funding option.

5 COMPARISON MATRIX

To aid in the comparison of the alternatives the below matrix utilizes a rudimentary scoring criteria to give an indication of the viability of each alternative against a list of important variables.

A low scoring alternative does not provide as many benefit across the variables identified as compared to a higher scoring alternative. For example, continuing with the current special assessment program results in a score of 3. Alternatively, a transportation utility scores 9 because it is easier to implement, incorporates long-term sustainability and consistent and low invoice amount to property owners.

COMPARISON OF ALTERNATIVES							
		Current Special Assessment	Vehicle Registration Fee	Transportation Utility	General Property Tax Increase	Waste Water Utility PILOT	No Special Assessments
Equitability	yes (1) no (0)	1	0	1	0	1	0
Ease of implementation & timeline	quick & easy (1) takes effort (0)	1	1	0	0	0	1
Administering effort	high (0) medium (1) low to none (2)	0	2	1	2	2	2
Public Support	likely (1) no (0)	0	1	1	0	1	1
Current Revenue Replacement	yes (1) no (0)	1	1	1	1	1	0
Long-term sustainability	yes (2) possible (1) no (0)	0	1	2	0	1	0
Invoicing method	one-time (0) monthly (2) yearly (1)	0	1	2	1	2	1
Cost to Owner	Large (0) <\$50 per mo. (1) <\$50 per yr. (2)	0	2	1	2	1	0
Score		3	9	9	6	9	5

Figure 8 – Comparative analysis of alternatives

6 CONCLUSIONS & WRAP-UP

With all of this information there are many directions and opportunities that the Council can choose to take.

- Does the City wish to simply replace the current special assessment revenue at its current amount?
- Or perhaps spread improvement costs out to property owners through an annual or monthly fee?
- Is there an interest in reducing bonding or General Levy?
- Is there a desire, at some point, to create a sustainable transportation program?
- What are long-term goals that the City has and what alternative provides the best opportunities and flexibility in achieving those goals?

There are many aspects to be considered and certainly not an easy decision to make. But hopefully this report provides a foundation for the discussion.

7 APPENDIX

7.1 Initial Scope of Study

Special Assessment Study

Date: 2/21/2020

Background: Due to recent concerns with special assessments concerning assessment of sidewalk, assessment procedures and the amount of assessments to property owners, the Council instructed staff to perform a review of the special assessment process and identify available funding options as a substitute for special assessments.

Scope: Review and summarize the current special assessment ordinances along with other funding options available to the City in lieu of the current special assessment program. The scope of the study will compare and contrast options, including the current special assessment procedures, based on a variety of variables to weigh the pros and cons of each option. Each option will be presented in a matrix format with a description of how the funding source works along with a list of variables for comparison. The variables can be graded or scored to provide an at-a-glance summary of the pros and cons of that funding option in comparison to the other options.

A preliminary list of variables may include equitability, implementation, administrative effort, public/stakeholder support, uniqueness as a funding source, ramifications, revenue potential, cost to property owners. **Also, include comparison of options on how willing residents will be or won't be of having the project done. Include staff administrative time.**

A preliminary list of funding sources might include a ~~wheel tax~~ **vehicle registration fee**, PILOT for wastewater utility, separate utility (**i.e transportation utility**), property taxes, and existing special assessment program. **Also, include local sales tax as a potential option.**

Data will come from a variety of sources such as staff, League of Wisconsin Municipalities, direct contacts with other communities, professional organizations, community survey, and internet.

Deliverables: Concise electronic report with attachment to all the resources. A draft Table of Contents will include:

- Introduction and Background with Scope of Study.
- Existing Special Assessment Program
- Revenue (existing, historical, future)
- Options
- Comparison of each option including aforementioned variables
- Recommendations on making a determination
- Appendix for resources

Timeline / Schedule: A schedule will be developed once the list of options is reviewed and agreed upon.

City Staff Involvement:

- **Joe Eichsteadt – compile and present data on the existing special assessment program, compile report, assist in research**
- **Joe Terry – facilitator**
- **Tim Desorcy – review and compile financial implication for options**
- **Sue Schill – legal review of options including implementation**
- **Mayor Vruwink – oversight**

3/4/20

- 1.) [KRAIG] Obtain database of special assessment payees that are currently paying on special assessments. Summarize the data - # of payees by year since the project was complete, average payment amount, # that cannot pay or finish payments, differentiate data by property type, ie residential, commercial, industrial.
 - a. Tim Desorcy can provide this database.
 - b. 2 weeks start to finish.
 - c. Options on how to handle prior assessments.
- 2.) Special Assessment procedure comparable in similar sized communities across the state. Develop stock email to send to communities requesting information on special assessments – do they have them, what are their ordinances, policies, procedures, costs, etc. Find emails for Clerks. Goal is to have 4 or 5 communities that are comparable. The more the better. 2 weeks start to finish.
 - a. Stevens Point – 26,717
 - b. Mount Pleasant – 26,197
 - c. Neenah – 25,501
 - d. Fitchburg – 25,260
 - e. Caledonia – 24,705
 - f. Muskego – 24,135
 - g. Watertown – 23,861
 - h. De Pere – 23,800
 - i. Mequon – 23,132
 - j. South Milwaukee – 21,156
 - k. Germantown – 19,749
 - l. Pleasant Prairie – 19,719
 - m. Marshfield – 19,118
 - n. Cudahy – 18,267
 - o. Onalaska – 17,736
 - p. Middleton – 17,442
 - q. Howard – 17,399
 - r. Menasha – 17,353
 - s. Ashwaubenon – 16,963
 - t. Menomonie - 16,264
 - u. Beaver Dam – 16,214
 - v. Oconomowoc – 15,759
 - w. Kaukauna – 15,462
 - x. River Falls – 15,000
 - y. Weston – 14,868
 - z. Bellevue – 14,570 (vehicle registration fee)
 - aa. Whitewater – 14,390
 - bb. Hartford – 14,223
 - cc. Whitefish Bay – 14,110
 - dd. Greendale – 14,046

- 3.) Summary of existing special assessments with ordinance and policy documents as attachments. Includes a narrative.
- 4.) Narrative on current project selection process. How does a project get on the CIP and how is it prioritized. A recommendation on what to change is out of scope for this study, but a general statement that any changes to the special assessment process could result in a change in resident willingness or unwillingness to have their street redone or improved.
- 5.) Research the following funding option. Contact communities with registration fees to determine revenues, administration efforts, policies, ordinances, background, how long they had it, why they initiated it, public perception of it, etc.
 - a. Vehicle Registration Fee (aka Wheel Tax). DOT collects the fee set by the local municipality or county, retains \$0.17 of the annual fee for administration. No limit on the fee amount. Need ordinance to do this. 3 month notice to DOT required prior to 1st day of month in which ordinance takes effect.
 - b. The list of communities have Veh. Registration Fees.
 - i. Appleton
 - ii. Beloit
 - iii. Bellevue
 - iv. Eden
 - v. Evansville
 - vi. Fort Atkinson
 - vii. Gillett
 - viii. Green Bay
 - ix. Iron Ridge
 - x. Janesville
 - xi. Kaukauna
 - xii. Lodi
 - xiii. Madison
 - xiv. Manitowoc
 - xv. Milton
 - xvi. Milwaukee
 - xvii. Montello
 - xviii. New London
 - xix. Platteville
 - xx. Portage
 - xxi. Prairie Du Sac
 - xxii. Rice Lake
 - xxiii. Sheboygan
 - xxiv. Tigerton
 - xxv. Waterloo
- 6.) Research the following funding option. Contact communities with registration fees to determine revenues, administration efforts, policies, ordinances, background, how long they had it, why they initiated it, public perception of it, etc.
 - a. Transportation Utility
 - i. Weston – based on trip generation estimates by each class of property. Repealed after two years.

- ii. Neenah (Transportation Assessment Replacement Fee TARF) impervious surface based. No longer imposes special assessments.
 - iii. North Fond Du Lac – powerpoint presentation on fee based trip generation case study. Found at www.lwm-info.org/724/alternative-transportation-funding-optio
 - iv. Clintonville research paper exploring pros and cons of transportation utility. Found at www.lwm-info.org/724/alternative-transportation-funding-optio
- 7.) Research the following funding option. Contact communities with registration fees to determine revenues, administration efforts, policies, ordinances, background, how long they had it, why they initiated it, public perception of it, etc.
- a. Communities with no special assessments
 - b. Property Tax Increase
- 8.) PILOT for waste water utility
- 9.) Local Sales Tax
- 10.) Survey – Only recommend that a survey could be done and what it would aim at finding.
- 11.) Report compilation with matrix

7.2 Current Program - Ordinances and Procedures

ENGINEERING DEPARTMENT POLICIES AND PROCEDURES

SUBJECT: **PROCEDURE FOR SETTING AND CHANGING PRIORTIES FOR PUBLIC WORKS CONSTRUCTION**

PURPOSE: The purpose of this procedure is to ensure that there is an orderly and accurate method to set and change priorities for Public Works construction projects.

POLICY: This procedure will be followed when setting the yearly construction schedules.

PROCEDURES:

- I. Public works projects for each construction year will be listed in the capital improvement plan.
- II. If possible a public hearing for the charge of special assessments will be held at least two years prior to the project start date.
- III. Design is anticipated to begin when final resolution for the special assessments is approved by the Common Council. It is suggested that the design is completed one year prior to the start of the time of the compilation of the budget which takes in August of each year.
- IV. The Engineering Department will provide a proposed project listing of projects with an approved final resolution for each budget cycle.
- V. After the annual budget is adopted a draft construction schedule will be compiled.
- VI. After the construction schedule is approved, work orders are prepared and executed. These work orders should be routed at least two weeks prior to the start of construction to allow time for signatures, notifying Digger's Hot Line and ordering materials.
- VII. Changing priorities or adding projects after budget had been adopted. During the construction year priorities may need to change due to factors such as public demand, equipment breakdown, weather problems, or due to addition of a new urgent project. When a change of priorities arises, a construction meeting must be held to attain mutual agreement of the department heads involved in the project to adjust the construction schedule. Projects to be added must have received approval from the Common Council.

POLICY DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

ENGINEERING DEPARTMENT POLICIES AND PROCEDURES

SUBJECT:

Procedure for Special Assessments

PURPOSE:

To set the method by which special assessments are charged

POLICY:

According to City Municipal Code

PROCEDURES:

- I. A project is brought before the Public Works Committee for a decision on a Preliminary Resolution. The projects come from the Public Works Committee, Engineering Department, Annual Street Check or a request from the public.
- II. Common Council approves the Preliminary Resolution.
- III. A public hearing is scheduled by the Public Works Committee
- IV. The Engineering Department sends out, 10 days prior (usually more than 12 days) to hearing date, the following:
 - a. Notice of Public Hearing
 - b. Proposed assessment sheet containing (see attached sheet) footage, PROPOSED assessment rate, and total amount to be assessed. The proposed assessment rate is inflated by 20% of the actual rate, which is high enough to cover the increases in the ACTUAL assessment rate for a number of years if the project is delayed for some reason. The property owner cannot be charged more than the amount on the Proposed Assessment Sheet. If the project is delayed for more than five years, a new Proposed Assessment Sheet should be prepared so that a new public hearing can be held.
 - c. Concrete Inspector's Report if there is existing curb and gutter or sidewalk. This report indicated the location and amount of defective curb and gutter and sidewalk.
 - d. Public Works Project-order of events form.
 - e. Special Assessment Frequently Asked Questions sheet.
 - f. A Public Works Construction project summary sheet detailing the proposed project including the proposed date of the start of construction.
- V. An open house is held to answer the property owner's questions prior to the public hearing.
- VI. A public hearing is held.
- VII. The Public Works Committee recommends approval of a Final resolution to do the project.
- VIII. The Common Council approves the Final Resolution to do the project.
- IX. The Engineering Department sends an out notice of the Final Resolution do the project to the affected property owners.
- X. Project is completed

- XI. Engineering Department personnel check each property and determine what improvements have been made. They prepare the amount to be billed. Street surfacing is not billed until the final mat is laid. The assessment rate in effect when first mat is laid is used.
- XII. The Engineering Department sends out proposed payment plan sheets. If it is not returned, the property owner is put on the 10 year payment plan.
- XIII. The Engineering Department bills the property owner for special assessments for improvements stated in the proposed special assessment sheet that were sent to the property owner.
- XIV. The rates that are billed are set each year by the Public Works Committee as set forth by ordinance as follows:

Sidewalk

6.03 Payment of costs of assessments:

- (1) The property owner shall pay for the construction, reconstruction of sidewalk and curb and gutter except as herein provides.

Curb & Gutter

- (4) Whenever a new curb and gutter section is constructed, the City will pay one-third of the costs of such construction and the property owner two-thirds.
- (5) The property owners shall be required to pay two-thirds of the cost of the removal, repair or replacement of curb and gutter which has deteriorated from causes of settlement and the City shall pay one-third of such costs.

Street Surfacing

6.11 Costs on temporary and permanent surfacing:

- (1) If any street is torn up because of installations of improvements requested by the property owner, 100% of actual cost of reconstruction shall be assessed to the property owner unless the Common Council determines that a lesser percentage shall be paid. If any street is torn up because of installation of improvements not requested by the property owner, or in need of reconstruction, the property owner shall be charged as provided by the resolution of charges IN EFFECT AT THE COMMENCEMENT OF PROJECT with the property owner given credit for unused life of previous surfacing

The curb and gutter special assessment rate is set when the annual curb and gutter and sidewalk contract is awarded. The assessment rate is set at 2/3 the actual bid price. Sidewalk is also set by the annual curb and gutter and sidewalk contract. The rate for sidewalk is 100% of the actual bid price. These rates are usually set in May by Public Works Committee action.

The special assessment for street surfacing is set at 20% \pm of the per running foot actual cost of the previous years surfacing. The rate is set for each type of surfacing this way. The Public Works Committee sets the rate annually usually in March.

Water and Sewer

5.03 Charges for water and sewer extensions

- (1) Water mains and sewer extensions shall be assessed according to the front footage of a lot abutting such streets where water mains and/or sewer extensions serve said lots except: (MC#120)

- a. Property abutting upon streets shall be assessed in relation to frontage of the lot measured at a line 25 feet back from the lot line.
 - b. Charges for Water and Sewer Improvements. Property abutting two or more streets shall be exempt from assessment for sewer and/or water improvements upon the second or third side to the extent of the frontage on the first side, not exceeding 135 feet; provided the owner thereof agrees to pay the current assessment of any new lot created on said second or third frontage.(MC#18)
 - c. Properties not abutting on streets containing sewer and/or water mains shall, upon attachment to available sewer and/or water mains, pay an assessment based upon the short side of its frontage, except that in the event sewer and/or water mains are extended into the street abutting said property it shall be assessed the frontage upon such street less the frontage previously assessed for. (MC#55)
 - d. Charges for interceptor sewer extensions (24" or larger) in active TIF areas shall be assessed at 40 percent of the rate set forth by the Common Council. (MC#537)
2. Charges for water and sewer extensions shall be reviewed and set forth by the Common Council, by resolution, based upon the average of the previous three calendar year cost experiences. If the total special assessment levied exceeds the cost, these charges will be reviewed by the Common Council and reduced proportionally. (MC#467)

5.16 PROCEDURE FOR INSTALLMENT PAYMENT

All special assessments on the improvements named in Section 5.12 and being in an amount as listed by Section 5.13 shall automatically be placed on the installment method of payment provided for said improvement, unless within 30 days from the date of publication in the local newspaper of the "Installment Assessment Notice" the owner(s) notify the city clerk of the description of his property and of his intention to pay the whole of the special assessment to the city treasurer on or before the 1st day of November following completion of the installation of the improvement for which assessment is made. If after making such election to pay the special assessment on or before the 1st day of November following the completion of the installation, the property owner shall fail to pay the whole special assessment, then the city clerk shall place the entire assessment on the next succeeding tax roll. (MC#51)

5.17 INTEREST ON INSTALLMENTS

Deferred installment payments on the unpaid balance of special assessments shall bear interest per annum at the rate equal to the U.S. Prime Rate on January 1 of the year in which the assessment was billed. (MC#1139)

POLICY DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

ENGINEERING DEPARTMENT POLICIES AND PROCEDURES

SUBJECT: SPECIAL ASSESSMENTS FOR PROPERTIES OUTSIDE CITY LIMITS

PURPOSE: To set a procedure for assessing special assessments to properties out the city limits

POLICY: Properties outside the City limits will be included in public hearings

PROCEDURES: Properties outside the City limits will be included in public hearings the same as properties that located in the City Limits. The special assessments will then be charged to the property when it annexes at the rate in effect at the time of annexation or rate in effect at the time of installation plus the yearly compounded interest rate at the time of installation, whichever is the lessor amount.

POLICY DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____

REVIEW DATE: _____ SIGNATURE: _____



ENGINEERING DEPARTMENT

444 West Grand Avenue, Wisconsin Rapids, WI 54495-2780

David J. Laspa, P.E. - City Engineer

(715) 421-8210

FAX (715) 421-8291

e-mail · dlaspa@wirapids.org

July 1, 2004

POLICY ON THE DEFERRAL OF SPECIAL ASSESSMENTS

Owners of vacant lots may be able to defer the special assessments on these lots by following procedures: Existing Policies for deferral of Special Assessment for sanitary sewer, water main, installation of curb & gutter and permanent street surfacing.

Sanitary sewer and water main

- 1) Owners could combine lots and get second side exemption for sanitary sewer and water main per city ordinance.
- 2) Owners could sign an agreement deferring assessments for sanitary sewer and water main until such time as they sell the property or request connection to sanitary and water mains. (This was done on 24th Avenue South).

Permanent Street Surfacing, Curb & Gutter, Concrete Driveway Approaches

This policy is based on the City of Wisconsin Rapids past practice of not charging special assessments for expressway construction projects. This is because the property owner is not allowed access to the expressway.

If the property owner signs over access rights to second or third side street access, the special assessments for installation of curb & gutter and permanent street surfacing will be deferred. The property owner will be prohibited from installing a driveway or from accessing their property from the street with the deferred special assessments. Concrete driveway approach will not be assessed because one cannot be installed.

The property owner will be able to get back their access rights to second or third side street access when the special assessments are paid for installation of curb & gutter and permanent street surfacing. The property will be charged the lessor of the rate in effect at the time of the original installation. The property will be assessed when the City installs the concrete driveway approach.

If you have any questions please contact City Engineer David Laspa at 421-8210 or Design Engineer Mike Weiler at 421-8209.

c: Mayor Bach
Public Works Comm.
Dave Laspa
Mike Weiler
Jim Grutzik

or unsuitable material shall be removed and replaced with suitable material. The sub-grade shall be thoroughly tamped or otherwise compacted to insure stability. In cuts the sub-grade shall be made sufficiently wide to permit placing of forms and performing required placing and finished work, and in fills the sub-grade shall be made at least one foot wider on each side than required for the section. The slope of the fill shall be not less than two feet horizontal to one foot vertical.

6.03 PAYMENT OF COSTS OF ASSESSMENT

- (1) The property owner shall pay for the construction, reconstruction, or repair of sidewalk and curb and gutter, except as herein provided.
- (2) The city will furnish the necessary material for sub-grade free of charge to the contractor or property owner.
- (3) A 50 percent credit may be granted for the installation of new sidewalk and the repair or replacement of sidewalk if approval of the maintenance of way committee is obtained prior to the time the installation or repair is made. In order to obtain a 50 percent credit for sidewalk which had to be repaired because of tree root damage, the entire tree would have to be removed.
- (4) Whenever a new curb and gutter section is constructed, the city will pay one-third of the costs of such construction and the property owner two-thirds.
- (5) The property owner shall be required to pay two-thirds of the cost of removal and replacement of curb and gutter and the city shall pay one-third of such cost. The routine repair of curb and gutter that is not part of a street reconstruction or resurfacing project shall be performed at the expense of the City. Unless a property owner has paid an assessment for a previous repair of curb and gutter, all curb and gutter that is being replaced as a part of a street reconstruction or resurfacing project shall be considered assessable. (MC #1235)
- (6) The city will pay the entire cost of the laying, relaying, or repairing of a sidewalk approach, from the curb line to the property line at a corner of a block. The city will likewise pay for the construction, reconstruction, or repairing of a curb and gutter at a corner of a block between the extreme of sidewalk approaches. (MC#198)
- (7) A 100 percent credit may be granted for the installation of new sidewalk if it is to be installed due to Section 6.04(1)(a), except 6.04(1)(a)(1). (MC#1012)

6.04 PROCEDURE FOR CONSTRUCTION OR REPAIR (MC#456)

- (1) Sidewalk shall be installed:
 - (a) At the time when adjacent street has curb and gutter installed, if the street has existing curb and gutter, sidewalk shall be installed when the street is reconstructed, rehabilitated, or overlaid if any of the following conditions are met and if it is approved by the common council:
 - (1) Abutting any lot zoned R-3, B-1, B-2, B-3, and conditional use permitted for commercial (only when adjacent to a commercial zone), public, and semi-public uses as defined by Section 11.05 of the zoning ordinance.
 - (2) On any street that is identified to be a main school route on the official school route map adopted by the common council.
 - (3) On any street that is classified as an arterial or collector street on the Wisconsin Rapids Urban Area Federal Aid System map.
 - (4) On any street that is:
 - (a) 36 feet wide or less and has a traffic volume in excess of 1,000 vehicles per day
 - (b) 40 feet wide and has a traffic volume in excess of 1,500 vehicles per day
 - (c) 44 feet wide and has a traffic volume in excess of 2,000 vehicles per day
 - (d) 48 feet wide and has a traffic volume in excess of 2,500 vehicles per day
 - (e) 52 feet wide and has a traffic volume in excess of 3,000 vehicles per day
 - (5) On any block of a street which has 50 percent of the sidewalk in that block existing.
 - (b) At the time when the main building on the lot is initially constructed, or when it is entirely reconstructed or replaced. Prior to issuance of a building permit for such construction, reconstruction, or replacement, the property owner shall execute and file with the city engineering department a written document certifying installation of a public sidewalk abutting such lot or execute a petition to the city for such installation and the levy of special assessments in connection therewith and waiving notice of hearing pursuant to Section 66.80(18), Wisconsin Statutes. And when the following conditions are met:
 - (1) Abutting any lot zoned R-3, B-1, B-2, B-3, and conditional use permitted for commercial (only when adjacent to a commercial zone), public, and semi-public uses as defined by Chapter 11, the

connected with the city sewer so as to empty the contents thereof into said sewer or without providing a sanitary surface privy built according to plans and specifications approved by the city plumbing inspector, where sewer and water connections are not available.

- (5) Duties Delegated to Officers. It shall be the duty of the local health officer and the plumbing inspector to strictly enforce the provisions of this ordinance and to see that all violations thereof are promptly abated and the violators thereof are prosecuted. (207)

5.11 AREA IN WHICH WATER SERVICE IS TO BE EXTENDED BEYOND THE CITY LIMITS

- (1) Limitation of Territory for City Water. In order to provide adequate fire protection for persons and property within the corporate limits of the city of Wisconsin Rapids and so as to insure protecting the public health and safety of residents of the said city without placing any undue financial burden upon the city taxpayers and to effectively coordinate water department operations with other municipal public works activities, (and for the purpose of conserving the available water supply) it is hereby determined that it is necessary to specifically limit the territory in unincorporated areas which the municipal water utility holds itself to serve. (159)
- (2) Specific Boundaries. Although the City of Wisconsin Rapids has heretofore provided water service in a limited area outside the corporate limits, there has been no formal delineation of the specific boundaries of the territory which the city has undertaken to serve. Based upon a survey of the outside area now served the City of Wisconsin Rapids herewith acts pursuant to Section 66.069(2)(c) of the Wisconsin Statutes to restrict its holding out to provide water service in unincorporated areas to the territory specifically set forth as follows:
- (a) Mini Lutz, 610 20th Street North
 - (b) Right of Further Limitation. The City of Wisconsin Rapids reserves the right to further limit such area by subsequent action.
 - (c) Certified Copy. The city clerk shall transmit a certified copy of this ordinance to the Public Service Commission of Wisconsin. (159)

5.12 IMPROVEMENTS ELIGIBLE FOR INSTALLMENT PAYMENTS

- (1) Definitions. For the purposes of Sections 5.12 and 5.13 the following definitions will apply:
- (a) Special Assessment Year. A "special assessment year" shall run from November 1st of the preceding year to November 1st of the current year.
 - (b) Special Assessment Year. A "special assessment year" shall run from November 1st of the preceding year to November 1st of the current year and is determined by the date of the invoice for the assessments levied.
- (2) Special assessments for the following improvements are eligible for the five, ten, or 15-year installment payment program.
- (a) sewer and/or water mains;
 - (b) sewer and/or water laterals and taps;
 - (c) public sidewalks;
 - (d) curb and gutter;
 - (e) street surfacing for which assessment is levied.

5.13 TERMS FOR REPAYMENT OF SPECIAL ASSESSMENTS (MC#1232)

The following terms shall be used in the repayment of special assessments:

- (1) Assessments levied for an improvement or combination of improvements, described in Section 5.12 (2) that totals less than \$300 in any one special assessment year must be paid in full by November 1. If it is not paid by that date, the assessment will be placed on the real estate tax bill and be due in full on or before January 31. There is no interest charged when paid in full.
- (2) For assessments levied for an improvement or combination of improvements, described in Section 5.12 (2) totaling \$300 but less than \$1,000 in any one special assessment year, if full payment is not made prior to November 1, the assessment will be placed on the five-year payment schedule on the real estate tax bill. Property owners may then pay their special assessment under two options: (1) in full without interest with the real estate taxes or (2) they may pay the first one-fifth of the assessment without interest with the current real estate tax bill. The balance is paid in equal installments on the

next four real estate tax bills and accrues interest based on the rate determined under Section 5.17. The remaining balance may be paid in full at any time with interest calculated through the month of payment.

- (3) For assessments levied for an improvement or combination of improvements, described in Section 5.12 (2) totaling \$1,000 but less than \$5,000 in any one special assessment year, if full payment is not made prior to November 1, the assessment will be placed on the ten-year payment schedule on the real estate tax bill. Property owners may then pay their special assessment under two options: (1) in full without interest with the real estate taxes or (2) they may pay the first one-tenth of the assessment without interest with the current real estate tax bill. The balance is paid in equal installments on the next nine real estate tax bills and accrues interest based on the rate determined under Section 5.17. The remaining balance may be paid in full at any time with interest calculated through the month of payment.
- (4) For assessments levied for an improvement or combination of improvements, described in Section 5.12 (2) totaling \$5,000 or more in any one special assessment year, if full payment is not made prior to November 1, the assessment will be placed on the fifteen-year payment schedule on the real estate tax bill. Property owners may then pay their special assessment under two options: (1) in full without interest with the real estate taxes or (2) they may pay the first one-fifteenth of the assessment without interest with the current real estate tax bill. The balance is paid in equal installments on the next fourteen real estate tax bills and accrues interest based on the rate determined under Section 5.17. The remaining balance may be paid in full at any time with interest calculated through the month of payment.

The Common Council acknowledges that the levy of special assessments can result in financial hardship in some instances. It therefore enacts this provision: For assessments levied for an improvement or combination of improvements, described in Section 5.12 (2) totaling \$1,500 or more in any one special assessment year, a property owner may elect to have the assessment placed on the fifteen-year installment payment schedule provided they notify the City in writing prior to November 1 in the special assessment year.

5.14 INSTALLMENT ASSESSMENT NOTICE

The city clerk shall cause to be published in the local newspaper the list of property and description of improvements to be included in the "Installment Assessment Notice" in substantially the same form of "Installment Assessment Notice" as set forth in Section 66.54(7)(e) of the Wisconsin Statute.

5.15 ASSESSMENTS INCLUDED IN INSTALLMENTS

Special assessments that qualify under sections 5.12 and 5.13 and as listed by the city clerk in the newspaper notice as set forth in Section 5.14 shall be included in the preliminary and final resolution authorizing each qualifying improvement.

5.16 PROCEDURE FOR INSTALLMENT PAYMENT

All special assessments on the improvements named in Section 5.12 and being in an amount as listed by Section 5.13 shall automatically be placed on the installment method of payment provided for said improvement, unless within 30 days from the date of publication in the local newspaper of the "Installment Assessment Notice" the owner(s) notify the city clerk of the description of his property and of his intention to pay the whole of the special assessment to the city treasurer on or before the 1st day of November following completion of the installation of the improvement for which assessment is made. If after making such election to pay the special assessment on or before the 1st day of November following the completion of the installation, the property owner shall fail to pay the whole special assessment, then the city clerk shall place the entire assessment on the next succeeding tax roll. (MC#51)

5.17 INTEREST ON INSTALLMENTS

Deferred installment payments on the unpaid balance of special assessments shall bear interest per annum at the rate equal to the U.S. Prime Rate on January 1 of the year in which the assessment was billed. (MC#1139)

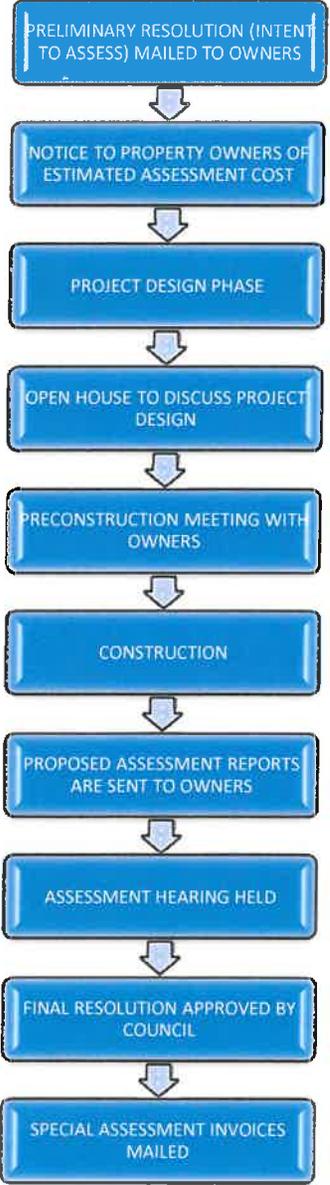
Public Works Project - Order of Events

PROJECT ORIGATION



PROPOSED ASSESSMENTS

SANITARY SEWER MAIN	<ul style="list-style-type: none"> • 100% COST TO OWNER FOR NEW MAIN • \$0.00 COST TO OWNER FOR REPLACEMENT MAIN 	
WATER MAIN	<ul style="list-style-type: none"> • 100% COST TO OWNER FOR NEW MAIN • \$0.00 COST TO OWNER FOR REPLACEMENT MAIN 	
PAVEMENT	<ul style="list-style-type: none"> • 20% TO OWNER 	• 60% SUBSIDIZED BY GENERAL TAXES
CURB & GUTTER	<ul style="list-style-type: none"> • 66.6% COST TO OWNER 	• 33.3% SUBSIDIZED BY GENERAL TAXES
SIDEWALK	<ul style="list-style-type: none"> • 100% COST TO OWNER 	
SANITARY LEADS & WATER SERVICES	<ul style="list-style-type: none"> • 100% COST TO OWNER FOR NEW OR REPLACEMENT 	



Special Assessment Procedure

1. Project put on Capital Improvement Plan.
2. Brought before Public Works for Preliminary Resolution.
3. Common Council approves the Preliminary Resolution.
4. Public hearing is scheduled. (Notice sent out 10 to 12 days before hearing.)
5. Open House held to answer questions prior to public hearing.
6. Public hearing held.
7. Public Work Committee recommends approval of a Final Resolution.
8. Common Council approves Final Resolution.
9. Notice of Final Resolution sent to affected owners.
10. Project completed.
11. Engineering Department prepares the amount to be billed.
12. Engineering Department sends out proposed payment plans.
13. Engineering Department bills the property owner for special assessment.

**AN ORDINANCE RELATING TO SPECIAL ASSESSMENT PROCEDURES IN WISCONSIN RAPIDS,
WISCONSIN.**

The governing body of the City of Wisconsin Rapids, Wisconsin, do ordain as follows:

Section 1. In addition to other methods provided by law, special assessments for any public work or improvement or any current service may be levied in accordance with the provisions of this ordinance.

Section 2. Whenever the governing body shall determine that any public work or improvement or any current service shall be financed in whole or in part by special assessments levied under this ordinance, it shall adopt a resolution specifying this intention and the time, either before or after completion of the work or improvement, when the amount of the assessments will be determined and levied, the number of annual installments, if any, in which assessments may be paid, the rate of interest to be charged on the unpaid balance and the terms on which any of the assessments may be deferred while no use of the improvement is made in connection with the property.

Section 3. The provisions of §66.0703, Stats., shall apply to special assessments levied under this ordinance except that, when the governing body determines by resolution that the hearing on the assessments be held subsequent to the completion of the work or improvement or the rendering of the service, the report required by §66.0703(4), Stats., shall contain a statement of the final cost of the work, service or improvement in lieu of an estimate of the cost.

Section 4. Notice of the time and place of the public hearing on any special assessment proposed to be levied and notice of the final assessment and terms of payment thereof shall be given in the manner prescribed by §66.0703(7) and (8)(d), Stats.

Section 5. Any special assessment levied under this ordinance shall be a lien against the property assessed from the date of the final resolution of the governing body determining the amount of the levy.

Section 6. Any person against whose property a special assessment is levied under this ordinance may appeal therefrom in the manner prescribed by §66.0703(12), Stats., within 40 days of the date of the final determination of the governing body.

Section 7. This ordinance shall take effect upon passage and publication as required by law.

Dated _____

Signed _____

(Mayor)(Village President)

Attest _____

Municipal Clerk

7.3 Vehicle Registration Fee – Community Correspondence

From: [Andy Selle](#)
To: [Schulze, Marc](#)
Subject: Wheel Tax
Date: Thursday, March 19, 2020 10:17:15 AM
Attachments: [image001.jpg](#)

1. **What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?**
\$20/ vehicle though all vehicles over 12,000 lbs are exempt I believe by state statute
2. **Do you also utilize other funding sources for the street improvements?**
Yes we have a budget of \$475K annually that comes form our General fund
3. **In general, what additional administration efforts are needed?**
Very little, the state DOT takes care of it
4. **We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.**
I'll have the resolution sent to you
5. **When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?**
Implemented Sept/2015. We stopped special assessing in the early 2000s I believe and simply budget for a lump sum of street improvement money
6. **How you think the public feels about this versus placing the burden on the specific property owner for the improvements?**
There were grumblings but overall it was accepted

Things to think about

1 – DOT can provide you an estiamte of how many vehicles are in your municipality and thus the revenue it would generate annually. MAKE sure the count is accurate to those vehicles within your municipal boundary and not done by zip code or school district or some other metric. We had an overestimate of the vehicles and revenue from DOT because they used a zip code that went well beyond our municipal border

2 – We are actually moving toward development of a right of way utility and eliminating the wheel tax. This form of revenue would allow many more advantages for us to work on sidewalks, streets, curb and gutter etc.

Andy Selle, PE

City Engineer – Fort Atkinson
101 N. Main Street
Fort Atkinson WI 53538
Office (920) 563-7760 x.307
www.fortatkinsonwi.net



From: [Dan Nelson](#)
To: [Schulze, Marc](#)
Subject: Re: Information about alternative funding sources
Date: Saturday, March 21, 2020 4:56:08 PM
Attachments: [image001.jpg](#)

Marc –

Please see my responses to your questions below in red.

I have also included two links that are on our website that are used to communicate where those dollars are spent:

<https://www.ci.milton.wi.us/433/Wheel-Tax>

<https://www.ci.milton.wi.us/500/Pavement-Improvement-Program>

Here was a Madison news piece that was done last summer when the City of Madison was in the process of implementing a wheel tax. They came down and did an interview with me.

<https://www.nbc15.com/content/news/Wheel-tax-improving-roads-in-City-of-Milton--562761741.html>

I hope this stuff helps you out and if you have any other questions, please don't hesitate to reach out.

Dan Nelson | Finance Director/Treasurer

City of Milton | 710 S. Janesville St. | Milton, WI 53563
608.868.6900 ext. 3 | www.milton-wi.gov
[Facebook](#) | [Twitter](#) | [Blog](#)



Confidentiality Notice

This electronic mail message and any files transmitted with it are confidential and are intended solely for the use of the individual or entity to whom they are addressed. Dissemination, forwarding, printing, or copying of this electronic mail without the consent of the sender is strictly prohibited. If you are not the intended recipient or the person responsible for delivering the electronic mail to the intended recipient, be advised that you have received this electronic mail in error; please immediately notify the sender by return mail.

To whom this may concern:

We at the city of Wisconsin Rapids use assessments of our residents to fund the utility projects (i.e. street, sidewalk, curb and gutter, sanitary and water services, etc.) that we do every year as many communities do. We are looking into alternative funding sources to special assessments and one such funding option is vehicle registration fees. It is our understanding that your community has a certain registration fee (a.k.a. Wheel Tax) that helps to fund street improvements. We understand the process from a statutory standpoint; however, we would like to gather more information about this from

communities like yours to see if it is something, we would like to implement.

If you have the time to help us, we would like to obtain the following information from your experiences.

- 1) **What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?**

\$30/year and result in about \$145,000 in revenue and it covers 30-50% of street improvements that we do each year

- 2) **Do you also utilize other funding sources for the street improvements?**

Yes, the City has not borrowed for any tax levied projects in 5 years and in the annual budget we allocate \$100,000-125,000 for road improvements in addition to utilizing TIDs when allowed.

- 3) **In general, what additional administration efforts are needed?**

Very little. When it was first implemented we received questions about it and some complaints and a few refunds because there is a township next to us that doesn't have a wheel tax and it ended up on their registrations. However, the DOT has implemented better software to basically eliminate this issue now. The DOT does a direct deposit of the amount each month and we record it. As you can tell we try to update our website with the projects that are being done so the public has a general idea. When we do get some complaints, I explain to them what roads have recently been done and point them to the website.

- 4) **We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.**

See the website links above

- 5) **When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?**

See website and the City has only ever special assessed for 50% of curb and gutter replacement. We don't even special assess for sidewalks! This fee didn't replace or change anything on what we special assess.

- 6) **How you think the public feels about this versus placing the burden on the specific property owner for the improvements?**

When it was first implemented we were hated but we made sure we did some projects early on that were very visible and "major issues" and then this past year we did several miles of chip sealing along with a full reconstruction. We have also emphasized that we have not borrowed for any road projects since the local vehicle registration fee was implemented. The key is over communicate and don't over promise. We were the first entity in the state to go to \$30 because we concluded that anything less would not allow us to do anything the public could see. There was no point in implementing something and not have visible effect shortly thereafter. The DOT can provide you with estimates of the number vehicles which can help you determine how much you'd collect at various "fee" amounts.

Any information you can provide would be appreciated. You can send all information to me at the address below.

Thanks again for your help.

Marc Schulze

Engineering Technician

444 West Grand Avenue

City of Wisconsin Rapids

Phone: (715) 421-8282

Email: mschulze@wirapids.org

From: [Radke, Judy M.](#)
To: [Schulze, Marc](#)
Cc: [Beyer, Jackie](#)
Subject: FW: information about alternative funding sources
Date: Friday, March 20, 2020 1:37:59 PM

Hello Marc-

The City of New London implemented the Wheel tax in 2017.
The City received \$145,618 in 2018.
The City received \$125,166 in 2019

The City does not charge special assessments.
The City did not charge special assessments before they enacted the Wheel Tax, so one was not for the other.
Other street funding sources are debt.
General fund contributes little to street maintenance.

Hope this helps.

Jackie can you please forward the ordinance.

Judy M. Radke, CPA
Finance Director
City of New London
920-250-5602

From: Beyer, Jackie
Sent: Thursday, March 19, 2020 9:53 AM
To: Radke, Judy M.
Subject: FW: information about alternative funding sources

I think you are more versed on answering the questions below.
Thanks,

Jackie Beyer,
City Clerk

City of New London
215 N. Shawano St
New London, WI 54961
920-982-8500 ext 101
Fax 920-982-8665

Email: jackieb@newlondonwi.org

From: Schulze, Marc [mailto:mschulze@wirapids.org]

Sent: Thursday, March 19, 2020 9:26 AM

Cc: arlette lindert; candace klaas; cory st. mary; dawn calnin; dawn collins; Beyer, Jackie; jim owczarski; judy walton; kami lynch; kim gruetsmacher; leanne schroeder; lora metheny; lori stottler; mackenzie reed-kadow; maribeth witzel-behl; marie moe; meredith debruin; michelle ebbert; mo hansen; sally kenny; steve soukup

Subject: information about alternative funding sources

To whom this may concern:

We at the city of Wisconsin Rapids use assessments of our residents to fund the utility projects (i.e. street, sidewalk, curb and gutter, sanitary and water services, etc.) that we do every year as many communities do. We are looking into alternative funding sources to special assessments and one such funding option is vehicle registration fees. It is our understanding that your community has a certain registration fee (a.k.a. Wheel Tax) that helps to fund street improvements. We understand the process from a statutory standpoint; however, we would like to gather more information about this from communities like yours to see if it is something, we would like to implement.

If you have the time to help us, we would like to obtain the following information from your experiences.

- 1) What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?**
- 2) Do you also utilize other funding sources for the street improvements?**
- 3) In general, what additional administration efforts are needed?**
- 4) We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.**
- 5) When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?**
- 6) How you think the public feels about this versus placing the burden on the specific property owner for the improvements?**

Any information you can provide would be appreciated. You can send all information to me at the address below.

Thanks again for your help.

Marc Schulze
Engineering Technician
444 West Grand Avenue
City of Wisconsin Rapids
Phone: (715) 421-8282
Email: mschulze@wirapids.org

AN ORDINANCE ENACTING MUNICIPAL MOTOR VEHICLE REGISTRATION FEE

ORDINANCE NO. 1339

The Common Council of the City of New London, Outagamie and Waupaca Counties, Wisconsin do ordain as follows:

Section 1. That Section 12.30 of the City of New London Municipal Code shall be created as follows:

12.30 MUNICIPAL MOTOR VEHICLE REGISTRATION FEE

WHEREAS, the cost of street and transportation construction, maintenance, and improvement is significant to the City of New London; and

WHEREAS, the City of New London Finance Committee did review funding alternatives to alleviate the costs and inequities associated with direct assessment to abutting property owners, and;

WHEREAS, the City of New London Finance Committee did determine it desirable to enact a Municipal Vehicle Registration Fee to assist in offsetting such costs and inequities of direct assessment to abutting property owners, and;

WHEREAS, this matter having come before the City of New London Finance Committee, and same having been apprised in the premises, the City of New London Finance Committee did direct the City Attorney to draft an ordinance establishing a Municipal Motor Vehicle Registration Fee, and;

WHEREAS, the Common Council of the City of New London has determined that the public interest would be served by adoption of an ordinance establishing a Municipal Motor Vehicle Registration Fee;

NOW, THEREFORE, it is ordained by the Common Council of the City of New London that Section 12.30 of the City of New London Municipal Code is hereby created and enacted as follows:

- (1) *Definitions.* In this section, a “motor vehicle” means an automobile or motor truck registered under State Statutes Section 341.25 (1) (c) at a gross weight of not more than 8,000 pounds that is registered in this state and customarily kept in the City of New London.
- (2) *Purpose.* The purpose of this ordinance is to provide the City of New London with a source of funds to be used to assist with transportation related purposes.
- (3) *Authority.* This ordinance is adopted pursuant to the authority granted by Wisconsin Statutes Section 341.35, 2015-2016, as amended from time to time.
- (4) *Annual registration fee.* An annual flat city registration fee as set forth herein, in the amount of twenty dollars (\$20.00) is hereby imposed on all motor vehicles registered in the State of Wisconsin that are customarily kept in the City of New London.

At the time a motor vehicle is first registered and at the time of each registration renewal, the registration applicant shall pay a City vehicle registration fee of twenty dollars (\$20). The City registration fee shall be paid as provided in Wisconsin Statutes Section 341.35 (5), as amended from time to time. The City registration fee is in addition to other fees required by Wisconsin Statutes Chapter 341. The Wisconsin Department of Transportation (DOT) shall collect the City registration fee.

(5) *Exemptions.* The following motor vehicles are exempt from the annual vehicle registration fee:

- (a) All vehicles exempted by Wisconsin Statutes Chapter 341 from payment of a state vehicle registration fee.
- (b) All vehicles registered by the state under WI Statutes Section 341.26 for a fee of \$5.
- (c) No City vehicle registration fee may be imposed on a motor vehicle which is a replacement for a motor vehicle for which a current county vehicle registration fee has been paid.

(6) *Administrative costs.* The DOT shall retain a portion of the monies collected under this section equal to the actual administrative costs related to the collection of these fees. The method for computing the administrative costs will be reviewed annually by the Wisconsin Department of Transportation, as provided in Wisconsin Statutes Section 341.35, 2015-2016, as amended from time to time.

(7) *Effective Date.* **This ordinance shall take effect on January 1, 2018.**

Adopted this 12th day of September, 2017.

BY: _____
Gary Henke, Mayor

ATTEST: _____
Susan Tennie, City Clerk

1st Reading: August 8th, 2017

2nd Reading: September 12, 2017

Published: September 21, 2017



2017 PROPOSED MUNICIPAL VEHICLE REGISTRATION FEE

CITY OF PORTAGE

11/10/16

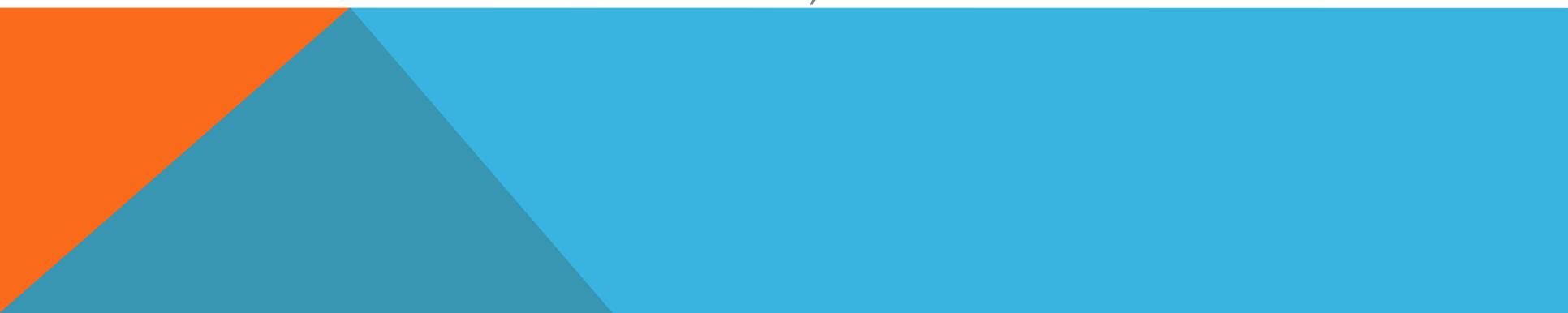
WHAT IS IT?

Wisconsin law allows a town, village, city or county to collect an annual municipal or county vehicle registration fee (wheel tax) in addition to the regular annual registration fee paid for a vehicle. The fee applies to vehicles kept in the municipality.

VEHICLES SUBJECT TO MVRF

AUTOMOBILES, VANS AND SPORT UTILITY VEHICLES (SUV) THAT QUALIFY AS A PASSENGER VEHICLE.

TRUCKS AND DUAL-PURPOSE MOTOR HOMES (TRUCKS THAT CAN BE EQUIPPED WITH A SLIDE-IN CAMPER UNIT) REGISTERED AT A GROSS WEIGHT OF 8,000 LBS. OR LESS.



REGISTRATIONS EXEMPT FROM MVRF

- ~Antique
 - ~Collector
 - ~Ex-Prisoner of War
 - ~Historic Military
 - ~Hobbyist
 - ~Medal of Honor
 - ~Motorcycles, Mopeds, Motor Homes, & Trailers
- 

FEE IMPLEMENTATION

WisDOT begins Collection 90 days From
Ordinance Adoption

Collected at Renewals of Expiring Registrations
& New Vehicle Registrations

WisDOT Keeps \$0.17 of each MVRF

Needs to be adopted by Council

PROPOSED FEE & USES

\$20 Annual Fee per Eligible Vehicle

Estimated Annual Revenue = \$200,000

Council Goal: Increase Road Improvements:

- Crack Filling
- Chip Sealing
- Resurfacing
- Sidewalk Repairs
- Traffic Signal & Sign Maintenance

WHY IS THIS NEEDED?

- ~State Imposed Levy Limits
- ~State Transportation Funding Stagnant
- ~Costs for Road Improvements Rising
- ~City Falling Behind in Ability to Maintain Roads

Road maintenance falling behind

STATE VEHICLE REGISTRATION FEES*

Average Annual Vehicle Cost Comparison

Minnesota: \$463 Reg & Gas Taxes/yr

Iowa: \$410 Reg & Gas Taxes/yr

Michigan: \$342 Reg & Gas Taxes/yr

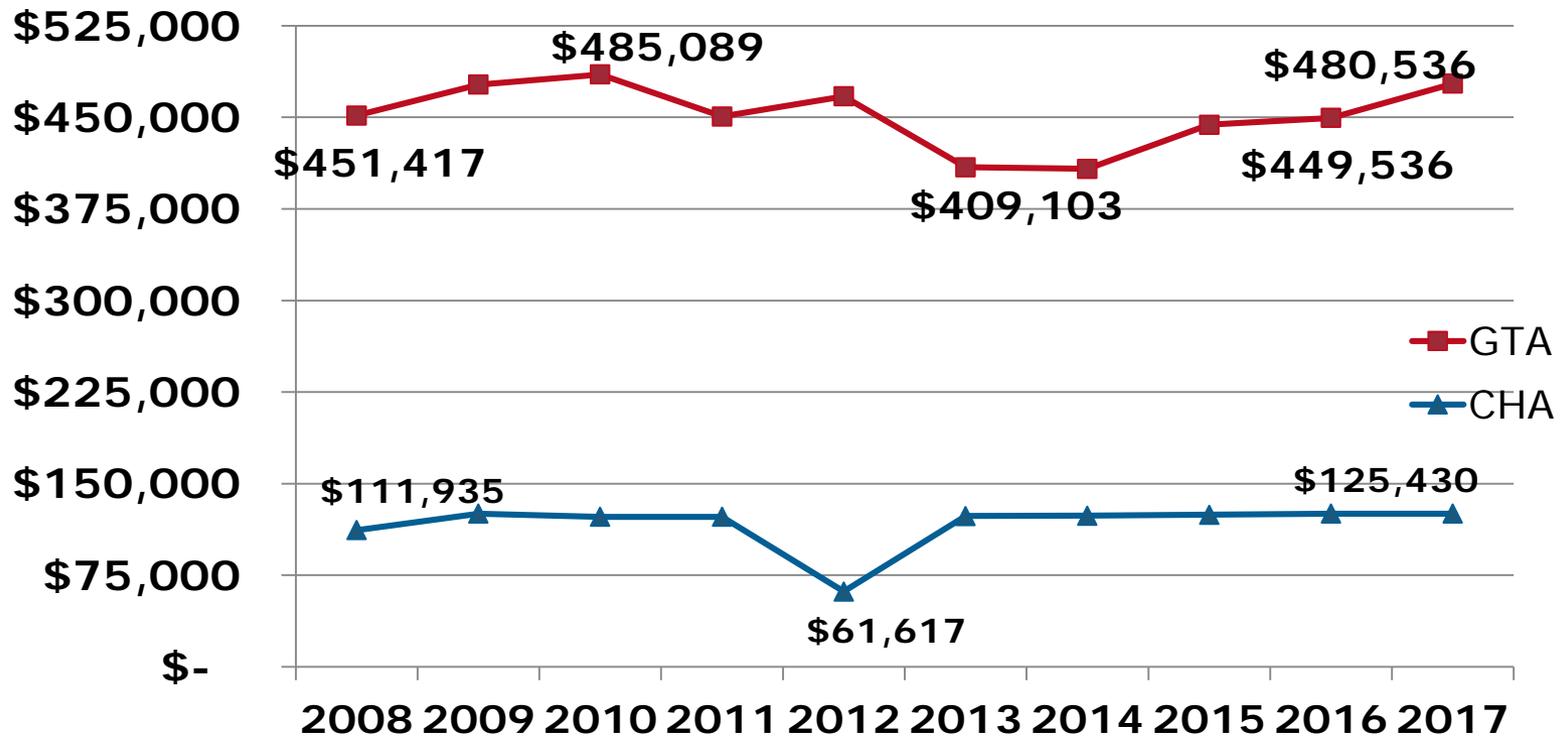
Illinois: \$308 Reg & Gas Taxes/yr

Wisconsin: \$254 Reg & Gas Taxes/yr

*2014 Wisconsin Taxpayer Alliance Report



STATE TRANSPORTATION AIDS



SUMMARY OF ROADS

STH 16 = 2.3 MILES

STH 33 = 1.4 MILES

US 51 = 2.5 MILES

CTH'S = 2.4 MILES (5)

STREETS = 55 MILES (114)

ALLEYS = 5.5 MILES (80)

CONDITION OF PORTAGE STREETS

City Evaluates Road Conditions w/PASER

Reconstruct: 5% (\approx 3 miles)

Resurface: 22% (\approx 12 miles)

Crack Fill/Chip Seal: 62% (\approx 34 miles)

No Improvement: 11% (\approx 6 miles)



2016 IMPROVEMENT COSTS

Reconstruction \$720,000 (3500')

Resurface \$210,000 (2625')

Chip Seal \$60,000 (3750')

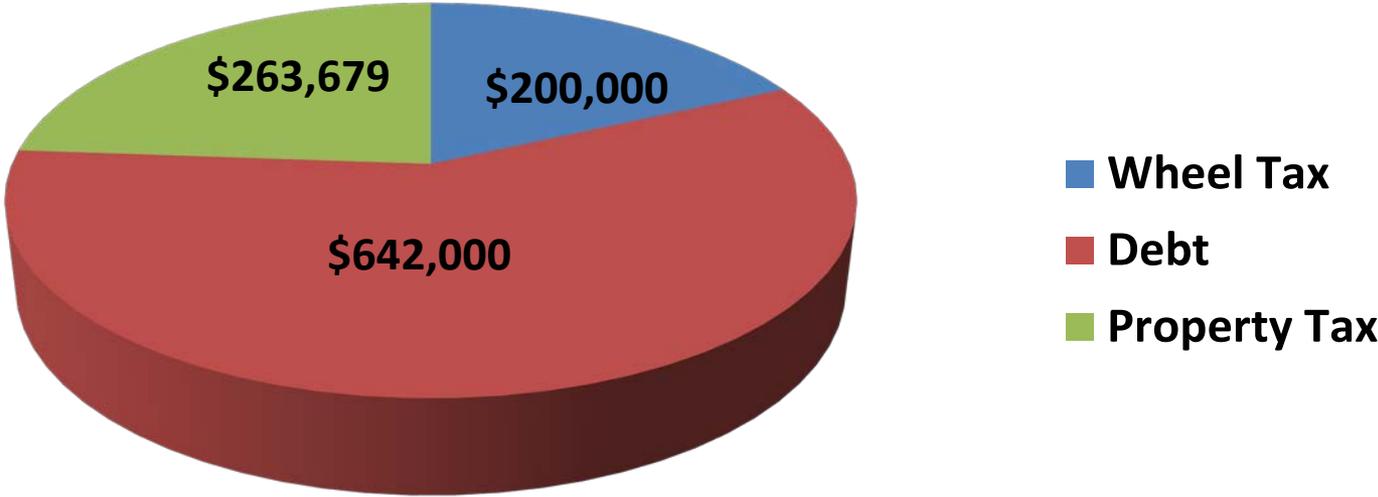


IMPROVEMENT COSTS/LINEAL FOOT

- Reconstruction (Exc utilities)
 - \$250/lf
- Resurface
 - \$80/lf
- Crack Seal
 - \$16/lf

ROAD IMPROVEMENT BUDGET FUNDING

Total Budget = \$1.1 Million



ADDITIONAL IMPROVEMENTS POSSIBLE

Additional \$60,000 for Resurfacing

- Pave Additional 750 lf or 1.25 blocks

Additional \$50,000 Crack Fill/Chip Seal

- Improve Additional 3,125 lf of Streets
(Approximately 10 Blocks)

PROPOSED FUNDING WILL ALSO:

Increase Sidewalk Repairs by \$6,400

Fund Traffic Signal Maintenance

Fund Traffic Sign Replacements

Fund Road Materials/Supplies



2017 MVRF BUDGET DETAILS

<i>WHEEL TAX</i>		<i>2017</i>
<i>Fund 265 Dept 20 Object 53311</i>		<i>Budget</i>
<i>Account Description</i>		
53311-231	STREET REPAIR/MAINT - incl. pavement	\$ 25,000
53311-294	OTHER CONTRACTUAL SERVICES	\$ 21,000
	<i>Roadway Mntc \$15K; Traffic Signal Maint \$6K</i>	
53311-370	ROADWAY MAINT SUPPLIES	\$ 19,000
53311-372	STREET SIGN REPAIR/MAINT	\$ 5,000
53315-820	PUBLIC INFRASTRUCTURE	\$ 10,000
53431-820	PUBLIC INFRASTRUCTURE - edge cutting	\$ 8,400
53431-860	SMALL EQUIPMENT	\$ 1,600
NEW	CRACK FILL/SEAL CT/CEMETERY RD	\$ 110,000
<i>TOTAL FUND EXPENSES & RESIDUAL EQUITY</i>		<i>\$ 200,000</i>

QUESTIONS??



From: [Shawn M. Murphy](#)
To: [Schulze, Marc](#)
Cc: [Marie Moe](#)
Subject: RE: [EXTERNAL EMAIL] information about alternative funding sources
Date: Friday, March 27, 2020 1:32:40 PM
Attachments: [2017 Wheel tax.pptx](#)
[Wheel Tax FAQ 0117.pdf](#)
[Wheel Tax Ord 2016.pdf](#)

Marc,

See my responses below in **RED**

Shawn M. Murphy
City Administrator
City of Portage
115 W. Pleasant Street
Portage, WI 53901
(608) 742-2176, Ext 324
Email: shawn.murphy@portagewi.gov
Website: www.portagewi.gov

The City of Portage is dedicated to building on our past and providing its citizens with a good quality of life in a safe and caring environment.

From: Marie Moe
Sent: Friday, March 27, 2020 7:48 AM
To: Shawn M. Murphy
Subject: FW: [EXTERNAL EMAIL] information about alternative funding sources

Good Morning,

Would you mind responding? Thank you.

Marie

Marie A. Moe, WCPC, MMC, City Clerk
City of Portage, Columbia County, Wisconsin
115 West Pleasant Street, Portage, WI 53901
WMCA District IV Co-Director
IIMC Region VI Director
Population: 10,186
Telephone: 608-742-2176 ext. 333
Fax: 608-742-8623
Email: marie.moe@portagewi.gov

The City of Portage is dedicated to building on our past and providing its citizens with a good quality of life in a safe and caring environment.

From: Schulze, Marc [mailto:mschulze@wirapids.org]

Sent: Thursday, March 19, 2020 9:26 AM

Cc: arlette lindert; candace klaas; cory st. mary; dawn calnin; dawn collins; jackie beyer; jim owczarski; judy walton; kami lynch; kim gruetzmacher; leanne schroeder; lora metheny; lori stottler; mackenzie reed-kadow; maribeth witzel-behl; Marie Moe; meredith debruin; michelle ebbert; mo hansen; sally kenny; steve soukup

Subject: [EXTERNAL EMAIL] information about alternative funding sources

**** THIS IS AN EXTERNAL EMAIL ****

To whom this may concern:

We at the city of Wisconsin Rapids use assessments of our residents to fund the utility projects (i.e. street, sidewalk, curb and gutter, sanitary and water services, etc.) that we do every year as many communities do. We are looking into alternative funding sources to special assessments and one such funding option is vehicle registration fees. It is our understanding that your community has a certain registration fee (a.k.a. Wheel Tax) that helps to fund street improvements. We understand the process from a statutory standpoint; however, we would like to gather more information about this from communities like yours to see if it is something, we would like to implement.

If you have the time to help us, we would like to obtain the following information from your experiences.

- 1) What is the fee amount and associated revenues? \$20 per vehicle/Approx \$170,000 annually (we estimated \$200,000) What percentage of street improvement do these fees cover? Percentage varies annually. Wheel tax funds \$100,000 annually for chip seal and crack filling plus \$40,000 of street resurfacing. We undertake one street reconstruction project annually plus a budget of \$200,000 for resurfacing.**
- 2) Do you also utilize other funding sources for the street improvements? We special assess for sidewalk construction/replacement, drive approach replacement, sewer & water lateral replacement, new curb & gutter and alley improvements. We issue debt for remaining street improvement costs.**
- 3) In general, what additional administration efforts are needed? Wheel tax revenues are placed in a special revenue fund from which an annual budget is developed and is subject to annual audit. Other than some bookkeeping entries, there's not much additional administration needed. We held a public information meeting and conducted a mailing when the wheel tax was implemented in 2017,**
- 4) We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax. Attached power point used at public information meeting along with FAQ and authorizing ordinance.**
- 5) When did you implement this? Was implementation of this fee in lieu of**

Special Assessments? Do you still charge Special Assessments for some items? 2017/No/Yes

- 6) **How you think the public feels about this versus placing the burden on the specific property owner for the improvements? They're not pleased with either the Wheel Tax or Special Assessments but if we continue to demonstrate visible street improvements annually, they have accepted both .**

Any information you can provide would be appreciated. You can send all information to me at the address below.

Thanks again for your help.

Marc Schulze
Engineering Technician
444 West Grand Avenue
City of Wisconsin Rapids
Phone: (715) 421-8282
Email: mschulze@wirapids.org

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CITY OF PORTAGE

115 West Pleasant Street
Portage, Wisconsin 53901
Telephone: (608) 742-2176 • Fax: (608) 742-8623



Municipal Vehicle Registration Fee (Wheel Tax) Frequently Asked Questions

January, 2017

1. What is the Municipal Vehicle Registration Fee?

It is a \$20 fee that is added to the normal state vehicle registration fees. This fee is specifically designated to fund transportation related purposes.

2. When was the fee implemented?

The Portage Common Council held a public hearing in November, 2016 and voted to approve an ordinance implementing the \$20 municipal vehicle registration fee or "Wheel Tax" which became effective on January 1, 2017. The fee is collected by the Wisconsin Department of Transportation (WisDOT) with the vehicle registration fee on eligible vehicles, starting in March, 2017 as follows:

- Renewal of expiring annual vehicle registrations, and
- Issuance of new vehicle registrations.

3. How is the fee collected?

WisDOT collects the fee at the time of first vehicle registration and at the time of each subsequent registration renewal annually. WisDOT sends vehicle registration renewal notices at least 30 days before the license plates expire. The renewal notice will show the total fee due including the \$20.00 wheel tax for each vehicle that is subject to the fee.

4. Can the revenues received from wheel tax payments be used for any purpose?

Counties and municipalities must use the moneys from wheel tax payments for transportation related purposes only (s. 341.35(6r), Wis. Stats.). "Highway" is defined by state law to mean "all public ways and thoroughfares and bridges on the same." Courts have interpreted "highways" to include trails because they are "public ways and thoroughfares and bridges on the same." "Sidewalk" means that "portion of a highway between the curb lines, or the lateral lines of a roadway, and the adjacent property lines, constructed for use of pedestrians."

5. What vehicles are subject to the wheel tax?

Automobiles or trucks registered under 8,000 lbs gross weight and customarily kept in the City of Portage. This includes:

- Automobiles, vans and Sport Utility Vehicles (SUV) that qualify as a passenger vehicle,
- Trucks and dual-purpose motor homes (trucks that can be equipped with a slide-in camper unit) registered at a gross weight of 8,000 lbs. or less.

Read more details on vehicles subject to the wheel tax at <http://wisconsin.gov/Pages/dmv/vehicles/title-plates/wheeltax.aspx>.

6. What vehicles are exempt from this fee?

- Buses, motorcycles, mopeds, motor homes, low-speed vehicles and trailers,
- Trucks registered at more than 8,000 pounds or registered as Farm or Dual Purpose Farm,
- Vehicles registered as Antique, Collector, Driver Education, Historic Military Vehicle, Hobbyist, Human Service Vehicle, Low Speed Vehicle, Medal of Honor, Municipal, State-Owned or Special X and one vehicle with Ex-Prisoner Of War registration issued to any qualified individual,
- Any vehicle with registration issued by a Wisconsin Indian tribe or band,
- Vehicles displaying Dealer, Distributor, Finance Company or Manufacturer plates.

7. What about vehicles with Collector plates?

- “Collector” plates, issued to vehicles more than 20 years old, are non-expiring and **exempt from wheel tax.**
- “Collector special” plates are issued for any auto or light truck owned by someone who has “Collector” plates and are **subject to wheel tax.**

8. What is the policy for refunds and proration?

A wheel tax is never prorated. The full fee is required whenever it is collected. Refund requests of the wheel tax fee paid in error may be directed to the WisDOT Research and Information Unit:

Mail: PO Box 8070, Madison, WI 53708-8070

Email: VehicleQuestions@dot.wi.gov

Telephone: (608) 266-1466

9. What will the City of Portage use the Wheel Tax funds for?

The 2017 budget is proposed to include an additional \$200,000 from Wheel Tax revenue that will be used to increase spending on crack sealing, chip sealing, re-surfacing of streets, traffic signal & sign maintenance and sidewalk repairs in the City.

10. Where can I get more information on the wheel tax and impact on my vehicle registration?

You may contact Portage City Hall at (608)742-2176.

Summary of Ordinance

This ordinance establishes a Wheel Tax surcharge of \$20 for eligible vehicles registered in the City of Portage and further segregates revenues collected in a special revenue fund for transportation related expenses only.

ORDINANCE NO. 16-0XX

Chapter 74, Article I, ~~IN GENERAL~~ WHEEL TAX

The following sections shall be repealed and recreated as follows:

Sec. 74-1. Purpose. The purpose of this ordinance is to provide the City of Portage with a source of funds in addition to other funding sources currently being utilized to fund road improvements and other transportation related expenses.

Sec. 74-2. Definition. In this section, “motor vehicle” means an automobile or motor truck registered under § 341.25(1)(c), Wis. Stats, at a gross weight of not more than 8,000 pounds, that is registered in this state and is customarily kept in the City of Portage, Columbia County.

Sec. 74-3. Annual registration fee. At the time a motor vehicle is first registered or at the time of registration renewal, the applicant shall pay a city vehicle registration fee of \$20. This fee is in addition to other fees required by Wisconsin Statutes Chapter 341. The Wisconsin Department of Transportation (DOT) shall collect the fee. Use of funds generated by this registration fee shall be restricted to local street improvements, maintenance and operation expenses and transportation.

Sec. 74-4. Exemptions. The following motor vehicles are exempt from the annual vehicle registration fee:

(a) All vehicles exempted by Wisconsin Statutes Chapter 341 from payment of a state vehicle registration fee.

(b) All vehicles registered by the state under Wisconsin Statutes § 341.26 for a fee of \$5.

Sec. 74-5. Replacements. No county vehicle registration fee may be imposed on a motor vehicle which is a replacement for a motor vehicle for which a current county vehicle registration fee has been paid.

Sec. 74-6. Administrative costs. The DOT shall retain a portion of the moneys collected under this section equal to the actual administrative costs related to the collection of these fees (currently \$0.17 per vehicle).

All other sections shall remain as previously adopted.

This Ordinance shall take effect upon passage and publication thereof.

Passed this ____th day of _____, 2016.

Rick Dodd, Mayor

Attest:

Marie A. Moe, WCPC, MMC, City Clerk

First reading:
Second reading:

Ordinance requested by:
Municipal Services & Utilities Committee

City Ordinance #18-12
An Ordinance to Create and Levy an
Annual City of Rice Lake Motor Vehicle Registration Fee

SEC. I

The Common Council of the City of Rice Lake does ordain as follows: That Article Two of Chapter 225 shall be created to read as follows: **Section 225-12 City Motor Vehicle Registration Fee**

A. Authority.

This chapter is adopted pursuant to the authority granted by Wis. Stats. § 341.35, as from time to time amended or renumbered.

B. Purpose.

The purpose of this article is to provide the City of Rice Lake a source of revenue in addition to other revenue sources currently being utilized for the operation and maintenance of public streets, highways, and for all other transportation-related purposes within the City.

C. Administration.

All moneys under the applicable statute and this section remitted to the City by the Wisconsin Department of Transportation or other applicable agency shall be deposited into the City's general fund to be used only for transportation related purposes, or as otherwise required to be in conformance with Wis. Stat. § 341.35 as amended from time to time.

The City Clerk-Treasurer shall be responsible for the administration of this article.

D. Imposition of Motor Vehicle Registration Fee

- (1) Pursuant to Wis. Stats. § 341.35, an annual flat City registration fee of \$20.00 is hereby imposed on all motor vehicles registered in the state which are customarily kept in the City.
- (2) In this section, the term "motor vehicle" means an automobile or motor truck registered under Wis. Stats. § 341.25(1)(c), at a gross weight of not more than 8,000 pounds.
- (3) This fee shall be paid by the registration applicant at the time that a motor vehicle is first registered and at each time of registration renewal.
- (4) The City registration fee shall be paid as provided in Wis. Stats. § 341.35(5).
- (5) The City registration fee shall be in addition to state registration fees.

E. Exemptions.

The following vehicles are exempt from the City vehicle registration fee:

- (1) All vehicles exempted by Wis. Stats., ch. 341, from payment of a state vehicle registration fee.
- (2) All vehicles registered by the state under Wis. Stats., § 341.26 for a fee of \$5.00.

F. Replacement Vehicles.

The City vehicle registration fee may not be imposed on a motor vehicle which is a replacement for a motor vehicle for which a current City vehicle registration fee has been paid.

G. Effective Date

This ordinance shall be effective on April 1, 2019 and shall terminate March 31, 2024.

SEC. II

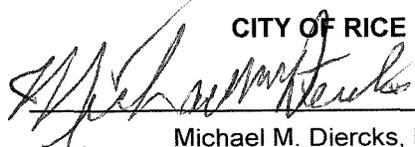
Except as herein created, Chapter 225 of the Code is reaffirmed in its entirety.

SEC. III

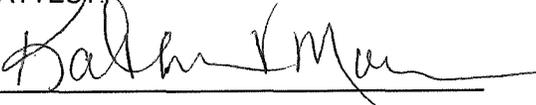
This ordinance shall take effect after its passage and publication as provided by law.

SEC. IV

Passed, approved and adopted by the Common Council of the City of Rice Lake on the 27th date of November, 2018.


CITY OF RICE LAKE
Michael M. Diercks, Mayor

ATTEST:



Kathleen V. Morse, MMC/CMTW/WCPC
City Clerk-Treasurer

1st reading – November 13, 2018

2nd reading – November 27, 2018

Published – December 12, 2018

From: [Kathy Morse](#)
To: [Schulze, Marc](#)
Subject: Re: information about alternative funding sources
Date: Thursday, March 19, 2020 2:12:36 PM

1) What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?

\$20/vehicle - approx \$12,000/month

2) Do you also utilize other funding sources for the street improvements?

The fee goes into Fund 10, General Fund, for street maintenance

3) In general, what additional administration efforts are needed?

We get a call once in awhile that the \$20 fee was place by WisDOT on a vehicle outside our city limits. The funds are ACH'ed into the City's checking account monthly.

4) We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.

Our ordinance can be found on our website searchable ordinances.

5) When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?

Effective date was 4.1.2019. Since the fee is for general maintenance, we still utilize special assessments for improvements.

6) How you think the public feels about this versus placing the burden on the specific property owner for the improvements?

We use both the fee and special assessments.

30 East Eau Claire Street, Rice Lake, WI 54868 - Barron County
P: 715.234.7089 - F: 715.234.6829 - C: 715.790.1728
email: kmorse@ricelakegov.org - website: www.ci.rice-lake.wi.us
2019 population (State est): 8,714 - 2010 population (US Census): 8,438

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On Thu, Mar 19, 2020 at 2:07 PM Schulze, Marc <mschulze@wirapids.org> wrote:

To whom this may concern:

We at the city of Wisconsin Rapids use assessments of our residents to fund the utility projects (i.e. street, sidewalk, curb and gutter, sanitary and water services, etc.) that we do every year as many communities do. We are looking into alternative funding sources to special assessments and one such funding option is vehicle registration fees. It is our understanding that your community has a certain registration fee (a.k.a. Wheel Tax) that helps to fund street improvements. We understand the process from a statutory standpoint; however, we would like to gather more information about this from communities like yours to see if it is something, we would like to implement.

If you have the time to help us, we would like to obtain the following information from your experiences.

- 1) What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?**
- 2) Do you also utilize other funding sources for the street improvements?**
- 3) In general, what additional administration efforts are needed?**
- 4) We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.**
- 5) When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?**

6) How you think the public feels about this versus placing the burden on the specific property owner for the improvements?

Any information you can provide would be appreciated. You can send all information to me at the address below.

Thanks again for your help.

Marc Schulze

Engineering Technician

444 West Grand Avenue

City of Wisconsin Rapids

Phone: (715) 421-8282

Email: mschulze@wirapids.org

From: [City Hall](#)
To: [Schulze, Marc](#)
Subject: RE: information about alternative funding sources
Date: Thursday, March 19, 2020 10:39:02 AM

Marc,

Busy times here. Wheel Tax is easy to do. They collect it. Not much else to add. Good luck.

Mo Hansen | Clerk/Treasurer | [City of Waterloo](#) | 920.478.3025

From: Schulze, Marc <mschulze@wirapids.org>

Sent: Thursday, March 19, 2020 9:26 AM

Cc: arlette lindert <villaglr@yahoo.com>; candace klaas <cityclerk@platteville.org>; cory st. mary <corys@kwikwire.com>; dawn calnin <dawncalnin@cityofmontello.com>; dawn collins <dcollins@cityoflodi.us>; jackie beyer <jackieb@newlondonwi.org>; jim owczarski <jowcza@milwaukee.gov>; judy walton <judy.walton@ci.evansville.wi.gov>; kami lynch <kami.lynch@appleton.org>; kim gruetsmacher <kim.gruetsmacher@ci.gillett.wi.us>; leanne schroeder <lschroeder@milton-wi.gov>; lora metheny <lmetheny@ricelackgov.org>; lori stottler <stottlerl@beloitwi.gov>; mackenzie reed-kadow <mreedkadow@manitowoc.org>; maribeth witzel-behl <clerk@cityofmadison.com>; marie moe <marie.moe@portagewi.gov>; meredith debruin <meredith.debruin@sheboyganwi.gov>; michelle ebbert <miebbert@fortatkinsonwi.net>; City Hall <cityhall@waterloowi.us>; sally kenny <skenny@kaukauna-wi.org>; steve soukup <ssoukup@villageofbellevue.org>

Subject: information about alternative funding sources

To whom this may concern:

We at the city of Wisconsin Rapids use assessments of our residents to fund the utility projects (i.e. street, sidewalk, curb and gutter, sanitary and water services, etc.) that we do every year as many communities do. We are looking into alternative funding sources to special assessments and one such funding option is vehicle registration fees. It is our understanding that your community has a certain registration fee (a.k.a. Wheel Tax) that helps to fund street improvements. We understand the process from a statutory standpoint; however, we would like to gather more information about this from communities like yours to see if it is something, we would like to implement.

If you have the time to help us, we would like to obtain the following information from your experiences.

- 1. What is the fee amount and associated revenues? What percentage of street improvement do these fees cover?**
- 2. Do you also utilize other funding sources for the street improvements?**
- 3. In general, what additional administration efforts are needed?**
- 4. We would be interested in reviewing any documentation you have, (i.e. policies and ordinances) regarding this tax.**

5. **When did you implement this? Was implementation of this fee in lieu of Special Assessments? Do you still charge Special Assessments for some items?**
6. **How do you think the public feels about this versus placing the burden on the specific property owner for the improvements?**

Any information you can provide would be appreciated. You can send all information to me at the address below.

Thanks again for your help.

Marc Schulze
Engineering Technician
444 West Grand Avenue
City of Wisconsin Rapids
Phone: (715) 421-8282
Email: mschulze@wirapids.org

7.4 Transp. Utility – Community Correspondence & League of WI Municipality article.

From: [Michael Wodalski](#)
To: [Dums, Nick](#)
Cc: [Eichsteadt, Joe](#)
Subject: RE: Transportation Utility Fee Questions
Date: Monday, April 20, 2020 2:28:48 PM

Hi Nick,

The transportation utility was a fun adventure. I'll do my best to answer your questions below.

1. The Village had and still does special assess projects. The purpose of the TUF was to really get more money for routine maintenance (crack sealing, chip sealing, thin overlays, etc.). Also starting in 2012 our State Transportation Aids were beginning to decline fairly rapidly and we were trying to find a way to plug the hole in the funding gap. The decline in transportation aids was due to the Village having several large TIF projects in the early to mid-2000s and then the Village refrained from projects for several years which saw the severe drop-off in then payments. We did revise the special assessment ordinance in early 2019, but that was outside of the TUF discussion, that was mainly philosophical differences with what the board thought we should be assessing vs. what we were assessing. For example, they didn't feel it was right for us to assess the road as the road already existed, it's not the residents/adjoining property's fault that the road wasn't maintained or deteriorated to a point of needing to be repaired. Thus, we only assess now for new infrastructure if it's installed, i.e. curb and gutter is assessed if the street previously didn't have curb and gutter, but if it did, then it isn't assessed.
2. The TUF was wide ranging, as I mentioned in 1, the purpose was to really get more money for routine maintenance and filling the gap caused by the reduction in transportation aids. As you will see in the linked documents, we initially were not asking for much a year ~\$60,000.
3. The TUF was always meant to be implemented with 2 charges, the base charge which was based on street frontage and then the usage charge which was the trip generation. Unfortunately, as we were about to implement the trip charges the TUF was discontinued so my only experience is with the front foot base charges.
4. We did not hire a consultant, in hindsight we maybe should've, as it was very time consuming to go through all the parcels and get their usage and street frontage.
5. There wasn't any public involvement to start. There was then a letter and FAQ put together (see link at end of email) that we tried to use, but at that point it was a little late to get people onboard. In hindsight more information at the beginning would've been better, especially describing the need for the TUF. There was quite a lot of backlash initially and it was tough to then get any positive momentum with the TUF as we didn't do a good enough job initially stating the need and purpose for the TUF.
6. See number 5 above, I think it just came down to residents not wanting another fee and I believe there was enough feedback to our trustees that we should just raise their taxes instead of charging other fees, at least that way they can claim the property tax increase with their income taxes. Since then, the Village has started to use short-term borrowing to fund maintenance items which allows us to use the debt service exemption to increase the tax rate for debt. This is primarily used for thin lift overlays which we payback generally in a year. Thus, we're still getting some extra money for street maintenance, but it's probably not as much as we would have gained from a fully funded TUF.

I also have the ordinance, Memo describing the TUF and a letter and FAQ for the TUF at the following link: <https://westonwi.gov/DocumentCenter/Index/325>

Let me know if you have any other questions.

Thanks,

Michael Wodalski, P.E.

Director of Public Works

Village of Weston, Wisconsin

5500 Schofield Ave, Weston, WI 54476

Office: [715-359-6114](tel:715-359-6114)

Direct: [715-241-2636](tel:715-241-2636)

Email: mwodalski@westonwi.gov | **Website:** www.westonwi.gov

-
As a local governmental entity, the Village of Weston is subject to Wisconsin statutes relating to open records. Any e-mail received by anyone at the Village of Weston, as well as, any e-mail sent by someone from the Village of Weston, are subject to these laws. Unless otherwise exempted from the Open Records law, senders and receivers of Village e-mail should presume that any e-mail is subject to release upon request.

From: Dums, Nick <NDums@wirapids.org>
Sent: Friday, April 17, 2020 10:44 AM
To: Michael Wodalski <mwodalski@westonwi.gov>
Cc: Eichsteadt, Joe <jeichsteadt@wirapids.org>
Subject: Transportation Utility Fee Questions

Good morning Michael,

We are currently in the process of gathering information on the feasibility of funding our street maintenance and reconstruction projects thru other revenue sources in lieu of special assessments. With that being said, one of the options we're looking into is a Transportation Utility Fee (TUF) and I'm hearing that Weston recently started up a TUF based on trip generation, and that it was repealed after a couple years. Just a few questions:

1. Was the Village utilizing special assessments to fund projects prior to the TUF and are they using it again now?
2. Were both maintenance and street reconstruction covered by TUF? Was anything else covered by the TUF?
3. Did you consider TUF's based on assessable frontage, parcel area, or impervious area (in lieu of trip generation), and if so, why you decided not to utilize any of these methods?
4. Did you hire a consultant to help set up transportation utility fees? If so, who was consultant, and what was approximate cost for consultant's work?
5. What was public's involvement in transitioning to TUF? Any public outreach or surveys done?

What was the general consensus from the public on new setup vs. the old one?
6. Why was the TUF repealed after only 2 years?

Thank you Michael in advance for your time and help with this. Any insight you can provide would be much appreciated.

Nick

Nick Dums, PE
Design Engineer

Office: 715-421-8209
Cell: 715-213-1424
Email: ndums@wirapids.org

City of Wisconsin Rapids
Engineering Department
444 West Grand Avenue
Wisconsin Rapids, WI 54495

From: GKaiser@ci.neenah.wi.us
To: [Dums, Nick](#)
Cc: [Eichsteadt, Joe](#); [Blystone, James](#); JGodlewski@ci.neenah.wi.us
Subject: Re: Fw: Transportation Assessment Replacement Fees (TARF) Questions
Date: Thursday, March 19, 2020 5:14:19 PM
Attachments: [graycol.gif](#)
[Wisconsin Rapids note.pdf](#)
[TARF FAQ_final.pdf](#)

Hi Nick,

My answers to your questions are in the attachment. I have also copied the city attorney on this email. He has done a number of presentations on the topic and may have additional resources that can help you in your analysis. Let me know if there are any other questions.

Sincerely,

Gerry Kaiser, P.E
Director
City of Neenah - Public Works
Phone: 920-886-6241
Fax: 920-886-6250

(See attached file: Wisconsin Rapids note.pdf)(See attached file: TARF FAQ_final.pdf)

 Lisa M Mroczkowski---03/13/2020 01:37:20 PM---This email is from an Engineer from the City of Wisconsin Rapids regarding our TARF. Lisa

From: Lisa M Mroczkowski/Neenah
To: Gerry J Kaiser/Neenah@Neenah
Date: 03/13/2020 01:37 PM
Subject: Fw: Transportation Assessment Replacement Fees (TARF) Questions

This email is from an Engineer from the City of Wisconsin Rapids regarding our TARF.

Lisa

*Lisa Mroczkowski
Office Manager
Department of Public Works
City of Neenah
lmroczkowski@ci.neenah.wi.us
920-886-6240*

----- Forwarded by Lisa M Mroczkowski/Neenah on 03/13/2020 01:36 PM -----

From: "Dums, Nick" <NDums@wirapids.org>
To: "publicworks@ci.neenah.wi.us" <publicworks@ci.neenah.wi.us>
Cc: "Eichsteadt, Joe" <jeichsteadt@wirapids.org>, "Blystone, James" <JBlystone@wirapids.org>
Date: 03/13/2020 01:30 PM
Subject: Transportation Assessment Replacement Fees (TARF) Questions

Good afternoon Gerry,

My name is Nick Dums, I am a design engineer with the City of Wisconsin Rapids. Our Engineering Dept. is currently in the process of gathering information to complete a study on the feasibility of funding our street maintenance and reconstruction projects thru other revenue sources in lieu of special assessments. With that being said, we found some information on the League of Wisconsin Municipalities' website regarding Neenah's new transportation utility fee and just had a few questions:

1. Just wondering a little on the background/reason for switching from special assessments to the TARF?
2. Did you consider a wheel tax, and if so, why you decided not to utilize this revenue source?
3. Did you consider transportation utility fees based on trip generation, and if so, why you decided not to utilize this method?
4. Did you hire a consultant to help aid in any step of the process of transitioning from special assessments to TARF's?
5. Were there any unforeseen challenges or benefits in implementing the new TARF system?
6. I'm assuming the level of administration with the new TARF system is way down compared to dealing with the special assessments?
7. What was public's involvement in transitioning to new system? Any public outreach or surveys done? What is the general consensus from the public on new setup vs. the old one? Any kickback from property owners that were recently assessed?
8. Did any disputes arise from the City's methodology used to determine fees (i.e. basing transportation fees on ERU's)?
9. Were there any issues or kickback for issuing fees to tax-exempt properties (i.e. schools and churches), and if so, how did you address this?

Thanks in advance for your time and help with this. Any insight you can provide would be much appreciated!

Nick Dums, PE
Design Engineer

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City of Wisconsin Rapids
Engineering Department
444 West Grand Avenue
Wisconsin Rapids, WI 54495

Wisconsin Rapids Questions

1. **Just wondering a little on the background/reason for switching from special assessments to the TARF?** Our Council had, for a number of years, been interested in moving away from direct special assessments. The interest accelerated after Appleton instituted a wheel tax. When we do a street project, we are typically doing utility replacement along with the street work, so the homeowner was being assessed for any costs related to the sanitary sewer lateral replacement, water service line replacement beyond the curb stop, and street work. Those can add up to a significant cost for homeowners who are not always in a financial position to handle it. The Council asked that we look at options to address each assessment component to see if there were ways to reduce that impact.
2. **Did you consider a wheel tax, and if so, why you decided not to utilize this revenue source?** We did consider a wheel tax. It was not favorably considered by either the study team or the Council. As I recall it, the main issues were that the wheel tax does not apply to heavy vehicles who actually do most of the damage to the roads nor is there a direct impact on the big box stores or other high traffic generators.
3. **Did you consider transportation utility fees based on trip generation, and if so, why you decided not to utilize this method?** We did consider using a trip generation basis and early in the process had discussions with a consultant who had developed a methodology. In the end, we determined that we would need to out-source maintenance of that type of system and had a hard time justifying the cost of that given the relatively limited goals and costs that we were looking for in the TARF. If we were to consider a full-scope transportation utility to cover all of the capital and operating costs of the transportation system, we might look at that again. As it was, we were just looking to replace about \$400,000 in annual special assessment revenue.
4. **Did you hire a consultant to help aid in any step of the process of transitioning from special assessments to TARF's?** All work was done internally.
5. **Were there any unforeseen challenges or benefits in implementing the new TARF system?** A few things.
 - a. Our TARF is placed on the utility bill, so we needed to adjust for those bills that were going to tenants rather than landowners. Our utility billing clerk needed a fair amount of time to make those adjustments. She ended up adding about 1,000 accounts to the utility billing system. I don't know how you intend to issue the TARF charge, if you go that route, but get your billing clerk involved early.
 - b. Since we didn't need an assessment process for street work, we needed to develop a substitute notification so that residents are still informed about what is coming. That has been a work in progress.
 - c. While we thought that our impervious area mapping was good, now that it was responsible for two billing aspects (storm water and TARF) we felt that a complete audit was in order. That audit has uncovered a number of situations that need to be corrected and resulted in a change in some of our processes for updating the impervious area mapping.

6. **I'm assuming the level of administration with the new TARF system is way down compared to dealing with the special assessments?** To a degree. Since we still commonly do utility work in addition to street work and assess for a portion of the sanitary sewer lateral, we are still administering those assessments.
7. **What was public's involvement in transitioning to new system?** The discussions with Committee and Council were all noticed and open meetings. We did not hold any public information meetings or have focus group meetings with different property sectors. I believe that the Mayor discussed it during his presentations around the community.
8. **Any public outreach or surveys done?** Nothing done in the course of developing the TARF. After it was adopted we created an FAQ and included information in the quarterly newsletter.
9. **What is the general consensus from the public on new setup vs. the old one?** Generally, the public was very happy that we made a change. In our TARF, the initial curb/gutter street construction in new subdivisions will still be assessed. Some of the residents in those subdivisions feel that the TARF should cover their street.
10. **Any kickback from property owners that were recently assessed?** Not as much kickback as I had expected. This was probably the topic that caused the most Council angst and discussion on the matter. In the end, they decided to waive the fee for the first 5 years after a property was assessed for street work. It seemed like a small thing in comparison to some of the special assessments charges, but most of the affected residents appreciated that we were thinking about them.
11. **Did any disputes arise from the City's methodology used to determine fees (i.e. basing transportation fees on ERU's)?** I am not aware of any disputes. One of the reasons may be that we capped the number of Impervious Area Units (IAUs) that could be charged to any one property.
12. **Were there any issues or kickback for issuing fees to tax-exempt properties (i.e. schools and churches), and if so, how did you address this?** Prior to the TARF, all tax exempt properties could still be special assessed for street work. The school district was initially concerned with the impact on them. We noted the amounts that could be in the offing for special assessments on a number of streets around their facilities and they decided that a consistent cost option offered by the TARF was preferable to potential spikes in costs caused by special assessments.

From: [Sharon Eveland](#)
To: [Dums, Nick](#)
Cc: [Eichsteadt, Joe](#)
Subject: RE: Transportation Utility Fee Questions
Date: Monday, March 16, 2020 11:13:00 AM

Nick,

We have not implemented the TUF yet. That document to which you are referring is a Master's Thesis that was done on the feasibility of a TUF in Clintonville and will be used when presenting this to my Council. Unfortunately, I can't answer any of your questions other than to say we do not currently use special assessments except for utility laterals and sidewalks and that I would **never** recommend to my Council that we use anything other than trip generation rates as research has shown that other methods such as impervious surface have a much higher probability of being found invalid by the Courts. I would also strongly caution against any real reductions/exemptions as then it begins to take on the appearance of a tax. Sorry I couldn't be of more help. I have done a lot of research on this and I'd be happy to give you my opinion on the rest of your questions if you'd like but it would just be that...an opinion.

Thanks,
Sharon Eveland
City Administrator
City of Clintonville
50 10th Street
Clintonville, WI 54929

(715)823-7600

From: Dums, Nick <NDums@wirapids.org>
Sent: Monday, March 16, 2020 11:04 AM
To: Sharon Eveland <SEveland@clintonvillewi.org>
Cc: Eichsteadt, Joe <jeichsteadt@wirapids.org>
Subject: Transportation Utility Fee Questions

Good morning Sharon,

My name is Nick Dums, I am a design engineer with the City of Wisconsin Rapids. Our Engineering Dept. is currently in the process of gathering information to complete a study on the feasibility of funding our street maintenance and reconstruction projects thru other revenue sources in lieu of special assessments. With that being said, we found some information on the League of Wisconsin Municipalities' website regarding Clintonville's Transportation Utility Fee (TUF) and just had a few questions:

1. Was the City utilizing special assessments to fund projects prior to the TUF?
2. Are both maintenance and street reconstruction covered by TUF? What about new streets? Are sidewalks covered too?
3. Did you consider transportation utility fees based on assessable frontage, parcel area, or impervious area (in lieu of trip generation), and if so, why you decided not to utilize any of

these methods?

4. Did you consider heavy truck traffic and possibly assess higher fees to generators of heavy truck traffic?
5. Did you hire a consultant to help aid in any step of the process of transitioning from special assessments to transportation utility fees? If so, what was approximate cost for consultant's work?
6. Were there any unforeseen challenges or benefits in implementing the new transportation utility fee system?
7. What was public's involvement in transitioning to new system? Any public outreach or surveys done? What is the general consensus from the public on new setup vs. the old one?
8. Did any disputes arise from the City's methodology used to determine fees?
9. Any fee reductions for downtown businesses as mentioned in the TUF study?
10. Did you set up a cap/maximum amount on annual fees for non-residential properties?
11. Were there any issues or kickback for issuing fees to tax-exempt properties (i.e. schools and churches), and if so, how did you address this?
12. Could you send your ordinance and policies related to the transportation utility fee system?

Thanks in advance for your time and help with this. Any insight you can provide would be much appreciated!

Nick Dums, PE
Design Engineer

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City of Wisconsin Rapids
Engineering Department
444 West Grand Avenue
Wisconsin Rapids, WI 54495

From: [Nick Leonard](#)
To: [Dums, Nick](#)
Subject: RE: Transportation Utility Fee Questions
Date: Friday, April 17, 2020 9:20:30 AM

Sorry for the late response. We do not have a transportation utility.

Thank you,

Nick Leonard
Village Administrator
Village of North Fond du Lac
920-929-3765

From: Dums, Nick [mailto:NDums@wirapids.org]
Sent: Friday, April 17, 2020 9:17 AM
To: Nick Leonard <NLeonard@nfdl.org>
Subject: FW: Transportation Utility Fee Questions

Good morning Nick,

Just wondering if you might be able to help us here at the City of Wisconsin Rapids in our possible transition to utilizing transportation utility fees to fund street maintenance and reconstruction projects. Any insight you can provide to the questions below would be much appreciated. Thank you in advance for any help you can provide.

Nick Dums, PE
Design Engineer

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From: Dums, Nick
Sent: Friday, March 13, 2020 3:22 PM
To: 'nleonard@nfdl.org' <nleonard@nfdl.org>
Cc: Eichsteadt, Joe <jeichsteadt@wirapids.org>
Subject: Transportation Utility Fee Questions

Good afternoon Nick,

My name is Nick Dums, I am a design engineer with the City of Wisconsin Rapids. Our Engineering Dept. is currently in the process of gathering information to complete a study on the feasibility of funding our street maintenance and reconstruction projects thru other revenue sources in lieu of special assessments. With that being said, we found some information on the League of Wisconsin Municipalities' website regarding North Fond du Lac's transportation utility fee and just had a few questions:

1. Approximately what yearly revenue does the Village generate from the fee?
2. How long have you had the transportation utility fee system?
3. Did you consider a wheel tax, and if so, why you decided not to utilize this revenue source?
4. Did you consider transportation utility fees based on assessable frontage, parcel area, or impervious area (in lieu of trip generation), and if so, why you decided not to utilize any of these methods?
5. Did you consider heavy truck traffic and possibly assess higher fees to generators of heavy truck traffic?
6. Did you hire a consultant to help aid in any step of the process of transitioning from special assessments to transportation utility fees? If so, what was approximate cost for consultant's work?
7. Were there any unforeseen challenges or benefits in implementing the new transportation utility fee system?
8. I'm assuming the level of administration with the new system is way down compared to dealing with the special assessments?
9. What was public's involvement in transitioning to new system? Any public outreach or surveys done? What is the general consensus from the public on new setup vs. the old one? Any kickback from property owners that were recently assessed?
10. Did any disputes arise from the City's methodology used to determine fees?
11. Did you set up a cap (i.e. maximum amount) on annual fees for any non-residential properties?
12. Were there any issues or kickback for issuing fees to tax-exempt properties (i.e. schools and churches), and if so, how did you address this?
13. Could you send your ordinance and policies related to the transportation utility fee system?

Thanks in advance for your time and help with this. Any insight you can provide would be much appreciated!

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June 16, 2020

Funding Streets through Transportation Utility Fees

By: Curt Witynski, J.D., Deputy Executive Director
Claire Silverman, Legal Counsel
Maria Davis, Assistant Legal Counsel

Wisconsin municipalities are searching for alternative ways to pay for essential services like street maintenance and other transportation services. One reason is lack of adequate funding to pay for those services. Although Wisconsin municipalities' main source of revenue is the property tax, Wisconsin local governments have operated under the strictest property tax levy limits in the country for nearly a decade. Moreover, the State expressly prohibits municipalities from imposing other taxes such as a sales tax (with extremely limited exceptions) and local income taxes. At the same time, funding for state aid programs, such as shared revenue, has been flat or decreasing for years. State transportation aids currently cover, on average, sixteen percent (16%) of city and village transportation-related costs.

In addition to lack of funding, some municipal leaders have concluded that paying for street improvements through special assessments imposed on abutting property owners is inequitable and places a disproportionate burden on property owners for improvements that benefit the area or community in general. Substantial assessments can jeopardize the ability of some residents (e.g., those living on fixed or limited incomes) to remain in their homes.

As a result of these factors, some municipalities are turning to alternative revenue options like local vehicle registration fees and transportation utility fees to pay for street maintenance and other transportation services. Several League members have requested the League's legal opinion on whether Wisconsin municipalities may create transportation utilities and charge property owners transportation utility fees.

We conclude that a municipality may rely on its broad statutory and/or constitutional home rule powers to create a transportation utility and charge property owners transportation utility fees. Alternatively, a municipality may charge property owners a street maintenance user fee under Wis. Stat. § 66.0627. Any fee must be reasonably related to the cost of the services provided. The League suggests that a transportation utility fee is most defensible against challenge if the basis for the fee is closely related to property occupants' use of the local street network. It is the League's opinion that transportation utility fees with such a basis are accurately characterized as fees and not taxes. Such fees should be segregated and used only for street maintenance and other transportation services. To avoid needing to reduce the community's property tax levy under § 66.0602(2m)(b) of the levy limit law, municipalities should avoid using transportation utility fee revenue to pay for snow plowing or street sweeping.

Sources of Authority for Transportation Utility Fees

While no state statute expressly authorizes Wisconsin communities to create transportation utilities and charge transportation utility fees, Wisconsin municipalities have broad authority to create, manage, and finance utilities. Transportation utility fees are financing mechanisms that treat the community's street network and other transportation services like a utility. Residents and businesses are charged fees based on their use of the transportation system, analogous to how municipalities provide and pay for water, sewer, electric and stormwater services.

In the state's early years, no statutes existed expressly authorizing cities and villages to own and operate water, sewer, or other common municipal utilities. Instead, municipalities relied on non-specific, broad police power authority to create and fund such now-familiar utilities. Similarly, in the early 1990s, municipalities like Appleton, Glendale, and Eau Claire initially relied on their broad police power authority to create stormwater utilities and charge property owners stormwater fees based on the amount of impervious surface on the property. Cities over 10,000 in population began to charge such fees to help pay for the cost of complying with new state regulations requiring the removal of pollutants from stormwater. Only later did the Legislature add language to the predecessor of Wis. Stat. § 66.0681 expressly confirming municipal authority to create stormwater utilities and stormwater fees. See 1997 Wis. Act 53, which took effect January 9, 1998.

Notably, the Wisconsin Supreme Court determined fairly early that Wisconsin municipalities do not need explicit statutory authorization to create a municipally-owned utility. In 1895, the Court held that "it is not necessary to seek an expressed delegation of power to the city to build a water works and an electric lighting plant, because the power expressly granted to the city to pass ordinances for the preservation of the public health and general welfare includes the power to use the usual means of carrying out such powers, which includes municipal water and lighting services."¹ Similarly, a general grant of authority to act for the public health or general welfare is adequate legal authority today for Wisconsin cities and villages to create, operate, and finance through user charges, a transportation utility.

Statutory Home Rule Authority

Wisconsin cities and villages are vested by the state legislature with broad general police powers. The general city charter law, chapter 62, gives cities the "largest measure of self-government compatible with the constitution and general law." Wis. Stat. § 62.04. Wisconsin Stat. § 62.11(5), the general authority statute for city councils, provides:

Except as elsewhere in the statutes specifically provided, the council shall have the management and control of the city property, finances, highways, navigable waters, and the public service, and shall have power to act for the government and good order of the city, for its commercial benefit, and for the health, safety, and welfare of the public, and may carry out its powers by license, regulation, suppression, borrowing of money, tax levy, appropriation, fine, imprisonment, confiscation, and other necessary or convenient means. The powers hereby conferred shall be in addition to all other grants, and shall be limited only by express language.

¹ *Ellinwood v. Reedsburg*, 91 Wis. 131 (1895).

The Legislature has directed courts to liberally construe this provision “in favor of the rights, powers and privileges of cities to promote the general welfare, peace, good order and prosperity of such cities and the inhabitants thereof.” Wis. Stat. § 62.04.

A virtually identical grant of authority is provided to Wisconsin village boards by Wis. Stat. § 61.34(1). That authority is also to be liberally construed in favor of “the rights, powers and privileges of villages to promote the general welfare, peace, good order and prosperity of such villages and the inhabitants thereof” to give villages the largest measure of self government compatible with the Wisconsin constitution. Wis. Stat. § 61.34(5).

These grants of power to cities and villages are substantial and give the governing body of a city or village “all the powers that the legislature could by any possibility confer upon it.” *Hack v. Mineral Point*, 203 Wis. 215, 219, 233 N.W. 82 (1931). These provisions are sufficient on their face to authorize city councils and village boards to create a municipal transportation utility and charge property owners transportation utility fees.

However, these broad powers are not absolute. Home rule powers granted by §§ 62.11(5) and 61.34(1) are constrained if the state has preempted municipal authority in a particular area. Statutory home rule powers may not be exercised if: the legislature has expressly withdrawn the power of municipalities to act; municipal action would logically conflict with state legislation; municipal action would defeat the purpose of state legislation; or, municipal action would go against the spirit of state legislation. See *Anchor Savings & Loan Ass’n v. Equal Opportunities Comm’n*, 120 Wis. 2d 391, 355 N.W.2d 234 (1984); *DeRosso Landfill Co. v. City of Oak Creek*, 200 Wis. 2d 642, 651, 547 N.W.2d 770 (1996). Nonetheless, municipalities may enact ordinances in the same field and on the same subject covered by state legislation where such ordinances do not conflict with, but rather complement, the state legislation. *Johnston v. City of Sheboygan*, 30 Wis. 2d 179, 184, 140 N.W.2d 247 (1966).

Municipalities are not preempted in the area of creating transportation utilities and charging transportation fees. In applying the above preemption tests to creating a transportation utility and charging transportation user fees, the State has not expressly prohibited communities from creating such a utility and imposing such fees. Indeed, the state has not entered the field of municipal transportation finance other than to explicitly authorize certain methods of funding transportation infrastructure improvements such as through the levying of special assessments under Wis. Stat. § 66.0703, imposing special charges for current services under Wis. Stat. § 66.0627, and charging local vehicle registration fees under Wis. Stat. § 341.35.²

The State has also created and funded several aid programs to assist local governments with transportation costs, including the General Transportation Aids and the Local Road Improvement programs. None of these grants of authority and financial assistance programs impliedly preempt municipal authority to create a transportation utility and charge property owners a transportation user fee. Indeed, the statute authorizing special charges for current services expressly provides “The authority under this section is in addition to any other method provided by law.” Wis. Stat. § 66.0627(2). Similarly, the special assessment authority granted pursuant to § 66.0703 expressly

² Wis. Stat. § 66.1113 authorizes six cities and villages to impose a sales tax on tourism-related retail and requires that the revenue be used on infrastructure costs.

states that it is a “complete alternative” to other methods provided by law. Wis. Stat. § 66.0703(1)(a). Likewise, we are not aware of any statutory provisions that creation of a transportation utility would logically conflict with, defeat the purpose of, or go against the spirit of. Although there is an argument that Wis. Stat. § 66.0907 preempts municipalities from using transportation utility fees to finance sidewalk construction and repair because it specifies certain ways in which municipalities *may* cover expenses associated with sidewalks, we believe the stronger argument is that municipalities can use alternative means for financing sidewalks, such as transportation utility fees, because the language in § 66.0907 regarding financing options is permissive rather than mandatory.

The exercise of home rule authority under §§ 62.11(5) or 61.34(5) must also serve a legitimate public purpose. This is usually not a significant bar to action because Wisconsin courts have adopted a very expansive view of public purpose. See *State ex rel. Hammermill Paper Co. v. La Plante*, 58 Wis. 2d 32, 55, 205 N.W.2d 784 (1973). (“Public purpose is not a static concept. The trend of both legislative enactments and judicial decisions is to extend the concept of public purposes in considering the demands upon municipal governments to provide for the needs of the citizens.”) Examples of public purposes that may be served by creating a transportation utility and imposing a user fee include protecting the health, safety and general welfare of the public as well as acting for the municipality’s commercial benefit by ensuring the fiscal ability to safely maintain municipal transportation systems and improve such systems to accommodate and facilitate economic growth. Funding and maintaining a transportation system is critically important to a community’s economy, tourism, and ability to attract and retain people and jobs. A well-maintained street network is also vital to ensuring that municipal emergency services can quickly and efficiently access commercial buildings and residences throughout the community.

Constitutional Home Rule Authority

A city or village may also rely on its constitutional home rule authority to create a transportation utility and charge transportation user fees. This authority is found in Article XI, Sec. 3 of the Wisconsin Constitution, which provides:

Cities and villages organized pursuant to state law may determine their local affairs and government, subject only to this constitution and to such enactments of the legislature of statewide concern as with uniformity shall affect every city or every village.

The method of exercising such authority is specified in Wis. Stat. § 66.0101 and requires enacting a charter ordinance.

A charter ordinance exercising home rule authority is preempted if it conflicts with an existing state law that applies to all cities and villages. *Black v. City of Milwaukee*, 2016 WI 47, 369 Wis. 2d 272, 882 N.W.2d 333. However, no state law prohibits municipalities from creating transportation utilities and imposing transportation utility fees. For example, there are no state laws requiring communities to fund local transportation systems in a specific and exclusive way, precluding other options, such as a user fee. Similarly, no statute limits the type of utilities a municipality may create or the types of user fees it may charge. Indeed, the Legislature has chosen not to prohibit communities from charging transportation utility fees even though several

municipalities, like the City of Neenah, Village of Harrison, and Village of Weston, along with the Town of Buchanan have implemented such fees in recent years.

Special Charges for Current Services

In addition to the statutory and constitutional home rule powers mentioned above, Wis. Stat. § 66.0627 provides authority for a municipality to charge property owners for municipal transportation-related services. Under § 66.0627(2), a municipal governing body may impose a special charge against real property for current services rendered by allocating all or part of the cost to the properties served. The statutory definition of “services” includes transportation maintenance activities like “street sprinkling, oiling, and tarring” and repair of sidewalks, curb and gutter. The definition of “services” is not an exclusive list. The examples given are not meant to limit its application in any way, but merely to highlight possible uses. *Rusk v. City of Milwaukee*, 2007 WI App 7, ¶ 17, 298 Wis. 2d 407, 727 N.W.2d 358.

Fees for current services are not invalidated merely because a property does not use the service. In *City of River Falls v. St. Bridget’s Catholic Church*, 182 Wis.2d 436, 512 N.W.2d 673 (Ct. App. 1994), the Wisconsin court of appeals held that charging user fees for making water available for fire protection services was valid, even though the party charged the fee had not used the water. Services under § 66.0627 can be rendered within a district and need not be performed for specific, individual properties. In *Grace Episcopal Church v. City of Madison*, 129 Wis. 2d 331, 385 N.W.2d 200 (Ct. App. 1986), the court of appeals upheld service charges imposed under a predecessor to § 66.0627 (Wis. Stat. § 66.60(16)) on all properties within the State Street Mall and Capitol Concourse *district*, not just those abutting the pedestrian mall and concourse. The services the city provided to the district included lawn, tree, and shrub care, snow removal from walks and crosswalks, trash clean up and removal, and bus shelter and fixture maintenance. The city charged a portion of the annual cost of providing such services against property owners adjacent to or near the State Street Mall and Capitol Concourse. Municipalities may, therefore, rely on § 66.0627 to charge all property owners in a community a fee for current maintenance of the community’s street network even though not all properties being charged actually abut the streets being reconstructed or maintained with the fee revenue at any one time. The fact that the entire transportation system is being maintained is sufficient to charge all property owners using the system a fee for current services rendered under § 66.0627.

Fees must Reasonably Relate to Costs

Whether a community relies on its broad statutory or constitutional home rule authority or § 66.0627, a transportation utility fee must bear a reasonable relationship to the service for which it is being charged. Wis. Stat. § 66.0628. That is, the fee amount that a community charges a property owner may not exceed the municipality’s reasonable direct costs associated with activities the community takes related to the fee. Wis. Stat. § 66.0628(1).

In addition, the fee amount that any property owner pays should reasonably relate to how much the property’s occupants use the transportation system. According to an expert on the use of transportation utility fees in the U.S., a transportation utility fee with a basis that is most closely related to actual use of the street network has the greatest chances of successful implementation

and withstanding critical scrutiny by a court or a tax appeals commission.³ A transportation utility fee is most appropriate if its basis is closely related to property occupants' use of the local street network and is sensitive to local context and individual variation.⁴ For example, a commercial business that generates a high amount of traffic may be charged a higher fee than a one-car household based on the different usage rates of a municipality's transportation system.

Generally, municipalities establish a more convincing link between transportation infrastructure usage and user fee charges when they base their transportation utility fee on the number of trips generated by the property. That is why, according to the U.S. Department of Transportation Federal Highway Administration, Center for Innovative Finance Support, most transportation utility fee programs in the United States use trip generation rates prepared by the Institute of Transportation Engineers (ITE).⁵

Fees v. Taxes.

Transportation utility fees are susceptible to challenge if the fees resemble an unauthorized tax. The primary difference between a tax and a fee is the source of the municipality's power and, more importantly, the municipality's purpose in imposing the payment requirement. The Wisconsin Court of Appeals explained the primary difference between a tax and fee as follows in *Bentivenga v. City of Delavan*, 2014 WI App 118, ¶ 6, 358 Wis. 2d 610, 856 N.W.2d 546:

A tax is an “enforced proportional contribution[] from persons and property” levied to support a government and its needs. *State ex rel. Bldg. Owners & Managers Ass'n v. Adamany*, 64 Wis.2d 280, 289, 219 N.W.2d 274 (1974) (citation omitted). The purpose, and not the name it is given, determines whether

³ *A TUF Sell: Transportation Utility Fee as User Fees for Local Roads and Streets*, by Carole Turley Voulgaris, Public Works Management & Policy 2016 Vol. 4 pages 305-323 (2016).

⁴*Id.*

⁵ See *Transportation Utility Fees*, Center for Innovative Finance Support, U.S. Department of Transportation Federal Highway Administration, available at https://www.fhwa.dot.gov/ipd/value_capture/defined/transportation_utility_fees.aspx#. For discussion of the pros and cons of basing transportation utility fees on trip generation rates for different classes of property, see the following sources:

1. *Transportation Utility Fees: Possibilities for the City of Milwaukee*, a 2007 research paper prepared by students at the Robert M. La Follette School of Public Affairs, UW Madison. <https://lafollette.wisc.edu/images/publications/workshops/2007-tuf.pdf>
2. *Clintonville Road Maintenance and Transportation Utility Fee*, Andrew Robert Eveland (2019) <https://www.lwm-info.org/DocumentCenter/View/3516/Eveland-Clintonville-TUF-Final-Thesis>
3. *A TUF Sell: Transportation Utility Fee as User Fees for Local Roads and Streets*, by Carole Turley Voulgaris, Public Works Management & Policy 2016 Vol. 4 pages 305-323 (2016). https://journals.sagepub.com/doi/pdf/10.1177/1087724X16629961?casa_token=RJ3FY9IWC7gA AAAA:uzmdZqQTPn5YPKej33W2pYmTkfy3rYOzxmAhw8otjF8gpthIKMQcpnA9fjsH2JGwT PhaTHXGDyKunQ

a government charge constitutes a tax. *City of Milwaukee v. Milwaukee & Suburban Transp. Corp.*, 6 Wis.2d 299, 305-06, 94 N.W.2d 584 (1959). “[T]he primary purpose of a tax is to obtain revenue for the government” as opposed to covering the expense of providing certain services or regulation. *City of River Falls v. St. Bridget's Catholic Church of River Falls*, 182 Wis. 2d 436, 441-42, 513 N.W.2d 673 (Ct.App.1994). A “fee” imposed purely for revenue purposes is invalid absent permission from the state to the municipality to exact such a fee. *Milwaukee & Suburban Transp.*, 6 Wis. 2d at 306, 94 N.W.2d 584.

Municipal taxing power in Wisconsin is very limited. A municipality cannot impose a tax unless it is specifically authorized by the Legislature. Wisconsin municipalities are authorized to impose only property taxes and room taxes. (Six communities statewide are authorized to levy a sales tax on tourism-related retail sales under the Premier Resort Area tax laws. Wis. Stat. § 66.1113). In contrast, municipal fees are charged to cover the costs of specific services provided or the costs associated with regulating in a specific area.

As discussed above, a transportation utility fee would be imposed under a community’s statutory or constitutional home rule powers or as a special charge for current services under § 66.0627. A transportation utility fee would not be implemented pursuant to a community’s power to levy general property taxes under Wis. Stat. Chap. 70.

The Wisconsin Court of Appeals addressed service charges and their relation to general property taxes under the predecessor statute to Wis. Stat. § 66.0627 in *Grace Episcopal Church v. City of Madison*, 129 Wis. 2d 331, 385 N.W.2d 200 (Ct. App. 1986). The court held that since the services provided were authorized by the Legislature by the predecessor to Wis. Stat. § 66.0627, the service charges were not general property taxes and the property tax exemption provided to churches by Wis. Stat. § 70.11(4) did not exempt the church from paying the fees. *Grace Episcopal*, 129 Wis. 2d at 335.

In contrast to the general property tax, the purpose of a transportation utility fee is exclusively to help pay for the cost of a specific governmental service, street maintenance.

A review of case law and scholarly literature on transportation utility fees suggests best practices that municipal officials can implement to avoid having a transportation utility fee ruled an illegal tax:

1. Place all transportation utility fee revenue in a separate fund used only on street maintenance and other transportation projects. *Emerson College v. City of Boston*, 462 N.E.2d 1098 (Mass. 1984).
2. Collect the transportation utility fee in the same manner as the community does other municipal utility fees by including the amounts on property owners’ utility bills alongside sewer, water, and stormwater service charges.
3. Ensure the formula used to calculate fees is as accurate as possible. Over-generalization of fee-paying entities and ignoring real differences in their use of the street network or end-trip generation gives the fee strong tax-like characteristics. *Clintonville Road Maintenance and Transportation Utility Fee*, Andrew Robert Eveland (2019).

4. Transportation utility fee policies should avoid exempting tax-exempt properties as this gives the fee the appearance of being a tax. For the same reason, such policies should exempt undeveloped properties and vacant buildings. *Clintonville Road Maintenance and Transportation Utility Fee*, Andrew Robert Eveland (2019).
5. To the extent practicable, a transportation utility fee policy should include a process by which users are permitted to demonstrate reduced use of the street system to qualify for a lower fee. (e.g., Austin, Texas transportation utility fee ordinance allows residents who do not own or regularly use a motor vehicle to opt out of fee; Corpus Christi, Texas likewise has a process by which property applicants may appeal their fee level). *A TUF Sell: Transportation Utility Fee as User Fees for Local Roads and Streets*, by Carole Turley Voulgaris, Public Works Management & Policy 2016 Vol. 4.

Avoiding Levy Limit Consequences

The levy limit law requires a municipality to reduce its allowable levy by the estimated amount of fee revenue it collects for providing certain listed services, including snow plowing and street sweeping, if those services were funded in 2013 in part or whole by the property tax levy. Wis. Stat. § 66.0602(2m)(b). To avoid having this statute apply, a community that imposes a transportation utility fee to help pay for street maintenance and other transportation services, must not use the fee revenue to pay for snow plowing or street sweeping services.

Conclusion

Wisconsin cities and villages struggling to pay for the cost of maintaining quality streets and other transportation services residents and businesses demand, may rely on their broad statutory or constitutional home rule powers or, alternatively, Wis. Stat. § 66.0627, to charge property owners transportation utility fees. Such fees must be reasonably related to the cost of the services provided. Transportation utility fees are most defensible against a challenge if the basis for the fee is closely related to how much a property's occupants use the local street network. It is possible to design a transportation utility fee policy that is defensible against a challenge that the fee is more like an illegal tax. Finally, to avoid needing to reduce the community's property tax levy, municipalities should not use transportation utility fee revenue to pay for snow plowing or street sweeping.



City of Neenah

Transportation Assessment Replacement Fee (TARF) Frequently Asked Questions

1. What is the purpose of the TARF?

The purpose of the transportation fee is to generate revenue that will allow the City to eliminate special assessments for Street Resurfacing, Street Reconstruction and Sidewalk Construction projects.

2. Is this a Wheel Tax?

No, this is not a Wheel Tax. A wheel tax is a charge against a registered vehicle. The TARF is a charge against a property based on the number of Impervious Area Units (IAUs) on the property.

3. Why are Impervious Area Units used to calculate the Fee?

IAUs are a measure of impervious area on a property – hard surface such as roof tops, driveways and parking lots. Impervious area can be viewed as an indication of the level of development on a property and more broadly viewed as an indicator of the impact of a property on the transportation system.

4. What is the TARF rate?

The Council has set the annual TARF rate at \$23 per IAU.

5. Will this rate be adjusted every year?

The Council has fixed the rate for the next 5 years. After that, the Council will determine if the rate needs to be adjusted.

6. How is the Fee calculated?

The fee is calculated by multiplying the TARF rate by the number of IAUs on a property. The TARF charge for all developed single-family residential properties is based on 1 IAU. Other properties are charged based on their calculated IAUs from 1 IAU up to a maximum of 90 IAUs.

7. How much money does the City plan to raise with this fee?

The fee is intended to raise around \$400,000, which essentially replaces the revenue that the City receives from special assessments annually. There is some variability in the amount that is specially assessed for Street Resurfacing, Street Reconstruction and Sidewalk Construction projects from year to year. The TARF revenue will not be used for special assessments related to sanitary sewer lateral replacement or water service replacement.

8. How will the TARF be billed?

The fee will be included in quarterly installments on the utility bill beginning with the March bills (due in April). The charge will be calculated and billed by land parcel.



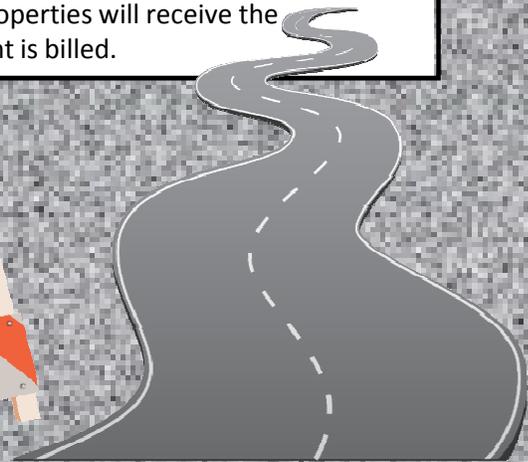


**City of Neenah
Transportation Assessment Replacement Fee (TARF) Frequently
Asked Questions - *Continued***

- 9. Does the TARF cover special assessments for sanitary sewer lateral replacement?**
The TARF does not eliminate special assessments for sanitary sewer lateral replacement. The TARF revenue is only to be used for street reconstruction, street resurfacing and sidewalk construction.
- 10. My street was recently reconstructed and I am paying a Special Assessment. Do I have to pay the TARF?**
The fee will be waived for properties that received special assessments for street resurfacing/street construction within the past 5 years based on the schedule below.

Year Assessed	Fee Waiver Period	Year Assessed	Fee Waiver Period
2018	2019-2023	2015	2019-2020
2017	2019-2022	2014	2019
2016	2019-2021		

- 11. I live in a new subdivision that doesn't have the final curb/gutter street. Does this mean that I won't have to pay an assessment when my final street is built?**
The TARF does not cover special assessments for the construction of new subdivision streets, so properties along those streets will be assessed. Those properties will receive the 5-year fee waiver from the year that their special assessment is billed.



7.5 General Property Tax Increase - City Assessor's Fiscal Impact

Special Assessments included in Budget

Fiscal Impact Summary

2020 Calculations

Total Assessed Value	\$1,065,056,200
Total Levy	\$30,583,930
Tax Rate (Total Levy ÷ Assessed Value)	.02871

2020 Revised Calculations (based on additional \$350,000 for special assessments)

Total Assessed Value	\$1,065,056,200
Total Levy	\$30,933,930
Tax Rate (Total Levy ÷ Assessed Value)	.02904

Difference in Tax Rate = .00033 Increase

*Increase would be seen on the local mill rate
which would increase from .01209 to .01242

Example for typical homeowner

\$100,000 (Home Value) x .02871 = \$2,871 Taxes

\$100,000 (Home Value) x .02904 = \$2,904 Taxes

Difference in Taxes = \$33/ more per year

7.6 PILOT – WWLC PILOT

Water Property Tax Equivalent - Detail

- No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
- Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
- The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
- The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
- An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
- **Property Tax Equivalent - Total**
If the municipality has authorized a lower tax equivalent amount, the authorization description and date of the authorization must be reported in the schedule footnotes. If the municipality has NOT authorized a lower amount, leave the cell blank.

COUNTY: WOOD(1)

SUMMARY OF TAX RATES

1. State Tax Rate	mills	0.000000
2. County Tax Rate	mills	5.208546
3. Local Tax Rate	mills	12.094530
4. School Tax Rate	mills	10.433807
5. Vocational School Tax Rate	mills	0.978906
6. Other Tax Rate - Local	mills	0.000000
7. Other Tax Rate - Non-Local	mills	0.000000
8. Total Tax Rate	mills	28.715789
9. Less: State Credit	mills	1.889963
11. Net Tax Rate	mills	26.825826

PROPERTY TAX EQUIVALENT CALCULATION

12. Local Tax Rate	mills	12.094530
13. Combined School Tax Rate	mills	11.412713
14. Other Tax Rate - Local	mills	0.000000
15. Total Local & School Tax Rate	mills	23.507243
16. Total Tax Rate	mills	28.715789
17. Ratio of Local and School Tax to Total	dec.	0.818617
18. Total Tax Net of State Credit	mills	26.825826
19. Net Local and School Tax Rate	mills	21.960087
20. Utility Plant, Jan 1	\$	45,864,168
21. Materials & Supplies	\$	242,098
22. Subtotal	\$	46,106,266
23. Less: Plant Outside Limits	\$	7,417,503
24. Taxable Assets	\$	38,688,763
25. Assessment Ratio	dec.	0.957200
26. Assessed Value	\$	37,032,884
27. Net Local and School Tax Rate	mills	21.960087
28. Tax Equiv. Computed for Current Year	\$	813,245

PROPERTY TAX EQUIVALENT - TOTAL

PROPERTY TAX EQUIVALENT CALCULATION

1. Utility Plant, Jan 1	\$	45,864,168
2. Materials & Supplies	\$	242,098
3. Subtotal	\$	46,106,266
4. Less: Plant Outside Limits	\$	7,417,503
5. Taxable Assets	\$	38,688,763
6. Assessed Value	\$	37,032,884
7. Tax Equiv. Computed for Current Year	\$	813,245
8. Tax Equivalent per 1994 PSC Report	\$	363,921
9. Amount of Lower Tax Equiv. as Authorized by Municipality for Current Year (see notes)	\$	
10. Tax Equivalent for Current Year (see notes)	\$	813,245

Electric Property Tax Equivalent - Detail

- Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
- The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
- The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
- An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
- **Property Tax Equivalent - Total**
If the municipality has authorized a lower tax equivalent amount, the authorization description and date of the authorization must be reported in the schedule footnotes. If the municipality has NOT authorized a lower amount, leave the cell blank.

COUNTY: WOOD(2)

SUMMARY OF TAX RATES

1. State Tax Rate	mills	0.000000
2. County Tax Rate	mills	5.208546
3. Local Tax Rate	mills	12.094530
4. School Tax Rate	mills	10.433807
5. Vocational School Tax Rate	mills	0.978906
6. Other Tax Rate - Local	mills	0.000000
7. Other Tax Rate - Non-Local	mills	0.000000
8. Total Tax Rate	mills	28.715789
9. Less: State Credit	mills	1.889963
11. Net Tax Rate	mills	26.825826

PROPERTY TAX EQUIVALENT CALCULATION

12. Local Tax Rate	mills	12.094530
13. Combined School Tax Rate	mills	11.412713
14. Other Tax Rate - Local	mills	0.000000
15. Total Local & School Tax Rate	mills	23.507243
16. Total Tax Rate	mills	28.715789
17. Ratio of Local and School Tax to Total	dec.	0.818617
18. Total Tax Net of State Credit	mills	26.825826
19. Net Local and School Tax Rate	mills	21.960087
20. Utility Plant, Jan 1	\$	64,169,099
21. Materials & Supplies	\$	1,352,135
22. Subtotal	\$	65,521,234
23. Less: Plant Outside Limits	\$	13,910,066
24. Taxable Assets	\$	51,611,168
25. Assessment Ratio	dec.	0.957200
26. Assessed Value	\$	49,402,210
27. Net Local and School Tax Rate	mills	21.960087
28. Tax Equiv. Computed for Current Year	\$	1,084,876

PROPERTY TAX EQUIVALENT - TOTAL

PROPERTY TAX EQUIVALENT CALCULATION

1. Utility Plant, Jan 1	\$	64,169,099
2. Materials & Supplies	\$	1,352,135
3. Subtotal	\$	65,521,234
4. Less: Plant Outside Limits	\$	13,910,066
5. Taxable Assets	\$	51,611,168
6. Assessed Value	\$	49,402,210
7. Tax Equiv. Computed for Current Year	\$	1,084,876
8. Tax Equivalent per 1994 PSC Report	\$	363,921
9. Amount of Lower Tax Equiv. as Authorized by Municipality for Current Year (see notes)	\$	
10. Tax Equivalent for Current Year (see notes)	\$	1,084,876

PUBLIC WORKS COMMITTEE REFERRAL LIST:

1. Request from Alderperson Tom Rayome to discuss the future of 8th St S. (2016)
2. Develop a street resurfacing program separate from but complimentary to the chip seal and street replacement program (2019)
3. Request to review a multi-year capital improvements plan (2019)
4. Request to review areas of public access at and around Norton Pond (2019)
5. Request by Alderperson Rayome do develop a policy for developing agendas and the referral process (2020)
6. Request by Alderperson Kellogg to study traffic speed along Chestnut from 8th Street to Hill Street and make recommendations (2020) – study was done when there were no school related activities. Will continue study when school is in session and will report back to committee.
7. ~~Review request to install beam guard at the intersection of 2nd Ave S and 10th Ave S (2020)~~ (July)
8. Request by Alderperson Kellogg to consider developing a large item garbage collection program (2020)
9. Request by Alderperson Veneman to review the 18th Ave project design and assessments (2020)