



Council Agenda Item

Meeting Date: August 20, 2024

Agenda Item: Water Tower Advisory Referendum

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BACKGROUND

(Enter the who, what when, where, why)

The Starin Park Water Tower has been taken out of service and is no longer needed as a Water Utility asset. A report was finalized in January 2023 and presented to the Common Council on the condition and estimated costs to repair and maintain the structure if the decision is to keep it. The Council suggested an advisory referendum question be posed to the citizens to gain their interest in maintaining the Water Tower or removing it. In order to get an advisory referendum question on the November ballot, it must be sent to the County by August 27, 2024.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The Finance Committee met on July 23, 2024 and directed staff to draft a question for discussion at the August 6, 2024 Council meeting. At the August 6, 2024 Common Council meeting, the council directed staff to shorten both questions and bring back a resolution to the August 20, 2024 meeting.

FINANCIAL IMPACT

(If none, state N/A)

The 2023 report indicated an estimated cost of \$1,600,000 was needed to repair the condition of the Water Tower with ongoing maintenance costs of approximately \$250,000 every ten years. The Public Service Commission has indicated to staff that the Water Utility can only pay for improvements up to the cost of demolition, which was estimated at \$600,000. The remaining costs would need to be born by the general fund or donations.

STAFF RECOMMENDATION

Based on a change to the State Statutes in 2023, advisory referendum questions are not permitted except for a few exceptions, or questions regarding capital expenditures proposed to be funded by the property tax levy. Based on this, staff has drafted two questions for Council to decide between.

The City of Whitewater Water Utility has decommissioned the Starin Park Water Tower, meaning it is no longer part of the water system. The Water Utility can spend up to \$600,000 (the cost of demolition) to maintain it as a City-owned Historical Landmark. The remaining costs, approximately \$1,000,000 for repairs and \$250,000 every 10 years for maintenance, would need to come from City tax dollars or donations. Should the City of Whitewater use tax dollars to repair and maintain the Starin Park Water Tower?

Or,

Should the City of Whitewater use approximately \$1,000,000 in tax dollars to repair, and approximately \$250,000 every ten years to maintain, the Starin Park Water Tower?

Once the question is decided upon, staff recommends a motion to approve the respective attached resolution.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

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| 1. Resolution 1 |
| 2. Resolution 2 |
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