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MEMORANDUM

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To: Common CouncilFrom: John Weidl, City ManagerDate: December 13, 2023Re: Recommendation to the Boarding Zoning Appeals

This memo serves as a concise overview of the key developments regarding the cancelled Memoranda of Understanding (MOUs) between the City of Whitewater and the University of Wisconsin-Whitewater (UWW), particularly focusing on the effects on Municipal Services Payments (MSP).

In June, UWW raised concerns that the City had been in breach of various MOU terms for years, a situation predating the current tenures of both the City Manager and the UWW Chancellor. In meetings with the Chancellor and their legal, it was made clear to me that UWW was intent on moving forward in a direction that resulted in not reimbursing the city for dispatch services moving forward, with the technical breaches being the impetus to force such a conversation.

Crucially and concurrently, the State of Wisconsin informed us that MSP payments for police services would be indefinitely withheld in any year we received dispatch service contributions from UWW. The Department of Administration (DOA) clarified that agreements for police or dispatch service payments between the City and University would make us ineligible for MSP funds under State guidelines.

Given UWW's position and the State's withholding of MSP payments, the City chose to voluntarily end the MOU with UWW and return the funds for this fiscal year. This decision was pivotal to reinstating our MSP funding for 2025.

Our research also revealed that such agreements should receive approval from the Joint Finance Committee (JFC), a step not taken for our MOU with UWW. The University's reluctance to continue dispatch service payments, combined with technical breaches of the contract and financial pressure from the DOA, led us to reconsider our position. The State's stance on withholding MSP funds was the final factor influencing our decision. The Common Council, after a closed session, publicly opted out of the agreement with UWW to secure MSP payments in 2025.

Included below is correspondence with the former deputy director of the League of Wisconsin Municipalities, Curt Witynski. Two critical points are highlighted: the State's decision to disqualify the City from MSP funds during any years of receiving University payments and the procedural oversight in not having the agreements vetted by the JFC as mandated by State law.

Thank you for your attention to this matter.

John: After reviewing the email exchanges between Steve Hatton and Jim Young, the MSP Program Administrator; the relevant MSP statute and Program Guidelines; and after speaking with Dawn Vick, Administrator, DOA Division of Intergovernmental Relations (i.e., Jim Young's boss), I have the following general comments and recommendations:

- It does not appear possible for the City to retain the status quo that existed before DOA staff engaged in its UW Police Services Adjustments Equity Review audit. In recent years the city received both (1) a payment from UW-Whitewater (the university) covering 1/3 of the cost of city dispatch operations, and (2) a MSP annual payment that included an amount for police services provided to the university that was adjusted 20% above the amount typically paid to UW System cities providing back-up police services to universities that have their own full-service police force. In 2022, the city's total MSP payment equaled \$329,598.
- According to Dawn Vick, DOA reads the state law and MPS Program Guidelines to mean that once a UW System city receives a fee from the university for police services, it is ineligible for a payment from the state for police services under the MPS program. DOA is now aware that Whitewater has negotiated a fee for services from the university covering the cost the city incurs in providing dispatch services to the university police. Dawn told me that it is not possible for the city to negotiate a supplemental payment from the university (similar to the 2007 MOU between the city and the university) and still receive payments for police services under the MSP program. In my mind, therefore, the city has two options, plus a third longer term option that I'll also mention: (1) If the city wants to receive a payment from the state under the MSP program covering part of the cost the city incurs in providing police back-up and dispatch services to the university, then the city must terminate the existing agreement with the university and no longer receive any payments or fees from the university for police services; or (2) Forgo an MSP payment for police services provided to the university and work with DOA and the University to negotiate a formal agreement, similar to the 2015 MOU between the city and the university, calling for the university to pay the city an annual fee covering as much of the cost as possible that the city incurs in providing backup police services and dispatch services for the university police. The process for negotiating such an agreement is spelled out in state law and in the MSP Program Guideline and includes having the Legislature's Joint Finance Committee initially approve guidelines for negotiating such an agreement. After an agreement is formalized and approved under this second option any amount the city receives under the MSP program in the future would no longer include any payment designed to cover the city's cost of providing police services to the university.

Warm regards,

John S. Weidl, City Manager