



To: Board of Education Members
From: Dr. Mary B. Pfeiffer, District Administrator - *MBP*
RE: Annexation of Lakeview Property
Date: January 9, 2014

Throughout the years, District administration has had several internal conversations related to annexing the Lakeview Elementary School property from the Town of Neenah into the City of Neenah. Recently, several events have occurred that have renewed these conversations and result in this formal recommendation to consider annexation of the Lakeview Elementary School property from the Town of Neenah into the City of Neenah. The recent situations include:

1. Emergency response to Lakeview Elementary

A priority for us has always been to ensure the safety of our students. The Town of Neenah does not employ its own police officers. Rather, Winnebago County provides police protection for the Town of Neenah that includes Lakeview Elementary School. Recently, there was an incident involving Lakeview and almost immediately, the City of Neenah responded. Approximately 10 minutes later, they were joined by Winnebago County. Given the vastness of the county area, it is not surprising that it would take county law enforcement longer to respond. Support of this recommendation and annexation of Lakeview into the City would mean that all District school buildings except Clayton Elementary School (Winnebago County) and Spring Road Elementary (Town of Menasha) would be covered by the City of Neenah Police Department.

Currently, the Lakeview property is provided fire protection from the volunteer Town of Neenah Fire Department. After annexation, Lakeview Elementary would be provided fire/rescue protection from a full-time, highly trained fire department. In situations where "seconds count," it is important for emergency responders to arrive at the scene quickly and be prepared for what they encounter.

2. Lakeview Elementary crossing guard situation

There has been a significant amount of discussion since the Town of Neenah chose to discontinue providing crossing guard services to the children attending Lakeview Elementary. Although the amount was a mere \$4,000, they remained firm in their position to not provide this service. The City of Neenah graciously engaged in conversations to find a solution for securing the safety of our children. Another example of the City's proactive approach to student safety was the installation of sidewalks and trails along Commercial Street and Olde School Road. This type of

partnership is something that we depend upon within our educational system. The City of Neenah and the Neenah Joint School District recognize the moral imperative to ensure the safety of students from their home to school and back.

3. Current and future water supply and well repairs in the future

Lakeview Elementary School's water supply is currently provided by a high-capacity well operated and maintained by the District. In the past two years the District has incurred expenses to repair the well and to also purchase a new water softener. Connection at some point to the City of Neenah water would become advantageous to the District and would eliminate concerns and uncertainties over well repairs.

Overview of Costs for Annexation

Financial Obligation

When considering the annexation of the Lakeview property, several points were discussed related to the District's financial obligation. Below are the one-time and recurring costs to the District resulting from annexation:

One-Time Costs

The one-time costs provided were determined by working with the City of Neenah. Several costs would be waived as itemized below.

1. Fees	
a. City Review Fee	\$ 0 (Waived \$300)
b. State Review Fee	\$ 950
c. *Oversized existing sanitary inceptor fee (\$1,000/acre – estimated size of 8.48 acres)	\$ 0 (Deferred \$8,480)
d. *Storm sewer fee	\$ 0 (Deferred \$42,400)
TOTAL	\$950
2. Deferred Assessments	
a. Sanitary sewer main on Commercial St.	\$ 0
b. Engineering, inspection, contract admin. (10% of sanitary sewer, pavement, and sidewalks)	\$ 5,763.70
c. Sanitary sewer lateral to property (Town of Neenah Sanitary District)	\$ 0
d. Water main (Commercial Street only)	\$ 13,511.72
e. **Water service to property (Owner installed)	\$ 0
f. Storm lateral to property (Owner installed)	\$ 0
g. Trail and sidewalk – based on 50% for frontage, both sides of street	
• Commercial Street (2008)	\$ 7,364.61
• Olde School Road (2005)	\$ 9,240.23
h. Pavement – based on 50% for frontage	
• Commercial Street (2008)	\$ 17,589.92
• Olde School Road (2005)	<u>\$ 23,442.24</u>
TOTAL	\$ 76,912.42

* The sanitary inceptor fee and the storm water fee are marked as deferred in that if the current District property ever became private property, those fees would be resurrected and payment would be expected. Assuming the property remains a part of the Neenah Joint School District, those fees would remain deferred and the District would not incur an expense.

** It is our intent to connect the water within 10 years. The District recently purchased a water softener and would like to recover part of the investment. Therefore, we will plan to use the well water for up to 10 years. When the time comes, we anticipate the cost of the water hook-up to be approximately \$15,000.

Recurring Costs

In working with the City of Neenah as well as the Town of Neenah, information was compiled to show the anticipated future recurring costs.

Estimated Utility Costs with Annexation to City of Neenah

	Current Annual Costs	Future Annual Cost (years 1-10)	Future Annual Cost (year 10 and beyond)
Town of Neenah			
Sewer	\$7,560.00	\$7,560.00	\$7,560.00
Storm water	\$1,270.00	\$-	\$-
Subtotal	\$8,830.00	\$7,560.00	\$7,560.00

City of Neenah			
Water	\$-	\$-	\$4,400.00*
Sewer	\$-	\$-	\$-
Public Fire Protection	\$-	\$1,707.60	\$1,707.60
Storm water	\$-	\$2,520.00	\$2,520.00
Subtotal	\$-	\$4,227.60	\$8,627.60

Total Recurring annual costs: \$8,830.00 \$11,787.60 \$16,187.60

*Future annual water costs will not be effective until connection to City water main is made.

Municipal Water and Storm Water Connection

City ordinances require immediate connection to a sanitary system within the City. Since Lakeview Elementary School is already connected to the Town of Neenah Sanitary District sanitary sewer, that requirement has been met. There is not a similar immediate requirement for connection to the municipal water system under the current ordinances. The City and the Neenah Joint School District could enter into an annexation agreement that would delay the water connection to a date certain and agreed upon by the City Council.

It is possible for the school to retain the well after connection to the municipal water system provided there are no cross connections between the well and municipal water system. There is no requirement to install any lateral to connect drainage from the school grounds to the City storm water sewer. Based upon the developed state of the property, proper drainage is already in place for its current use.

Annexation Process

Attached to this report is the "Procedures for Annexation of Property to the City of Neenah" document. Our proposal would be to defer the fees, except for the State Review Fee of \$950 until such time as the school property is developed and the school is discontinued. The State Review Fee would have to be paid because that is a cost incurred by the City. The process to annex the Lakeview Elementary School property would take approximately 60 days to complete.

Recommendation

Administration is recommending that we annex the Lakeview property into the City of Neenah. Most importantly, annexation will provide a long-term solution to enhance and ensure the security and safety of our children as well as our property. The expanded partnership with the City of Neenah will be a welcomed asset to our District.

With our recommendation, we will seek a 10-year, no interest payment schedule from the City of Neenah with equal payments of \$7,691.25 including a no-penalty prepayment clause for the deferred assessments. If the Board of Education were in agreement with advancing annexation, administration would work in partnership with the City of Neenah to draft a formal agreement for the Neenah Joint School District Board of Education and the City of Neenah to review and approve.

PROCEDURES FOR ANNEXATION OF PROPERTY TO CITY OF NEENAH

In accordance with the requirements of Wisconsin Statutes 66.021, petitions for annexation to the City of Neenah must comply with a number of procedural, technical and legal steps. The following instructions, as detailed in the Statutes, are provided herein to give guidance on presenting a valid petition for annexation to the City of Neenah:

TYPES OF PETITIONS

State Statutes provide three methods by which town territory can be annexed to the City:

1. **Direct Annexation**--Under this method, a petition must be signed by both (1) a number of qualified electors residing in the territory equal to at least the majority of votes cast for governor in that territory at the last election for governor, and (2) the owners of at least one-half of the territory's land area (in acreage or assessed value).
2. **Annexation by Referendum**--Under this method, a petition must be signed by both (1) a number of qualified electors residing in the territory equal to at least 20% of the votes cast for governor in that territory at the last election for governor, and (2) the owners of at least one-half of the territory's land area (in acreage or assessed value). The petition will call for a referendum election, at which all electors residing in the described area can vote on whether or not to annex into the City of Neenah. NOTE: This annexation method has unique and specific requirements for petition submission. Legal Counsel should be sought to ensure full compliance with Statutory requirements.
3. **Unanimous Approval Annexation**--Under this method of annexation, all resident electors (those persons who are qualified to vote) and all owners of real property within the area to be annexed must sign the annexation petition.

If the Petitioner is a developer, developer must provide proof of documentation (certified mailing) that Dept. of Administration, township, and school have been notified.

FORM AND CONTENT OF PETITION

Department of Revenue Form "Request for Annexation Review" must be completed and covers all of the requirements below.

The exact form of the petition is not set forth in the Statutes, but it must include the following information:

- _____ 1. A title line declaring the type of petition being submitted (i.e. Direct Annexation, Annexation by Referendum, or Unanimous Approval Annexation).
- _____ 2. A statement of the purpose of the petition.
- _____ 3. A legal description of the territory proposed to be annexed which is sufficiently accurate to determine the exact location and boundaries of the area. This description must also reference that all adjoining road right-of-way is included within the territory to be annexed.
- _____ 4. An attached scale map reasonably showing the boundaries of the territory proposed for annexation and its relation to the boundaries of the City of Neenah and the affected Township.
- _____ 5. A statement which provides the total acreage and the total current population in the territory to be annexed.

PROPER NOTIFICATION

The Statutes require that certain parties be served with notification of the pending annexation. The type of notification required depends on the type of petition to be circulated, but in any case, the same parties are to be served.

The following parties must be served with a copy of required notices and the annexation petition:

- _____ 1. City Clerk for the City of Neenah, 211 Walnut Street, Neenah.
- _____ 2. Town Clerk for the township from which the property is to be detached.
- _____ 3. School District Clerk for the Neenah Joint School District, c/o Superintendent's Office, 410 South Commercial Street, Neenah.
- _____ 4. Municipal Boundary Review, Department of Administration, P. O. Box 1645, Madison WI 53701-1645.

Depending on the type of annexation petition being submitted, service to the parties described above is required as follows:

_____ **Direct Annexation and Annexation by Referendum**--All parties must be served with a copy of a Notice of Intent to Circulate Petition and subsequently the Annexation Petition.

_____ **Unanimous Approval Annexation**--Only a copy of the Annexation Petition must be served to the referenced parties (no Notice of Intent is required under this method of annexation).

CITY OF NEENAH ANNEXATION REVIEW FEE

The City of Neenah annexation review fee is \$300.00 and will be required with any request for review of petition of annexation. The fee (a check or money order payable to: City of Neenah) must accompany the petition of annexation.

WISCONSIN DEPARTMENT OF ADMINISTRATION - ANNEXATION REVIEW FEES

The total annexation petition review fee consists of a one-time initial file fee and a review fee based on acreage as follows:

See Dept. of Revenue website for current fees. There is an initial review fee and a per acreage fee.

The person or persons filing the intent to circulate the petition or the petition of the proposed annexation must pay the annexation petition review fee and the initial file fee. The fee (a check or money order payable to: Department of Administration) must accompany the documents submitted to the department. These fees will be reviewed annually and adjusted as required. The Department of Administration will distribute revised fee announcements, as necessary.

PLEASE NOTE: This instruction sheet is intended to give information on just some of the key Statutory requirements for submitting an annexation petition to the City of Neenah. It is the responsibility of the petitioner to ensure that all requirements of Wisconsin Statutes Section 66.021 are complied with. To ensure that such compliance can be met, it may be advisable to seek the assistance of legal counsel.