

**RESOLUTION
ROCK COUNTY BOARD OF SUPERVISORS**

Supervisor Jeremy Zajac and
Supervisor Thomas J. Brien
INITIATED BY



Randy Terronez
DRAFTED BY

County Board Staff Committee
SUBMITTED BY

February 12, 2016
DATE DRAFTED

**Opposition to Senate Bill 432/Assembly Bill 554 Allowing for Privatization of Water
Utility**

1 **WHEREAS**, Senate Bill 432/Assembly Bill 554 proposes changes to allow communities that operate
2 water utility systems to transfer ownership/management from the public sector to the private sector; and,
3

4 **WHEREAS**, the bills could result in out-of-state and potentially multi-national companies to assume
5 control of municipal water supplies with less oversight; and,
6

7 **WHEREAS**, privatization of water utility systems often leads to declining quality of service, higher
8 water rates, less accountability and oversight as private companies do not face elections or have to
9 disclose operational information; and,
10

11 **WHEREAS**, current law requires:

- 12 A. A thorough review and approval by the State's Public Service Commission which would
- 13 evaluate the water utility value, proposed conditions of sale/lease prior to holding a
- 14 referendum;
- 15 B. A referendum prior to selling or leasing publicly owned water utility systems, with the ballot
- 16 language to include factual information about the costs and conditions of the sale/lease. This
- 17 procedure ensures citizens agree to a change in the ownership or operation of a publicly
- 18 owned water utility system; and,
19

20 **WHEREAS**, proposed legislation would put the burden on citizens to petition for a referendum and
21 places the Public Service Commission review and approval after approval by a local referendum; and
22

23 **WHEREAS**, the privatization of municipal water utility systems is a means to profit from what should be
24 a public good and a basic human right and the State should be working to strengthen, not weaken the
25 ability to protect valuable resources such as our public drinking water.
26

27 **NOW, THEREFORE, BE IT RESOLVED** that the Rock County Board of Supervisors, duly
28 assembled this 25th day of February, 2016, does hereby oppose Senate Bill 432/Assembly Bill
29 554; and,
30

31 **BE IT FURTHER RESOLVED** that the County Clerk be directed to send a copy of this resolution to
32 Rock County's legislative delegation, the authors of the bill, and the Wisconsin Counties Association.
33 If in the event the bill passes, the Rock County Board of Supervisors asks the governor to veto the bill.

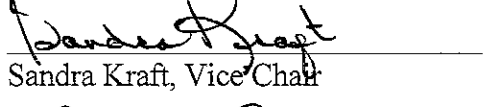
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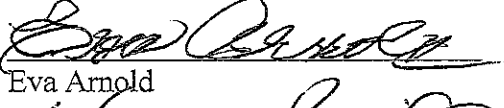
Respectfully submitted,

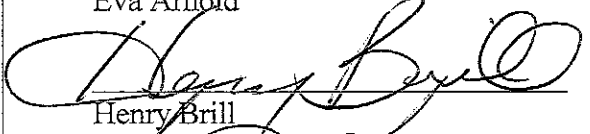
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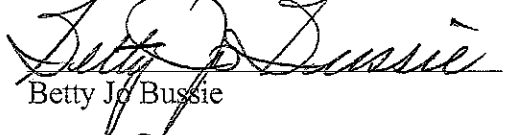
COUNTY BOARD STAFF COMMITTEE

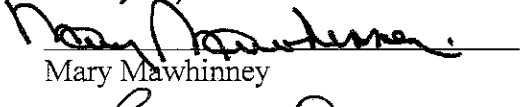

J. Russell Podzilni, Chair

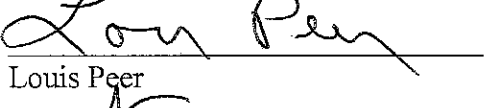

Sandra Kraft, Vice Chair

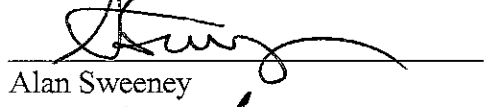

Eva Arnold


Henry Brill


Betty Jo Bussie


Mary Mawhinney


Louis Peer


Alan Sweeney


Terry Thomas

ADMINISTRATIVE NOTE:

Matter of policy.


Josh Smith
County Administrator

FISCAL NOTE:

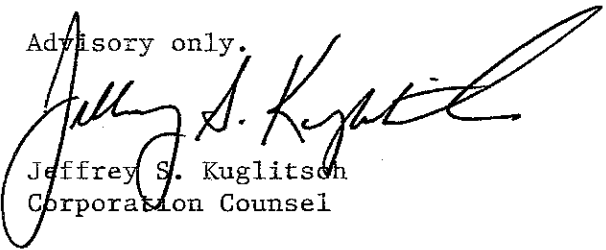
This resolution is advisory only and has no direct fiscal impact on Rock County operations in and by itself.



Sherry Oja
Finance Director

LEGAL NOTE:

Advisory only.


Jeffrey S. Kuglitson
Corporation Counsel

Senate Bill 432

This bill makes changes to current law. One of the most significant changes is the way a sale of utilities are approved. Under the proposed legislation a referendum is not required for the proposed sale unless within 30 days the municipality adopts the ordinance or resolution required under the current law, a petition requesting the referendum is filed with the municipal clerk. The petition must be signed by a number of the municipalities qualified electors that is at least 25% of the votes cast in the municipality for governor in the last election (in the case of Janesville that would be 19,836 signatures). If a petition is not filed within the deadline, no referendum is required and the municipality must submit the proposal to the PSC for approval.

There is only one municipality that is owned by a private corporation. Superior's base charge is \$51 per quarter more than double the average \$21 for major water utilities in the state.

When base charges and the amount charged per gallon are taken into account, the average quarterly bill for a Superior customer using 5,000 gallons of water is \$152 a month compared with the state average of \$73.