



OFFICE OF THE MAYOR
LA CROSSE



September 16, 2024

RE: Item #24-1151 Resolution appropriating additional funds to the Pump House Regional Arts Center in connection with the recent expansion and upgrade of the restroom facilities

I hereby veto the above-referenced legislative item.

While I fully support efforts to enhance arts programming at the Pump House Regional Arts Center and across our community, this particular resolution presents issues that conflict with sound governance and fiscal responsibility.

The resolution seeks to allocate American Rescue Plan (ARP) funds to cover costs related to a construction project at the Pump House, a historically recognized City of La Crosse-owned property leased to a private organization at below-market rates. However, this project was neither requested nor recommended by city staff. Prior to commencement, City staff advised the Pump House that the project plan did not sufficiently account for the risks associated with major renovations on a 140-year-old building. Despite this, the project proceeded to completion.

As predicted and expected with renovations of this nature, unforeseen complications arose, leading to construction contract change orders. In response, the Pump House sought supplemental funding from the City, despite having assured staff that the project would not require City financial support and without exhausting funds committed to the project by the organization. This commitment was the basis of the Resolution in item #23-0759, approved by the Common Council on July 13, 2023, which provided \$333,000 in funding from a Tourism Capital Grant and contributions from the Pump House itself, with no additional sources requested nor committed. The final project cost amounted to \$324,478.75, again leaving a portion of the previously committed funds unused.

C: media news
council members 9.16.2024
Dept Heads



Approving additional City funds for this project under these circumstances raises significant concerns and sets troubling precedents.

First, by providing extra funds after the project's completion, the City would be signaling that future projects undertaken without thorough planning and adherence to established agreements may still receive additional financial support from the city regardless of original agreement terms. This undermines principles of accountability and could encourage similar actions by other organizations leasing City property.

Second, it is simply fiscally imprudent and poor policy to allocate funds from the City when the original budget for the project was not fully exhausted. Regardless of the source of funds—whether from ARP monies or other means—it is essential to maintain a standard of financial discipline, ensuring that city funds are spent responsibly and only when absolutely necessary. Providing additional funding, in this case, runs counter to that standard.

While the sum requested may appear minor, the message of this flawed resolution is far more significant. We must protect the integrity of our financial processes and ensure that taxpayer dollars, regardless of their origin, are managed with care and foresight.

In the interest of preserving sound governance and fiscal responsibility, I urge Council members to sustain this veto. Doing so will reaffirm our commitment to accountability, ensure that public funds are used appropriately, and prevent the establishment of a precedent that encourages incomplete planning and reliance on supplementary City funding for future projects.

Sincerely,

A handwritten signature in black ink, appearing to read "Mitch Reynolds", with a long horizontal flourish extending to the right.

Mayor Mitch Reynolds