

**FINANCE COMMITTEE
NOVEMBER 11, 2013 AT 6:39 P.M.
LINCOLN CENTER – 1519 WATER STREET**

PRESENT: Alderpersons Moore, R. Stroik, Slowinski, O’Meara and M. Stroik

ALSO

PRESENT: Mayor Halverson; City Attorney Beveridge; C/T Ladick; City Clerk Moe; Ald. Wiza, Trzebiatowski, Suomi, Patton, Phillips, Doxtator; Directors Lemke, Ostrowski, Schrader, McGinty, Schatschneider; Police Chief Ruder; Asst. Police Chief Zenner; Asst. Police Chief Skibba; Fire Chief Kujawa; Human Resource Manager Jakusz; Supt of Maint Laidlaw; Finance Manager Freeberg; Kelly Pazdernik; Steve Shepro; Nichole Tesch; Tricia Church; Charlie Carlson; Brandi Makuski; Nate Enwald; Chris Jones; Larry Lee; Barb Jacob; Cliff Bembeneck; Steve Plaski; Rick Zinda; Dale Schulfer; Ernie Quesada; Kenny Rozak; Todd Jacowski; Roger Skrzeczkoski; Steve Louis

ITEM #1 – CITY HALL RELOCATION STUDY PRESENTATION BY BRAY ARCHITECTS.

Matt Wolfert and Nathan Schieve from Bray Architects gave a presentation on the study done earlier this year regarding space needs and a possible relocation of City Hall. The City is no longer considering moving to the former Mid-State building, but the information from the study may be useful in the future.

Mayor Halverson thanked the presenters and stated the study was done to see if our needs could be met in the former Mid-State building and the answer is yes, but the cost is significant.

ITEM #2 – REVIEW OF REPORT FROM BAKER TILLY.

C/T Ladick stated that with the Comptroller-Treasurer position change, there was an audit done of the books from January 1 through April 30. The report showed everything is in order and reconciles.

Motion made by Ald. Slowinski, seconded by Ald. O’Meara to approve the report and place it on file.

Ayes: All Nays: None Motion carried.

ITEM #3 – AMENDING THE AGREEMENT WITH CAP SERVICES FOR ADMINISTERING THE CITY’S CDBG-HOUSING PROGRAM AND RELATED AGREEMENT WITH THE STATE OF WISCONSIN.

C/T Ladick stated we received a \$550,000 grant for housing rehabilitation loans and under the terms of that grant, we are allowed to use up to 15% for administrative costs. CAP Services administers that program for 12%, so we have about 3% left that has gone unused and we would like to use it to loan out and provide more housing rehab loans.

Motion made by Ald. R. Stroik, seconded by Ald. M. Stroik to approve amending the agreement with CAP Services for administering the City’s CDBG-Housing Program and related agreement with the State of Wisconsin, to use the remaining 3% left over from administrative costs for more housing rehabilitation loans.

Ayes: All Nays: None Motion carried.

ITEM #4 – RELEASING A REQUEST FOR PROPOSALS FOR REAL ESTATE SERVICES FOR WHITETAIL TRAIL/WHITETAIL SUBDIVISION.

C/T Ladick stated the Whitetail Trail and Whitetail subdivisions, off of Torun Road, are owned by the City. The City currently does all of its own marketing and selling of those lots. The lots are listed on the website, but staff feels that there would be a better opportunity to sell these lots if we engaged the professional services of a realtor who would have a little bit more marketing capability and marketing expertise. Currently, if the buyer uses a realtor, we pay the realtor a 5% commission for selling that lot. We would like to send out an RFP to see if we can get a realtor to do it for 6%, which is standard in the real estate industry, and would be beneficial for growing property tax base and to get more exposure for the subdivision.

Motion made by Ald. Slowinski, seconded by Ald. O'Meara to approve releasing a request for proposals for real estate services for Whitetail Trail and Whitetail subdivision.

Ayes: All Nays: None Motion carried.

ITEM #5 – AUTHORIZATION TO APPLY FOR AN EPA COMMUNITY-WIDE ASSESSMENT GRANT.

Director Ostrowski stated we did this last year and would like to do it again this year. We are looking to apply for another \$400,000 EPA Environmental Assessment Grant. This grant would allow us to perform Phase I and Phase II environmental assessments on properties to determine the extent of contamination. As with last year, there is no match requirement; it is fully funded, so there is no cost to the City other than staff time.

Motion made by Ald. O'Meara, seconded by Ald. R. Stroik to authorize applying for the EPA Community-Wide Assessment Grant.

Ayes: All Nays: None Motion carried.

ITEM #6 – APPROVAL OF FUNDING \$5,000 FOR FOX THEATER STRUCTURAL ANALYSIS.

Mayor Halverson stated this was a request submitted to him through the Fox Theatre LLC, through Bill Schierl and Greg Wright, who is the President of the Fox Theatre LLC.

Greg Wright, President of Fox Theatre Board, stated they are in the process of working with a Structural Engineer to figure out the quality of the building to determine if the building is safe for people to go in and if we can use the existing structure as they plan the renovations. An RFP was sent out in October and Enberg-Anderson, out of Milwaukee, was selected with a proposal of \$11,500 with additional fees for testing up to no more than \$10,000. He stated they are looking to raise about \$20,000 for this project. They have applied for grants and are working with private donors.

Ald. O'Meara stated he would like a safety analysis done when the structure analysis is done.

Motion made by Ald. O'Meara, seconded by M. Stroik to approve the funding in the amount of \$5,000 for the Fox Theater structural analysis.

Ald. Moore questioned which account the money would come from. C/T Ladick replied levy for contingencies.

Ald. Moore questioned if it could come from the room tax fund. Mayor Halverson replied not out of room tax but he suggested the Downtown Façade Grant money. That grant money is to be used primarily for tax producing entities but for a building, if repurposed, would add significant value to the downtown, he suggests using those funds.

Ald. O'Meara amended his motion to include using funds from the Downtown Façade Grant dollars, Ald. M. Stroik agreed.

Ald. Slowinski stated he supports this project but he would like to know what is expected, financially of the City for the entire project. Greg Wright replied he does not have the full answer because they are not set with what the facility will be. A feasibility study was done in 2010 and that study does include City involvement and in that study it talks about the City donating up to a million dollars to make this project work. They have not starting working with an architect yet and they do not know how they are planning to repurpose the building, so the specific cost is unknown at this time.

Ald. M. Stroik commented that she believed that the Façade Grant money was not to be used for not-for-profit organizations. Mayor Halverson stated it is the Council's decision on how to spend those dollars. He would suggest these funds be used, even though it directly is not going to increase the tax base, it will indirectly improve traffic flow to the downtown which will directly have an effect on property values eventually. It is directly under the Finance Committees direction as to how to spend those dollars.

Ald. M. Stroik questioned if it is the City's decision or if it is the Historical Committee's decision. Director Ostrowski stated it is City dollars and up to the Finance Committee to decide how to spend it.

Ald. R. Stroik questioned the City Attorney as to whether there would be any problems with voting last month to not use the grant money for non-profit organizations and now we are going against that ordinance. Director Ostrowski stated we do not have an ordinance, we have façade agreement guidelines that the funds are dedicated for projects. The \$5,000 would be taken away from the program itself. The study would not be an eligible project under the program because the funds are to be used for construction type projects.

C/T Ladick stated if there is concern over using those dollars, we do have funds available in contingency.

Ald. Moore prefers using contingency in this case. Ald. R. Stroik and Ald. O'Meara agree.

Ald. O'Meara referred back to his original motion, Ald. M. Stroik agreed.

Vote on original amendment.

Ayes: All Nays: None Motion carried.

ITEM #7 – PUBLIC COMMENTS ON THE PROPOSED 2014 BUDGET.

C/T Ladick stated this will be one of two opportunities to provide comments about the budget, with the other opportunity to be Monday, November 18th at the Special Finance Committee Meeting at 6:30 p.m.

There were no comments.

ITEM #8 – REVIEW AND POSSIBLE ACTION ON PROPOSED 2014 BUDGET.

Motion made by Ald. O'Meara, seconded by Ald. Slowinski to adopt the 2014 budget.

Ald. Moore stated he would like anything to do with Municipal Court taken out of the budget as the budget could be amended at a later date, if that is necessary. He stated nothing has been brought to the Council, even though it has gone through Police and Fire Commission several times. There was supposed to be a meeting on August 6 on this subject and since there was no

quorum, the meeting did not happen. He also does not want the extra \$100,000 for repaving parks, he would rather see that money applied to extra principal to retire debt early.

Ald. R. Stroik questioned what the historic cost of pavement has been because he believes currently there is record low pricing. If that is the case, now is the time to get these paving projects done. Mayor Halverson stated we have been very fortunate to see extremely aggressive bid prices as of late and it would be a good time to get these projects done. He stated some of these roadways and trails have not been maintained in 20-25 years and they need to be done.

Ald. R. Stroik stated he agreed with Ald. Moore that there has not been enough communication with the Council to understand what Municipal Court entails. If the Council does not approve it, does it affect levy or ERP. C/T Ladick stated we would not get into any trouble with either issue because for levy limits, it is a budget neutral item. With regards to ERP, we are limited to 2.5% for this year and we are currently at .88%, so we have room to have Municipal Court in the budget. If we did not have it in the budget this year, we would probably be ok in a future year if we wanted to add it.

Ald. R. Stroik stated he just wants to make sure that by Municipal Court being in the budget, we are not signing off on it. He stated he has not heard enough about it to decide on an answer at this point.

Mayor Halverson stated that was why when the C/T and himself presented the budget, they wanted to make it clear there was going to be an ordinance that is going to be required within the first quarter of next year, which will follow several meetings that will discuss processes and procedures. He stated that what will help us is keeping the ERP amount as high as possible to get the compounding affect year and year. He supports keeping it in the budget with the understanding that an ordinance, that mirrors the Village of Plover, needs to be done in order to do the Municipal Court together.

Ald. R. Stroik stated he is in favor of keeping it in the budget to prevent the tug of war with the budget down the road. He stated it shows good faith during the budget process to let the public hear and understand what it could cost us to run a Municipal Court and what we are expecting for revenue. He stated he supports it in the budget, but is staying neutral on whether or not it is approved in the future.

Motion made by Ald. Moore, seconded by Ald. M. Stroik to pull Municipal Court out of the budget at this time.

Police Chief Ruder stated at no time was this meant to be a stealthy project. They did a lot of research to see if it would be revenue positive and then the opportunity came about when dispatch transferred that they now had a place for it so it would not cost anything additional. He stated he has been working on this for 10 years and does not want to leave the feeling that it was being done stealthy.

Ald. Moore stated he is not accusing anyone of being stealthy but we are the Finance Committee and City Council and we should have been involved in those conversations.

Vote on amendment:

Ayes: Ald. Moore and Ald. M. Stroik
Amended motion failed.

Nays: Ald. R. Stroik, O'Meara and Slowinski

Vote on original motion:

Ayes: Ald. R. Stroik, O'Meara and Slowinski

Nays: Ald. Moore and Ald. M. Stroik

Motion carried.

ITEM #9 – APPROVAL OF PAYMENT OF CLAIMS.

Motion made by Ald. Slowinski, seconded by Ald. O'Meara to approve the payment of claims in the amount of \$883,347.19.

Ayes: All

Nays: None

Motion carried.

ITEM #1- ADJOURN INTO CLOSED SESSION (AT APPROXIMATELY 7:00 P.M.) UNDER SECTION 19.85(1)(e) OF THE WISCONSIN STATUTES FOR THE PURPOSE OF CONDUCTING OTHER SPECIFIED PUBLIC BUSINESS, WHERE COMPETITIVE OR BARGAINING REASONS REQUIRED A CLOSED SESSION, RELATING TO NEGOTIATING THE USE OF TAX INCREMENTAL FINANCING FUNDS WITH CFS GROUP, LLC FOR A DEVELOPMENT ON DIVISION STREET WITHIN TAX INCREMENTAL FINANCING DISTRICT #5.

Motion made by Ald. Slowinski, seconded by Ald. O'Meara to adjourn into closed session at 7:28 p.m.

Roll call: Ayes: Ald. Moore, R. Stroik, O'Meara, M. Stroik and Slowinski

Nays: None

Motion carried.

Adjournment at 8:13 p.m.