

\*\*\* All present are expected to conduct themselves in accordance with our City's Core Values \*\*\*



## OFFICIAL NOTICE AND AGENDA

Notice is hereby given that the Common Council of the City of Wausau, Wisconsin will hold a regular or special meeting on the date, time and location shown below.

Meeting of the: **COMMON COUNCIL OF THE CITY OF WAUSAU**  
Date/Time: **Tuesday, January 26, 2016 at 7:00 pm.**  
Location: **City Hall (407 Grant Street, Wausau WI 54403) - Council Chambers**  
Members: **Bill Nagle, Romey Wagner, David Nutting, Tom Neal, Gary Gisselman, Keene Winters, Lisa Rasmussen, Karen Kellbach, David Oberbeck, Sherry Abitz, Robert Mielke**

### Call to Order

Pledge of Allegiance / Roll Call / Proclamations

### Presentations:

Public Comment: (Pre-registered citizens for matters appearing on the agenda)

Communications: (Mayor / Alderpersons / Department Heads or designee)

Committee Reports: (All standing and non-standing committees, commissions or boards)

File #	CMT	Consent Agenda	ACT
16-0101		Minutes of previous meeting(s). (1/12/16)	
16-0109	CISM	Resolution Approving Temporary Limited Easement and Donation – Waiver of Appraisal for Project ID 6999-03-28, Parcel ID 291-2907-264-0991, 401 S. 1st Avenue	Approved 4-0
99-1104	FIN	Resolution Amending the Procurement Policy	Approved 5-0

File #	CMT	Resolutions and Ordinances	ACT
16-0103		Confirmation of Mayor's Appointments	
16-0112	FIN	Resolution Authorizing a Master Operating Lease Agreement with Enterprise FM Trust and the related budget modification	Approved 5-0
14-1109	FIN	Resolution approving Modification of the 2016 Budget (Fire Department)	Approved 5-0
90-1136	PH&S	Ordinance Amending Section 6.44.010 Definitions to include a residential unit located in a building containing not more than one commercial use for the purpose of solid waste and recycling pick-up	Approved 5-0
		Suspend the Rule 1(D) Transmission of Committee Business to Council for the following items - (2/3 Vote required)	
15-0613	ED	Resolution Approving the Issuance of a Request for Proposal (RFP) process for City-owned parcels within the East Riverfront Planning Area (in the vicinity of Short St.) for new infill housing options (River East Brownstones).	Pending
16-0110	HR & FIN	Joint Resolution Reassigning the Senior Human Resources Analyst position from a Salary Grade 9 to a Salary Grade 7 based upon the addition of an Intermediary License as a minimum qualification.	Approved 5-0 FIN Pending
16-0111	HR & FIN	Joint Resolution Approving an Internal Organizational Efficiency and Development Initiative	Approved 5-0 FIN Pending

Public Comment & Suggestions - (for matters not appearing on the agenda)  
Adjournment

Signed by James E. Tipple, Mayor

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 1/21/16 @ 3:45 pm. Questions regarding this agenda may be directed to the City Clerk.

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

**OFFICIAL PROCEEDINGS OF THE WAUSAU COMMON COUNCIL**  
held on Tuesday, January 12, 2016, at 7:00 pm in the Council Chambers at City Hall  
Mayor Tipple presiding.

**Roll Call**

01/12/2016 7:00:30 PM

Roll call indicated 11 members present.

<u>District</u>	<u>Aldersperson</u>	<u>Present</u>
1	Nagle, William P.	YES
2	Wagner, Romey	YES
3	Nutting, David E.	YES
4	Neal, Tom	YES
5	Gisselman, Gary	YES
6	Winters, Keene	YES
7	Rasmussen, Lisa	YES
8	Kellbach, Karen	YES
9	Oberbeck, David	YES
10	Abitz, Sherry	YES
11	Mielke, Robert	YES

**Public Comment (Pre-registered citizens for matters appearing on the agenda)**

- 1) Sue Gantner, 109 N 36<sup>th</sup> Ave, spoke in favor of amending the clean indoor air ordinance to prohibit the use of electronic delivery devices (e-cigarettes) in public places and urged Council to adopt it.
- 2) Laura Syring, 313 Ruder St, spoke in favor of the prohibition of e-cigarettes indoors. She felt the clean indoor air policy is good and if we don't include e-cigarettes we are going backwards.
- 3) Joan Theurer, Health Department, read a letter shared with the Common Council on the merits of including e-cigarettes into the existing clear indoor air ordinance.
- 4) Joe Rohling, member of Central WI Tobacco Free Coalition, indicated he is a Respiratory Therapist and offered from a medical perspective to answer any questions Council may have regarding E-Cigarette risks. He noted they do not work as a cessation device, rather they get people hooked. He provided a packet of information on the research (*available on file in the Clerk's Office*).
- 5) Debra Ryan, 702 Elm St, spoke regarding the construction issues relative to 2<sup>nd</sup> Avenue (15-0105) from Elm to Stewart Avenue. She felt the city needed to scale back on its plans with street projects. She commented she agreed with the clean air ordinance and inclusion of e-cigarettes.

**Communications & Committee Reports**

Matt Barnes stated the Police Department annually holds sector meetings for the east and west sides of the city to talk to the community about what we are doing and what our priorities are, as well as give the community an opportunity to ask questions and share information with us. East side – January 12, 2016, 6:00 pm., at City Hall and the West side - February 3, 2016, at John Muir, at 6:00 pm.

**Consent Agenda**

01/12/2016 7:13:46 PM

Motion by Nutting, second by Rasmussen to adopt all items on the Consent Agenda as follows: 15-1201 Minutes of previous meeting(s). (12/08/15 & 12/22/15)

**16-0104** Preliminary Resolution of the Capital Improvements and Street Maintenance Committee Levying Special Assessments for 2016 Street Improvement Project.

**16-0105** Preliminary Resolution of the Capital Improvements and Street Maintenance Committee Levying Special Assessments for 2016 Street Reconstruction Projects.

**16-0107** Joint Resolution of the Finance Committee and Wausau Water Works approving Agreement with HydroCorp for the Administration of the Cross Connection Control Program.

**14-0608** Resolution of the Plan Commission amending the precise implementation plan for 1800 Westwood Center Boulevard to allow for signage.

**16-0108** Resolution of the Public Health & Safety Committee approving or denying various licenses as indicated.

**80-0424** Ordinance of the Public Health & Safety Committee repealing Section 10.32.020 Restrictions on permit.

**04-0511** Ordinance of the Public Health & Safety Committee amending Sections 2.90.010, 2.90.020, 2.95.010, 5.30.040, 9.04.010, 9.04.022 and 17.36.010 to include "electronic delivery device" and amending "smoking."

Yes Votes: 11      No Votes: 0      Result: PASS

**15-0105** 01/12/2016 7:14:25 PM

Motion by Rasmussen, second by Gisselman to adopt a Resolution of the Capital Improvement and Street Maintenance Committee postponing the street construction project of Clark Street from 2nd Avenue to the cul-de-sac.

Yes Votes: 11      No Votes: 0      Result: PASS

**15-0105** 01/12/2016 7:15:05 PM

Motion by Nutting, second by Rasmussen to adopt a Preliminary Resolution of the Capital Improvements and Street Maintenance Committee Levying Special Assessments for 2016 Street Reconstruction Project of 2nd Avenue from Stewart Avenue to Elm Street.

Yes Votes: 11      No Votes: 0      Result: PASS

**14-1109** 01/12/2016 7:15:37 PM

Motion by Wagner, second by Nagle to adopt a Resolution of the Finance Committee Authorizing a 2015 Budget Modification to fund Sick Leave Payout within the Engineering Department.

Yes Votes: 11      No Votes: 0      Result: PASS

**Suspend the Rule** 01/12/2016 7:16:15 PM

Motion by Oberbeck, second by Nutting to suspend the Rule 1(D) Transmission of Committee Business to Council for the following items - (2/3 Vote required).

Yes Votes: 10      No Votes: 1 (*Winters was the dissenting vote.*)      Result: PASS

**02-1005** 01/12/2016 7:18:29 PM

Motion by Abitz, second by Oberbeck to adopt a Joint Resolution of the Capital Improvements and Street Maintenance & Finance Committees approving setting a minimum amount for property acquisitions related to the Thomas Street Project.

Lindman explained this is specific to the small strip takings and temporary limited easements that are proposed on the plat map for the construction of the road. He indicated the state has set a minimum of \$200 for small parcels that typically have appraisal values that are pretty low. It is an incentive for the homeowners to get their paperwork in to get the signatures on file so we don't have to go to the eminent domain process, which has additional costs.

Yes Votes: 11      No Votes: 0      Result: PASS

**16-0106** 01/12/2016 7:19:04 PM

Motion by Nutting, second by Rasmussen to adopt a Resolution of the Common Council authorizing the filing of a verified complaint, and authorizing the City's attorneys to take further action on behalf of the City, relating to incorporation of the Town of Maine.

Yes Votes: 11      No Votes: 0      Result: PASS

**Public Comment or Suggestions (for items not appearing on the agenda.)**

- 1) Tom Neal, 916 Hamilton St, Alderperson District 4, spoke regarding the Committee of the Whole to be held on Wednesday, January 13<sup>th</sup>, because he would be out of town and unable to attend. He felt that we should move ahead and put this matter behind us and restate our commitment to conducting ourselves and the city's business with civility and respect.
- 2) Deb Ryan, 702 Elm St, spoke regarding the Westies Neighborhood Meeting that was mentioned in the investigation and the taping of that meeting. She felt the staff member referred to in the report was in the wrong.

**Adjournment** 01/12/2016 7:24:38 PM

Motion by Neal, second by Mielke to adjourn. Motion carried unanimously. Meeting adjourned at 7:24 p.m.

James E. Tipple, Mayor  
Toni Rayala, City Clerk

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>RESOLUTION OF THE CAPITAL IMPROVEMENTS &amp; STREET MAINTENANCE COMMITTEE</b>	
Approving Temporary Limited Easement and Donation – Waiver of Appraisal for Project ID 6999-03-28, Parcel ID 291-2907-264-0991, 401 S. 1 <sup>st</sup> Avenue	
Committee Action:	Approved 4-0
Fiscal Impact:	The Donation would waive the \$800 fee to the City from the DOT.
<b>File Number:</b>	16-0109
<b>Date Introduced:</b>	January 26, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, a resurfacing project that will repair concrete joints and overlay with asphalt is scheduled for Highway 52 (Stewart Avenue) from 17<sup>th</sup> Avenue to 1<sup>st</sup> Street; and

**WHEREAS**, the State/Municipal Agreement for this resurfacing project and revisions to the Agreement were approved by the Common Council on May 22, 2012; September 10, 2013; and December 9, 2014; and

**WHEREAS**, the Transportation Project Plat was adopted by the Common Council on February 24, 2015, along with the First Amendment on July 14, 2015, and the Second Amendment on August 11, 2015; and

**WHEREAS**, Parcel 14 of the Transportation Project Plat is a City-owned parcel; and

**WHEREAS**, the Wisconsin Department of Transportation is requesting a Temporary Limited Easement from the City for Parcel 14 along with waiver of the \$800 fee by the signing of a Donation – Waiver of Appraisal Form; and

**WHEREAS**, your Capital Improvements and Street Maintenance Committee discussed the Temporary Limited Easement and Donation – Waiver of Appraisal at its meeting on January 14, 2016 and recommends approval; now therefore

**BE IT RESOLVED** the Common Council of the City of Wausau does hereby approve a Temporary Limited Easement and Donation – Waiver of Appraisal for Parcel 14 for Project ID 6999-03-28.

Approved:

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James E. Tipple, Mayor

## CAPITAL IMPROVEMENTS AND STREET MAINTENANCE COMMITTEE

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Date of Meeting: January 14, 2016, at 5:30 p.m. in the Council Chambers of City Hall.

Members Present: Rasmussen, Mielke, Gisselman, Kellbach, Abitz

Also Present: Lindman, Jacobson, Wesolowski, Gehin, Grahm

In compliance with Chapter 19, Wisconsin Statutes, notice of this meeting was posted and received by the *Wausau Daily Herald* in the proper manner.

Noting the presence of a quorum, at approximately 5:30 p.m. Chairperson Rasmussen called the meeting to order.

### **Discussion and possible action on Temporary Limited Easement and Donation – Waiver of Appraisal for Project ID 6999-03-28, parcel ID 291-2907-264-0991, 401 South 1<sup>st</sup> Avenue**

Wesolowski indicated the plat was approved for this project. One parcel is owned by the City. The DOT is requesting the City sign a donation waiver as their policy is not to pay municipalities for Temporary Limited Easements. The TLE would give the right to grade. If this parcel was privately owned, the fee for the TLE would be \$800.

Mielke moved to approve the Temporary Limited Easement and Donation – Waiver of Appraisal for Project ID 6999-03-28, parcel ID 291-2907-264-0991, 401 South 1<sup>st</sup> Avenue. Gisselman seconded and the motion carried 4-0.

**AGENDA ITEM**

Discussion and possible action on Temporary Limited Easement and Donation-Waiver of Appraisal for Project ID 6999-03-28, Parcel ID 291-2907-264-0991, 401 S. 1<sup>st</sup> Avenue

**BACKGROUND**

The Wisconsin DOT will be overlaying and constructing spot improvements on Stewart Avenue from 1<sup>st</sup> Avenue to 12<sup>th</sup> Avenue this summer. As part of this project, the WDOT has developed transportation project plat (TPP) 6999-03-28 which is attached for reference. CISM and Council have previously approved the TPP. Parcel 14 on the TPP is a City-owned parcel. The WDOT is requesting a temporary limited easement from the City on this parcel and they are requesting the City waive the \$800 fee by signing the Donation Form.

**FISCAL IMPACT**

The fiscal impact to signing the donation would be \$800.

**STAFF RECOMMENDATION**

Staff recommends approval of the Temporary Limited Easement and approval of the Donation Waiver of Appraisal.

Staff contact: Allen Wesolowski 715-261-6762

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Amending the Procurement Policy	
Committee Action:	Approved 5-0
Fiscal Impact:	None
<b>File Number:</b>	99-1104
<b>Date Introduced:</b>	January 26, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
	<i>Included in Budget:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/> <i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, your Finance Committee, at their August 11, 2015 meeting, considered and recommends the attached revision to the Procurement Policy which recognizes the partnership and contract with CCITC and establishes there services exempt from sole source purchasing.

**NOW THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau that the Procurement Policy which is attached hereto and incorporated herein by reference is hereby adopted as the Procurement Policy of the City of Wausau and that its administration and enforcement shall be done under the direction of the Mayor and department heads.

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

**FINANCE COMMITTEE**

Date and Time: Tuesday, August 11, 2015 @ 5:30 pm., Board Room

Members Present: Oberbeck(C), Kellbach, Mielke, Nutting, Nagle

Others Present: Groat, Jacobson, Giese, Hite, Kujawa, Lindman, Schock, Werth, Tipple, Wagner, Pergolski, Neal, Wagner, Rasmussen, Gisselman, Goede

**Changes in the Procurement Policy - sole source exemption Technology Services CCITC**

Groat pointed out when you look at the Procurement Policy there is nothing that exempts us from having to go out for RFP when using the City/County IT Services, which is our partner. She recommended adding CCITC as a sole source exemption for clarity.

Motion by Mielke, second by Kellbach to approve the change to the Procurement Policy for a sole source exemption for technology services CCITC. Motion carried 5-0.

# CITY OF WAUSAU, WISCONSIN

## PROCUREMENT POLICY

### POLICY OBJECTIVE

The City of Wausau has adopted this procurement policy in order to provide City employees with uniform guidance in the purchase of supplies, equipment, services and property. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility and efficiency in departmental operations.

### COVERAGE

This policy applies to the purchases of all departments and divisions of the City of Wausau. The provisions of Wisconsin Statutes s 62.15 and Wausau Municipal Code 12.08 apply to the procurement of public construction and take precedence over any portion of this policy that may conflict with that statute. Procurement activities for MetroRide are subject to the provisions of the Federal Transit Administration and take precedence over any portion of this policy which may conflict with their guidelines. More restrictive procurement procedures required by grants, aids, statutes or other external requirements or funding sources will take precedence.

### GOALS

1. To encourage open and free competition to the greatest extent possible.
2. To receive maximum value and benefits for each public dollar spent.
3. To ensure that all purchases are made in compliance with federal, state and local laws.
4. To prevent potential waste, fraud, abuse and conflicts of interest in the procurement process.
5. To assure proper approvals are secured prior to the purchase and disbursement of public funds.

### ETHICAL STANDARDS

1. All procurement shall comply with applicable federal, state and local laws, regulations, policies and procedures. Municipal Code 2.03 Code of Ethics for Public Officials and Employees provides general ethical standards and conduct expectations.
2. In general, employees are not to engage in any procurement related activities that would actually or potentially create a conflict of interest, or which might reasonably be expected to contribute to the appearance of such a conflict.
3. No employee shall participate in the selection, award or administration of a contract if a conflict of interest would be involved. Such a conflict would arise when the employee, any member of his immediate family, business partner or any organization that employs, or is about to employ, any of the above, has a financial interest or other interest in the firm selected for award.
4. To promote free and open competition, technical specifications shall be prepared to meet the minimum legitimate need of the City and to the extent possible, will not exclude or discriminate against any qualified contractors.
5. No employee shall solicit or accept favors, gratuities, or gifts of monetary value from actual or potential contractors or subcontractors.
6. Employees must maintain strict confidentiality in the procurement process and shall not impart privileged information to any contractors that would give them advantage over other potential contractors.

7. Personal purchases for employees by the City are prohibited. City employees are also prohibited from using the City's name or the employee's position to obtain special consideration in personal purchases. Employee purchase programs may be established with vendors with prior approval from the Mayor, provided that the vendor provides similar programs to employees of other private entities.

### **GENERAL GUIDELINES**

These general guidelines shall be adhered to as closely as possible by all departments in the procurement of goods and services.

1. Procurements are classified into the following two major categories:
  - Purchasing Goods is defined as equipment, furnishings, supplies, materials and vehicles or other rolling stock. The rental, leasing of these items is also considered to fall within this category and the cost shall be determined by considering the maximum total expenditure over the term of the agreement.
  - Purchase of Services is classified into additional categories of professional services, contractor services, construction services and combined goods and service contracts.
2. Buy Local - It is the desire of the City to purchase locally when possible. This can be accomplished by ensuring that local vendors who have goods or services available are included in the competitive solicitation process that will precede major purchases. It is also the desire of the City to purchase from disadvantaged enterprise businesses whenever possible as defined by Wisconsin Statute 84.06(1).
3. Cooperative Procurement Programs – Departments are encouraged to use cooperative purchasing programs sponsored by the State of Wisconsin or other jurisdictions. Purchases of goods and services secured through these programs are considered to have met the requirements of competitive procurement outlined in this policy. Additionally, if identical products can be obtained at a lower price than current cooperative purchasing contracts, no additional quotes are required.
4. Purchasing Oversight – Department heads have the responsibility for procurement issues in their individual departments. A department head is defined as the City employee having responsibility for the department on behalf of which moneys were appropriated in the City budget for purchases.
5. Emergencies – When an emergency situation does not permit the use of the competitive process outlined in the policy, the applicable department head, Finance Director and Mayor may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained and filed with the City Clerk. All emergency purchases exceeding \$50,000 shall require the Department Head to provide written notice to the Common Council.
6. Identical Quotes or Bids – If two or more qualified bids/quotes are for the same total amount or unit price, and quality or service is considered equal the contract shall be awarded to the local bidder. Where this is not practical the contract will be awarded by drawing lots in public.
7. Serial Contracting – No contract or purchase shall be subdivided to avoid the requirements of this policy. Serial contracting is the practice of issuing multiple purchase order to the same vendor for the same good or service in any 90 day period in order to avoid the requirements of the procurement policy.
8. Purchase Orders and Purchase Order Cover Sheet – Shall be issued for all purchases of goods and services in excess of \$5,000.
9. Policy Review – This policy will be reviewed by the Finance Committee every two years or sooner at the discretion of the Common Council.
10. Protest Procedures – Any interested party who wishes to protest at any point in the procurement process, evaluation, award, or post-award, may do so. An “interested party” must, however, be an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to

award the contract. Protests must be submitted timely, in writing to the City Clerk, 407 Grant Street, Wausau WI 54403 but no later than five (5) working days following the City's procurement decision. The protest must contain a detailed statement of the grounds for the protest and any supporting documentation. Upon the receipt of the written protest, the City Clerk will notify the City Attorney and Finance Director who will work to resolve the matter within five (5) working days. If the protester is not satisfied and indicates the intention to appeal to the next step the award will be temporarily suspended unless it is determined that: 1) the item to be procured is urgently required; 2) delivery or performance will be unduly delayed by failure to make the award promptly; 3) Failure to make the prompt award will otherwise cause harm to the City; or 4) The protest has no merit. If the protester wishes to appeal the decision of the City Attorney and Finance Director the matter will be forwarded to the City of Wausau Finance Committee and the Common Council for the ultimate local disposition.

### **PURCHASE OF GOODS**

1. Purchase of Goods under \$5,000 – may be made based on the best judgment of the department head or division director. However, it is recommended that competitive quotes be obtained. Specific procurement documentation is not required.
2. Purchase of Goods \$5,000 to \$25,000 – requires department head approval PRIOR to placing the order and the issuance of a purchase order. The cost of the purchase must have been included within the approved department budget. The department **MUST** obtain (3) three written quotations, if possible. Quote summary, request for quote documentation and written quotes must be submitted to the Finance Department with the purchase order request. Purchase orders will not be processed without the proper documentation.
3. Purchase of Goods in excess of \$25,000 – a formal bid process is required.
  - a. Requests for such bids shall be formally noticed. All notices and solicitations of bids shall state the time and place of the bid opening.
  - b. All bids shall be submitted sealed to the City Official designated in the bid packet and shall have the bid name and date identified on the envelope.
  - c. All sealed bids shall be opened and recorded by the Board of Public Works. The department head shall be responsible for the preparation of all plans, bid specifications, notices and advertising. Prequalification of bidders may be done at the discretion of the department head. A tabulation of bids received shall be available for public inspection. The Board of Public Works shall have the authority to award the contract when the costs of the purchase have been included within the approved City budget. Purchases that do not meet this criteria and are not otherwise authorized by law, rule or regulation, shall be authorized separately by the Common Council. All bid documentation shall be placed on file with the City Clerk.
  - d. In general, the contract shall be awarded to the lowest priced responsible bid, taking into consideration the following factors: the qualities of the goods supplied, conformity with specifications, product compatibility, maintenance costs, vendor support and delivery terms. Written documentation or explanation shall be required if the contract is awarded to other than the lowest responsible bidder. This documentation will include a justification as to why it was in the City's best interest to award the contract to other than the lowest responsible bidder.
4. Commodities \$5,000-\$50,000 – commodities subject volatile pricing such as fuel may through via written quotes. These purchases require department head approval prior to placing the order and the issuance of a purchase order. The cost of the purchase must have been included within the approved department budget. The department must obtain (3) written quotations, if possible. Quote summary, written quotes and any other available documentation must be submitted to the Finance Department with the purchase order request.
5. The department head shall administer the purchase.
6. The following items must be purchased using a centralized purchasing process:
  - a. Copiers - coordinated by the CCITC.
  - b. Computer hardware/software - coordinated by CCITC.
  - c. Cellular telephone, telephones, security cameras and similar communication and technology equipment – coordinated by CCITC.
  - d. Furniture – coordinated by Department of Public Works.
  - e. Office Supplies – coordinated by the Finance Department.

- f. Janitorial Services – coordinated by Department of Public Works.
- g. Vehicles and other rolling Stock – coordinated by Department of Public Works.
- h. Facility Maintenance, Repair and Improvement – coordinated by Department of Public Works.
- i. Procurement of Legal Services – coordinated by the City Attorney’s office.

**PURCHASE OF SERVICES**

Whenever practical the purchase of services should be conducted based upon a competitive process:

- Contractor services is defined as the furnishing of labor, time or effort by a contractor, usually not involving the delivery of specific goods or products other than those that are the end result of and incidental to the required performance. Examples of contractor service include: refuse and recycling collection, snow removal, EMS billing services, janitorial, elevator maintenance, mailing, or delivery services. Contractor services shall follow the competitive procurement policy for the Purchase of Goods subject to the same spending guidelines. The cost shall be determined by considering the maximum total expenditure over the term of the contract.
- Construction services is defined as substantial repair, remodeling, enhancement construction or other changes to any City owned land, building or infrastructure. Procedures found with in State of Wisconsin Statute 62.15 and Wausau Municipal Code 12.08 shall take precedence. In absence of guidance in these areas, construction services shall follow the competitive procurement policy for the Purchase of Goods subject to the same spending guidelines.
- Combined Goods and Services in situations where the purchase combines goods and services (exclusive of construction and contractor services), such as many technology projects, the purchase shall be treated as a purchase of professional services.
- Professional services is defined as consulting and expert services provided by a company, organization or individual. Examples of professional services include: attorneys, certified public accountants, appraiser, financial and economic advisors, engineers, architect, planning and design. Professional services are generally measured by the professional competence and expertise of the provider rather than cost alone.

a) If it is estimated that the service being solicited has a total cost of over \$25,000 a formal Request for Proposal shall be used to solicit vendor responses. The department head shall be responsible for the preparation of all Requests for Proposal specifications, notices and advertising. Prequalification of proposers may be done at the discretion of the department head. A formal RFP will not be required to solicit legal services for representation in a specific matter, regardless of cost. The City Attorney will consult with the Finance Committee if it is anticipated that expenses ( fees and costs) in excess of \$25,000for a single matter will be incurred. When retention of legal services to perform ongoing services in one type of matter, such as bond counsel or prosecution services, is required, the procurement policy, for professional services shall be followed.

i) Attorney Services: Billing Frequency and Format

- A) Time Changes. Actual time should be billed in one-tenth (.10) hour increments.
- B) Billing Frequency. Invoices for legal services or expense shall be invoiced every 30 days from the date of initial suit assignment and monthly thereafter.

In any event, invoices submitted more than 60 days after the last date of legal services will require explanation of the billing delay to the City Attorney.

Invoices submitted more than one (1) year after the last date of legal services or expense will be rejected.

- b) The Purpose of an RFP is to solicit proposals with specific information on the proposer and the service offered which will allow the City to select the best proposal. The best proposal is not necessarily the proposal with the lowest cost.
- c) Based upon the services or project and the magnitude of the outcome a selection committee may be advisable.
- d) Requests for proposals shall be formally noticed. All notices and solicitations of proposals shall state the time and place of the proposal opening.
- e) Information to be requested of the proposer should include: Years of experience in the area desired services, financial strength of the company, examples of similar services/projects completed, resumes of staff associated with the project/service, list of references, insurance information, In addition the proposal should provide information about the City, scope of services requested and desired outcomes or deliverables. The proposal should also identify evaluation factors and relative importance.
- f) Establish selection criteria and include this information with the RFP. It is generally advisable to establish a numeric ranking matrix. This reduces the subjective nature of the rating process.
- g) Proposals should be solicited from an adequate number of qualified sources. Requests for proposal should be formally noticed. All notices and solicitations should provide the issue date, response due date, date and time of opening responses and a contact person.
- h) Proposals shall be opened and recorded by the Board of Public Works. A tabulation of proposals received shall be available for public inspection. All proposal documentation shall be placed on file with the City Clerk. The Department Head and selection committee (if applicable) will then review the proposals and make a selection.

- Service contracts or agreements should be reviewed by the City Attorney and placed on file with the City Clerk.

### **SOLE SOURCE**

Sole source purchasing allows for the procurement of goods and services from a single source without soliciting quotes or bids from multiple sources. Sole source procurement cannot be used to avoid competition, rather it is used in certain situations when it can be documented that a vendor or contractor holds a unique set of skills or expertise, that the services are highly specialized or unique in character or when alternate products are unavailable or unsuitable from any other source. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. In advance of the purchase, the Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation, aesthetic purposes or compatibility is an overriding consideration, the purchase is from another governmental body, continuity achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Finance Director in advance of the purchase, who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

Sole Source Exemptions: The following purchases are exempt from competitive purchasing requirements and sole source documentation:

1. Software maintenance and support services when procured from the proprietary owner of the software.
2. Original equipment manufacturer maintenance service contracts, and parts purchases when procured directly from the original manufacturer/authorized dealer or representative.
3. Insurance policy purchases and services through CVMIC and TMIC of Wisconsin
4. Property Insurance purchases from the Local Property Insurance Fund.
5. Utility Services and Charges.
6. Marathon County Landfill
7. Services and products purchased from CCITC

### **BUDGET**

All purchases shall be made in accordance with the budget approved by the Common Council. The department head has the responsibility for managing departmental spending to ensure the line item budget is not overspent and for initiating Transfer of Funds Requests when appropriate.

### **CONTRACT AUTHORIZATION**

The Mayor is authorized to enter into contracts on behalf of the City of Wausau without additional council approval if the contracts meet the following criteria:

1. Purchase of Goods – The City may purchase equipment, furnishings, goods, supplies materials and rolling stock when the costs of the same have been included in the approved City Budget.
2. Purchase of Services – The City may contract for the purchase of services without Council resolution when the following conditions have been met:
  - a) The funds for services are included in the approved City budget.
  - b) The procurement for services complies with the procurement policy.
  - c) The City Attorney has reviewed and approved the form of the contract.
  - d) The contract complies with other laws, resolutions and ordinances.
  - e) The contract term meets one of the following criteria:
    1. The contract is for a period of one year or less, or
    2. The contract is for a specific project, or
    3. The contract is for a period of not more than three years and the annual average cost of the services does not exceed \$25,000.
3. The following contracts require council approval:
  - (a) Collective Bargaining Agreements – Any contract between the City of Wausau and any collective bargaining unit representing City employees.
  - (b) Real Estate Purchases – Contracts for the sale or purchase of real estate where the City of Wausau is the proposed seller or purchaser. Council approval is **not** required for commencement of foreclosure action to collect a loan or other debt owed to the City when the debtor has failed to cure any default in payment of the loan or other obligation.
  - (c) Leases – Contracts for lease of real estate where the City is either a proposed landlord or a proposed tenant exclusive of airport hangar, parking stall rentals and short term park facilities rentals.
  - (d) Easements and Land Use Restrictions – Contracts for easements, restrictive covenants or other limitations which may be placed upon the use of any City-owned property.
  - (e) Intergovernmental Contracts in excess of \$5,000 – Contracts between the City of Wausau and other local, state or federal governments or agencies except, cooperative purchasing agreements.
  - (f) Development Agreements – Contracts for the provision of infrastructure, financial assistance or other incentives by the City for the benefit of a developer or business venture.
  - (g) City Services – Contracts whereby the City of Wausau agrees to provide services to another party.
  - (h) Managed competition, outsourcing contracts – Contracts for labor or personal services to be performed by persons who are not city employees for work that has been performed by city employees within the past five (5) years and the contract will result in the elimination of

positions and the layoff of personnel.

4. The common council delegates contract approval to the department level for the following:
  - (a) Community Development Housing and Commercial Development Loans and Grants issued from grants and related program income.

Contracts shall be signed by the Mayor and counter-signed by the City Clerk, City Finance Director and City Attorney. The City Finance Director shall certify that funds have been provided by the Council to pay the liability that may be incurred under the contract. The City Attorney shall approve the contract as to form and the City Clerk shall attest to the Mayor's signature. Contract change orders may be signed by the Board of Public Works as long as the change order does not materially change the work performed and funds are available within the budget. Purchase contracts for goods or services valued at \$5,000 or less may be signed by individual department directors as long as the purchase is provided in the budget.

H:\fwcommon\financialpolicies\procurementpolicy.wpd



**FINANCE COMMITTEE**

Date and Time: Tuesday, January 12, 2016 @ 5:00 pm., Board Room

Members Present: Oberbeck (C), Mielke, Nutting, Nagle, Kellbach

Others Present: Lindman, Schock, Tipple, Neal, Wagner, Baeten, Bishop, Jacobson, Werth, Stratz, Kujawa, Barnes, Goede, Elizabeth Field, Pat Peckham

**Discussion and possible action on request of the Fire Department to carryover funds from 2015 to 2016 to finance Succession Planning**

Chief Kujawa explained she was requesting carryover funding from the 2015 operational budget to the 2016 operational budget in the amount of approximately \$5,000 plus travel costs to pursue the Succession Planning Program. She indicated they are looking at a contract with Business Alignment Strategies.

Motion by Mielke, second by Kellbach to approve the carryover request of the Fire Department. Motion carried 5-0.



## Memorandum

**From:** Tracey Kujawa, Chief   
**To:** Finance Committee, Mayor Tipple, MaryAnne Groat – Finance Director,  
Myla Hite – Human Resources Director  
**Date:** January 5, 2016  
**Subject:** Carryover of Funds

Purpose:

To request a carryover of funds from the 2015 Operational Budget to the 2016 Operational Budget.

Recommendation:

I am requesting that you approve a transfer of \$5,000 plus travel expenses from the 2015 Operational Budget – Salaries (Deputy Chief) to be used to contract with Business Alignment Strategies.

Facts OR Considerations:

The Wausau Fire Department is in the midst of assembling a new executive team and has recently lost decades of institutional knowledge through retirements and resignation; with the future predicting more of the same. Because of this, it is imperative that the Wausau Fire Department outline a succession process. As the Chief of the Department I am tasked with ensuring that our Department achieves our mission and with this responsibility preparedness is paramount. We face life and death situations every day and members of our Department must be ready and able to do their jobs safely, effectively and professionally. A succession process is a systematic framework which will ensure and maintain a ready pool of qualified candidates who have been trained, developed and possess critical skills necessary to fill key needs within the Department and will prepare them for promotional opportunities when vacancies occur. This will ensure continuation of key fire services within the City while at the same time provide a transparent internal process to support fire personnel, at all ranks, with access to the knowledge, skills, education and experience they need to be successful in their current jobs as well as those to which they promote in the future.

Succession planning is a unique skill set that can best be accomplished by an expert within the field who is familiar with criteria unique to the fire service. I am seeking the carryover funds so the Department can contract with an outside agency that is an expert in this area and will assist

us in completing this all important task in a timely fashion. The funding will be derived from the salary line of the Deputy Chief's position that has been vacant for 9 months and will most likely be vacant for an additional 2 months.

Impact:

There will be no financial impact if a carryover of funds is approved. The approximate salary savings from the Deputy Chief's vacancy in 2015 was \$69,708. There will be staff time required to create the succession process with the contracted entity. Planning for the future and having a succession process will help us remain proficient during periods of turnover. We will be better prepared when fire service personnel depart and therefore the loss of institutional knowledge will not have as grave of impact on performance, services provided and consistency.

Coordination:

Both Human Resources Director Myla Hite and Finance Director MaryAnne Groat have been consulted and support this request.

Drafted by: Tracey Kujawa, Chief

Cc: Mayor

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

**ORDINANCE OF PUBLIC HEALTH & SAFETY COMMITTEE**

Amending Section 6.44.010 Definitions to include a residential unit located in a building containing not more than one commercial use for the purpose of solid waste and recycling pick-up

Committee Action: Approved 5-0

**Ordinance Number:**

Fiscal Impact: None

**File Number:** 90-1136

**Date Introduced:** January 26, 2016

The Common Council of the City of Wausau do ordain as follows:

Add ( )  
Delete (—)

Section 1. That Section 6.44.010 Definitions, is hereby amended to read as follows:

6.44.010 Definitions

...

(11) "Residential Unit" means the following dwelling units located within the City of Wausau: single family detached dwellings; each unit of a duplex, triplex, or fourplex; mobile homes; ~~and~~, residential condominium units located in a structure which contains not more than eight (8) residential dwelling units; ~~and~~, a single family dwelling unit located within or attached to a building which contains not more than one commercial use and not more than one single family dwelling unit. Residential multi-family dwellings of five (5) or more units other than the foregoing described residential condominium units are excluded. ~~Units~~ Single family dwelling units contained in or attached to any building or located on a single lot of real property which houses housing any combination of more than one residential units unit and more than one commercial use, or any other uses use, are also excluded.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall be in full force and effect from and after its date of publication.

Adopted:  
Approved:  
Published:  
Attest:

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

Attest:

\_\_\_\_\_  
Toni Rayala, Clerk

## **PUBLIC HEALTH & SAFETY COMMITTEE**

Date and Time: Monday, January 18, 2015 at 5:15 pm, (Council Chambers)

Members Present: Rasmussen (C), Wagner, Neal, Gisselman, Kellbach

Others Present: Alfonso, Hagenbucher, Rayala, Kujawa, Groat, Goede, Danielle Bailey, Mielke, Oberbeck

### **Discussion and possible action regarding participation of multi-use residential properties for the refuse & recycling contract.**

Rasmussen explained when the committee originally looked at mixed use buildings that have a business in the bottom and apartments in the top, we found that many of these residential units were sharing the garbage pickup with the business below that had dumpsters. The problem we have now is that single family dwellings that have businesses in the front got excluded from garbage pickup. She indicated Nutting brought it to her attention due to a beauty salon in his district which has lost garbage pickup.

Maryanne Groat stated often times these multi-use properties are located in areas of high density, such as Third Street downtown. As we adopted the policy and ordinance on refuse and recycling there was a late amendment that excluded multi-use properties. She noted we also currently only provide refuse & recycling to buildings of four units or less and for condos of six units or less. She indicated there were approximately 300 residential units located within the city that have four units or less in single commercial multi-use buildings. She estimated there have been about 20 complaints of people who say their residential unit used the service before and now don't have it. These are generally from places that have one residential unit and one business unit, such as a hair salon and are not from the downtown or high density commercial areas. Discussion took place regarding buildings with a single family dwelling unit combined with a single commercial business versus multiple residential and commercial and dealing with complaints on case by case basis.

Neal suggested after the first quarter is over that staff and the committee review any complaints, public feedback, observations from Harter's, and things we are hearing and seeing in order to evaluate what may need to be changed.

Kay Paul, 307 Callon St, stated she and her husband have lived in this house for 30 years and she is a small business owner with a hair salon shop in the front of their house. She indicated that they did not receive any garbage bins and expressed frustration about the difficulty in getting someone to respond to her requests for garbage containers.

Motion by Wagner, second by Neal to amend the refuse & recycling ordinance to include multi-use buildings consisting of a single family residence and a business. Motion carried 5-0.



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Office of the City Attorney

TEL: (715) 261-6590  
FAX: (715) 261-6808

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Anne L. Jacobson  
City Attorney

Tara G. Alfonso  
Assistant City Attorney

COMMENTS ON AMENDMENT TO SECTION 6.44.010  
OF THE WAUSAU MUNICIPAL CODE TO INCLUDE A RESIDENTIAL UNIT  
LOCATED WITHIN A BUILDING CONTAINING NOT MORE THAN ONE COMMERCIAL  
USE FOR THE PURPOSE OF SOLID WASTE PICK-UP AND RECYCLING

- During the process of changing over to an automated system of solid waste and recycling pick-up, the issue of whether to provide pick-up to residences located within buildings containing a combination of residential units and commercial or other uses was discussed. Initially, the City determined to provide solid waste pick-up to these residences and adopted its collection ordinances to that effect.
- Upon further consideration, however, and in an effort to produce additional savings to taxpayers with respect to the pick-up of wastes, the Council later considered and enacted an amendment to the City's ordinances to decline to provide City pick-up of wastes from these types of residential units.
- After implementation of the new contract, the City received feedback from some residents who live within such dwelling units located within a building housing one or more commercial units. Upon consideration of these citizen concerns, the Public Health & Safety Committee is recommending that solid waste and recycling pick-up be provided by the City to a single family dwelling unit that is contained in or attached to a building which also contains no more than one commercial use, or any other use. Where a building houses more than one single family dwelling unit and a single commercial use, or a single family dwelling unit and more than one commercial or any other use, it will not receive City waste pick-up and the owner will need to arrange for private collection.

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE</b>	
Approving the Issuance of a Request for Proposal (RFP) process for City-owned parcels within the East Riverfront Planning Area (in the vicinity of Short St.) for new infill housing options (River East Brownstones).	
Committee Action:	Pending
Fiscal Impact:	0
<b>File Number:</b>	15-0613
<b>Date Introduced:</b>	January 26, 2016

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, the redevelopment of the East Riverfront Area is a strategic focus of the City and has included various planning efforts including the recent East Riverfront Brownfields Area-wide Plan and the East Riverfront Redevelopment Area RFP; and

**WHEREAS**, the City endeavors to diversify housing options and choices within key areas as part of the City’s ongoing strategy; and

**WHEREAS**, the City has strategically acquired parcels within this targeted area for redevelopment over the past many years and the City accepted a grant from the Judd S. Alexander Foundation for the design of a model rowhouse or ‘brownstone’ housing typology for this site on June 10, 2015;

**NOW, THEREFORE, BE IT RESOLVED**, that the Common Council of the City of Wausau supports the issuance of a Request for Proposal (RFP) process for the construction of the River East Brownstones concept model on these potential sites with proposals due March 14, 2016.

Approved:

\_\_\_\_\_  
James E. Tipple, Mayor

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

**JOINT RESOLUTION OF THE HUMAN RESOURCES COMMITTEE  
AND FINANCE COMMITTEE**

Reassigning the Senior Human Resources Analyst position from a Salary Grade 9 to a Salary Grade 7 based upon the addition of an Intermediary License as a minimum qualification.

Committee Action: HR Comm: Approved 5-0  
Finance Comm: Pending

Fiscal Impact: Approximately \$1.35 million saved in budget years 2015 and 2016 (\$8,655 moving forward)

<b>File Number:</b> 16-0110	<b>Date Introduced:</b> January 26, 2016
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**FISCAL IMPACT SUMMARY**

<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source: 2016 Contingency Budget</i>
	<i>One-time Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$8,655</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue <input type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/></i>		

**RESOLUTION**

**WHEREAS**, the Human Resources Director in April of 2012 contracted for consultant services to explore various options for offering the full range of employee health care related benefits, and

**WHEREAS**, the City of Wausau transitioned from fully insured benefits offering to being self-insured for employee benefits and workers' compensation beginning in 2013 which significantly increased the complexity of benefits administration requirements within the City of Wausau, and

**WHEREAS**, the City of Wausau has enjoyed the impacts associated with having a Senior Human Resources Generalist with an Intermediary License on staff since August of 2014, resulting in an actual cost savings of over \$1.35 million; and

**WHEREAS**, your Human Resources Committee has reviewed and considered the request to incorporate as a minimum qualification for the position of Senior Human Resources Generalist the requirement to maintain Intermediary Licensing, increasing the job evaluation point from 580 to 660 which would result in the position being reassigned from a pay grade 9 to a pay grade 7 at an annual cost of \$8,655.00 (\$7,560 pay grade adjustment + 14% fringe benefit costs); and

**WHEREAS**, funding for salary adjustments was provided for within the 2016 Contingency Budget; and

**WHEREAS**, your Finance Committee has reviewed and recommends a modification of the 2016 budget to transfer funds from Contingency into the Human Resources Budget to fund the increased salary and related fringe benefits

Decrease	Contingency	110-25099950	\$8,655
Increase	Human Resources Salaries	110-15091110	\$7,560
Increase	Human Resources Fringes	110-150Various	\$1,095

**WHEREAS**, your Human Resources Committee recommends this minimum qualification requirement and pay grade reassignment as presented in this resolution and attached supporting documentation, and

**NOW, THEREFORE, BE IT RESOLVED BY THE** Common Council of the City of Wausau that the Intermediary License minimum qualification be added to the position of Senior Human Resources Generalist and the position be reassigned to the Pay Grade 7, as specified above and in supporting documents, effective upon action of this Council.

**BE IT FURTHER RESOLVED**, by the Common Council of the City of Wausau that the proper City Officials be and are hereby authorized and directed to modify the 2016 budget and publish such transfer in the official newspaper.

Approved:

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James E. Tipple, Mayor

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE/TIME: January 11, 2016 at 4:30 p.m.  
LOCATION: City Hall (407 Grant Street) – Board Room  
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen  
MEMBERS ABSENT:  
Also Present: Mayor Tipple, C. Barr, M. Hite, E. Krohn, T. Kujawa, T. Larsen, E. Lindman, J. Schara, R. Neupert (WSAU)

**Discussion and Possible Action Regarding Update and Salary Range Reassignment of Senior Human Resources Generalist Position (Hite).**

Hite provided an overview of the background of the Senior Human Resources Generalist position to the Committee. This overview included how the position was reclassified downward in February 2012 from a Pay Grade 12 to a Pay Grade 10 based on the recommendation of the former HR Director. Hite explained how the skillset needed for the position has changed due to the City going from a fully insured benefits plan to a self-insured benefits plan. Hite explained that the Intermediary License possessed by the current Senior Human Resources Generalist (Elise Krohn) is in the City's best interest because the person holding the license will have a high level of knowledge in benefits and benefits contracts. By having the knowledge associated with having an Intermediary License, Krohn has saved the City over \$1.3 million in benefit years 2015 and 2016. Hite said that adding the requirement of an Intermediary License to the position will be the best for the City in the future if it needs to fill the position again. Hite said it is very beneficial to have someone in the position with the Intermediary License, and therefore is recommending that the Committee adds the requirement to the position. Hite said if the qualification is added to the position, she recommends the position being moved back into Pay Grade 7 as a result of that. Rasmussen said she thinks it is hugely beneficial to have an Intermediary on staff that is licensed in all 4 lines. Wager said he sees the benefit of adding the requirement to the criteria. He questioned the salary amount recommended and asked how long Krohn has been with the City. Hite said that Krohn has been employed with the City 1 ½ years and is not currently at the mid-point of the Pay Grade 9 salary range. Hite asked for Krohn to be placed in Pay Grade 7, in the middle of the minimum and mid-point of the range. Oberbeck asked for clarification if they would be approving the change to position with the suggested salary. Hite answered yes, and said that she wanted to be transparent that she would be using money set aside for compensation plan administration that the Committee recently passed. Conversation changed briefly to money that has possibly been saved through how Worker's Compensation has been administered. Motion by Rasmussen to approve the update and salary range reassignment of the Senior Human Resources Generalist position. Second by Oberbeck. 5-0. Motion passes.

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Romey Wagner  
Human Resources Committee, Chair



## Memorandum

**From:** Myla D. Hite, Human Resources Director  
**To:** Romey Wagner, Chair, Human Resources Committee  
**Subject:** Update and Salary Range Reassignment  
Senior Human Resource Generalist Position

Purpose: To obtain your approval to add the job requirement of a Wisconsin Insurance Intermediary License to the Senior Human Resources Generalist position. If approved this action will result in a salary range reassignment of the position from a Grade 9 to a Grade 7, which is reflective of the expansion of job duties necessitated by the City's movement from offering fully insured to self-ensured employee benefits.

Background:

1. This position was reclassified downward in February of 2012 based on a recommendation from former HR Director Michael Loy (See Attachment A). At that time, the City envisioned the duties and responsibilities of the position include compensation, benefits administration, performance and employee recognition and training program development.
2. In April of 2012, the City HR Director began exploring options for providing benefits to employees. At that time the HR Director sought and utilized the services of a consultant in order provide the technical expertise necessary to conduct the evaluation for future recommendations (See HR Committee Minutes at Attachment B).
3. In January of 2013, the City moved from a fully insured Workers' Compensation Program to a Self-Insured Benefit Program, making the need for specialized, technical expertise related to employer offered insurance and benefits programs critical within the City of Wausau (See Attachment C).
4. Beginning January 2013, the benefits for City employees were transitioned to a City self-insured benefits offering instead of the former, fully insured benefits plan. (See Attachment D)

The affect of these decisions and changes is a significant change in the type of work performed by the Human Resources staff. Formerly, the Senior HR Generalist positions benefits duties were limited; e.g. benefits administration largely meant ensuring claims were properly coordinated with the insurance carrier and answering employee questions. In today's structure, the specialized internal expertise is far more sophisticated and requires maintaining proficiency in insurance concepts, state laws and ethics. Within the State of Wisconsin possession of these

skills is reflected in an Intermediary License. To obtain an Intermediary License, one must possess the prerequisites to sit for an exam, pass the exam and participate in 24 hours of continuing education every two (2) years. I am seeking the Committee's approval to add this requirement to the minimum qualifications for the position of Senior Human Resources Generalist.

With this addition, the Position Point Factor within our current salary structure would change from the current point level of 580 to 660 based largely upon the reflection of the change in minimum qualifications, the complexity and impact of the work performed. Realistically, the Senior HR Generalist is already performing this work and possesses this license. This change, if approved, simply formalizes the evolved position requirements and preserves it for future.

The City of Wausau has already experienced significant positive benefits, as well as cost savings, from employing a Sr. Human Resources Generalist who possesses an Intermediary License. The year end report for 2015 currently being compiled by the Human Resources Office, reveals a \$1.3 million dollar savings in health care, while improvements were made to benefits offered (vision, preventative medication and tele-medicine, wellness). This Committee may recall, from initial consultant projections for premium costs in 2015 the City reduced the projections by \$500,000 and in 2016 by \$759,144. These negotiations by the HR Director could not have occurred without the technical expertise, research and assistance of the Senior HR Generalist who possesses the knowledge level maintained through the Intermediary License.. In 2015, the City reduced the actual Dental plan costs by \$43,000 by moving to a self-funded offering. Preliminary data also indicates that as a result of better management of the Workers Compensation benefit, the city has reduced the costs by an approximate 85% savings over both years 2014 and 2013. This analysis has lead to this request submitted by the HR Director. The City of Wausau will only benefit by continuing to employ an Senior Human Resources Generalist who possesses the knowledge and skills reflected through the possession of an Intermediary License.

Also, if approved, the point value change from 580 to 660 would result in a salary range change from a Grade 9 to a Grade 7. (See Attachment E). If approved, I recommend the incumbent's salary being set in the middle between the minimum and midpoint of the range which would be \$60,558.50 per year (Midpoint  $\$67,287 - \$53,830 = 13,457$ .  $13,457/2 = 6728.5$   $\$6728.5 + \$53,830 = \$60,558.50$ ). This reflects an increase of \$7,560 over the incumbents current salary however, when cost savings are considered it actually reflects a reduction. Salary increase of \$7,560 Cost Savings to the City already received of over \$1.35 million.

Impact:

1. Salary increase of \$7,560
2. Cost Savings to the City already received of over \$1.35 million.

Your consideration is respectfully requested.

Enclosures A-E

Cc: Mayor



## OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department  
Committee, Agency, Corporation, Quasi-Municipal  
Corporation, or Sub-unit thereof.

Meeting: Human Resources Committee  
Members: Romey Wagner (C), Gary Gisselman, David Nutting, David Oberbeck, Lisa Rasmussen  
Location: Board Room – City Hall  
Date/Time: **Monday February 13<sup>th</sup>, 2012 at 5:30 p.m.**

### AGENDA ITEMS FOR CONSIDERATION

1. Roll call.
2. Consider approval of 12/12/11 and 12/21/11 minutes
3. Communications
  - a) Wellness program update
  - b) Cell phone policy update
  - c) Crossing guard update
4. Consider reclassification request of Human Resources Manager to Human Resources Analyst
5. Discussion on the creation of Public Relations position
6. Presentation by Human Resources Director on proposed Employee Handbook
7. Consider 2012 Compensation Policy and Pay Model for General City employees
8. Discussion on participation in salary grade survey
9. **CLOSED SESSION** pursuant to Section 19.85(1)(e) of the Wisconsin statutes for the purpose of considering the following:
  - a. Updates on ongoing Negotiations with Professional Police Association
10. Reconvene in open session, and possible action on closed session items
11. Future agenda items for consideration.
12. Adjournment

Next regular meeting: March 12, 2012

Committee Chairperson: Romey Wagner

Questions regarding this agenda may be directed to the Human Resources Office @ & 715-261-6630.

This notice was posted at City Hall & emailed to the Wausau Daily Herald newsroom on 2/10/12 @ 3:00 pm

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at 407 Grant Street, Wausau WI 54403 or phone 715-261-6620.

List of others this Agenda was distributed to: Media, Alderpersons, Mayor, Department Heads, City Departments, Union Presidents.

It is possible that members of, and possibly a quorum of members of other committees of the Common Council of the City of Wausau may be in attendance at the above mentioned meeting to gather information. No action will be taken by any such groups at the above mentioned meeting other than the committee specifically referred to in this notice.

Michael S. Loy  
Human Resources Director

James E. Tipple  
Mayor

## MEMORANDUM

To: Human Resources Committee  
Jim Tipple, Mayor

From: Michael Loy

Date: February 9, 2012

RE: Reclassification of the Human Resources Manager position from Grade 12 to Grade 10 and rename to Human Resources Analyst.

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**Recommendation:** Adopt the Human Resource Director's recommendation by reclassifying the position to grade 10 and rename the position to Human Resources Analyst.

**Background:** The Human Resources Manager's announcement of her intent to retire presented an opportunity to review the organizational structure within the Human Resources Department. The position description was reviewed and new opportunities for duties were identified. This reengineered position will help accomplish the goals identified in the budget planning process for the Human Resources Department and City in 2012 and beyond. Please refer to the attached job description of the proposed reclassified position. The position duties, functions and salary fall in line with similar positions in other public sector Human Resources Departments.

**Fiscal Impact:** The range of the fiscal impact of the salary differential is:

Grade 12: \$47,199-66,065

Grade 10: \$42,231-59,091

**Motion Sought:** A motion to approve the reclassification of the Human Resources Manager position from grade 12 to 10 and to rename the position Human Resources Analyst is respectfully requested.

**DRAFT**

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE: February 13, 2012  
TIME: 5:30 p.m.  
PLACE: Board Room  
PRESENT: R. Wagner (C), G. Gisselman, D. Nutting, D. Oberbeck, L. Rasmussen  
Also present: D. Beula, E. Gault, M. Groat, A. Jacobson, K. Kellbach, S. Lipscomb, M. Loy, B. Nagle, J. Tipple, T. VanOrder, T. Williams

1. Roll call: All members present.
2. Consider approval of 12/12/2011 and 12/21/11 minutes: Motion by Rasmussen, second by Nutting to approve. All ayes. Motion carried unanimously.
3. Communications:
  - a) Wellness program update: Loy reported that we saw 94% employee participation, which is considered exceptional, and that he will present program results at a future meeting.
  - b) Cell phone policy update: Loy informed Committee that we have seen between \$7,000 and \$8,000 in savings thus far, with a few employees dropping off the plan, and reports a higher level of service under this plan.
  - c) Crossing guard update: Loy referred to an updated procurement policy that will be presented for Council consideration on February 14, adding that the Crossing Guard issue will be a process addressed as we move forward.
4. Consider reclassification request of Human Resources Manager to Human Resources Analyst: Loy informed Committee that Koss has announced that she will retire the end of March, and spoke to her 37 years of significant and dedicated service to the City, with Committee agreeing that she will be taking a great deal of corporate knowledge with her departure. Loy explained that as he looks to the future of the Human Resources Department, this position description will assist in reaching goals laid out in the budget plan and increasing what we do on the Human Resources front. Loy identified four specific areas of concentration of this position as being compensation, benefits administration, performance and employee recognition, and training program development. Loy pointed out that this reclassification brings the pay grade down from a 12 to a 10, with Wagner stating that this is a good fit with long range discussions and plans. Loy identified it is his intent to hire at step one, therefore seeing an initial salary savings of approximately \$30,000.

Motion by Nutting, second by Rasmussen to approve the reclassification as presented. All ayes. Motion carried unanimously.
5. Discussion on the creation of Public Relations position: Loy assured Committee that he is not yet seeking full authorization for this position, but is bringing it forward to focus on discussion toward building the position description and developing a plan to fund it, adding that this initiative was presented through internal management discussions on how we can improve communications with the public regarding City issues. Rasmussen offered that she is not in support of this position as she believes that the Alderpersons and relevant City officials should be the direct communicators with the citizens, as that is what the public wants, and that this position would be an information middle-man that we can not afford to support in that it would be a duplication of services that are already being handled by the proper departments and staff. Oberbeck agreed that the public expects honest opinions, transparency, and receipt of citizen

feedback directly from the Alderpersons, adding that we need to do more with technology in improving our website providing citizens easier access in contacting their Alderpersons. Oberbeck also expressed concern regarding funding another position as we have just authorized a full-time Assistant City Attorney and possible additional Fire staff in the future, with Gisselman agreeing that we have other financial priorities, and that it would cost money to even study the issue, therefore, he would not support the addition of this position. Nutting offered that he believes this to be a very positive initiative to provide specific dissemination of information to the public, speaking to the advantage of utilizing key technology like facebook and twitter as marketing tools, and in reference to Marathon County's new logo, this would be taking a step further by having a person to handle those initiatives, believing the positives that could be realized could be immeasurable. Wagner agrees that we should continue to look for and discover proactive communications with the media and public, adding that he would envision this position as a non-elected person speaking on the topics of interest as an expert in communication dedicated to social media. Tipple offered that Weston and the Wausau School District have media contact professionals, and suggested that we should at least look at how we get our message out to the public and consider how we can better promote our City and communicate facts and information on a consistent basis. Nutting and Wagner expressed the desire to direct Loy to pursue a job description and a plan, however, Wagner recognized that there was not a consensus of the Committee for that direction, so instead suggested the Committee should consider re-visiting this initiative as an item on a future agenda.

6. Presentation by Human Resources Director on proposed Employee Handbook: Loy informed Committee that the AFSCME groups did not hold a vote to re-certify, therefore, those groups are no longer unions and have been included in a new general employee handbook that he is recommending take effect April 1, 2012, explaining that the handbook was created with any eye to the challenges we face with present and future deficits and the necessity of implementing sustainable changes. Further, creation of the handbook included input from Department Heads, Managers, and Employees. Loy provided a power-point presentation as an overview of the major changes of integration of the groups, those changes relating to sick leave accrual and conversion, vacation accrual, overtime/compensatory time, call-in pay, holidays, longevity, and compensation. Committee discussed several aspects of the handbook, with Rasmussen expressing concern with disallowing retired employees to stay on our health plan, citing potential health issues that some employees incur in their duties, she feels it is wrong to put them out into the open market with the possibility that they would be uninsurable in that market. Rasmussen further suggested that we look at placing retirees under the same wellness program as employees and institute a spousal surcharge to assist in bringing the cost of their coverage down. Loy offered that most retiring employees seek insurance elsewhere because they can obtain a better deal, but that if necessary, we are mandated to offer COBRA coverage and that if the Health Care Reform plan does take effect in 2014, all retirees will have access to health care regardless of pre-existing conditions. Loy also assured Committee that we are able to revisit this issue in the event that the Health Care Reform plan is repealed or other issues arise. Wagner expressed concern that the retirees impact 20% of our cost and suggested that most companies do not offer inclusion on health care except for COBRA. Loy reiterated that, because retirees on our plan drive up utilization and impact the cost to active employees, this seems to be the best recommendation for future plan design, with Groat adding that Marathon County is taking the same action in regard to retirees. Gisselman offered that we may see a large number of employees retire at the end of 2012, as is happening at Marathon County, prompting discussion of the positive aspect of hiring incoming employees at step one and the negative aspect of losing long-term experience and knowledge.

Committee discussed the fact that this is a working document that will require adjustments and changes throughout the year. To streamline the process Rasmussen suggested that Loy be allowed latitude to affect changes and/or modifications. Committee discussed the specifics of the latitude, agreeing to grant Loy the discretion to add, delete, adjust, revise, or modify the contents of the handbook, in the City's best interest, including actions that have a fiscal impact of not more than \$5,000, and inclusions adhering to necessary administrative and legal mandated revisions.

Further, Loy will provide to Committee and Council annually at the beginning of the budget process an update and review of the handbook that provides financial and statistical review and projections for the upcoming budget year. Additionally, Loy will, following annual approval, reprint a complete updated edition of the handbook to be provided to employees. Committee also directed that the latitude authorization and annual update reporting, as discussed above, be included in the handbook.

Committee expressed appreciation and general approval of the tack taken by Loy in adjusting divergent group benefits positively, ie vacation accrual, in that the Committee is sensitive to the changes affecting employees.

Motion by Nutting, second by Oberbeck to approve the handbook as presented and with inclusion of discretionary latitude modifications and annual reporting directives, as stated above. All ayes. Motion carried unanimously.

7. Consider 2012 Compensation Policy and Pay Model for General City employees: Loy introduced the pay model, explaining that with the non-certification of the AFSCME group it is now necessary to make a decision on their wage rates, and offered the options of retaining their present pay structure, doing a full salary study, or to integrate all general employees into one pay matrix, which is his recommendation and has been provided to Committee for their directive, and which Committee focused discussion on. Rasmussen offered that she likes the additional years afforded for employees to progress to higher pay levels, in that previously they hit their maximum level in a short time and had nowhere to progress except to request a reclassification. Wagner agreed with the value of a larger step program but also sees it, along with the employee handbook, as a directive to managers to utilize the progression time in this matrix to adequately train people, enabling them to reach their full potential. Loy spoke to various points in the creation of the matrix, informing Committee that no employee's base wage decreased but actually, in most cases saw some level of an increase with the average level of increase for this group being just under one percent, however, because longevity, previously afforded to some AFSCME members per their contract, has been removed, he has proposed a one-time payment in 2012 only, as an adjustment to anyone who's overall annual salary decreased because of loss of longevity, with the Committee agreeing that it sounds like a fair way to handle the issue. Loy also informed Committee that this pay model will afford us front-end savings from the step progressions initially for approximately eight years, when at that time we may see an increase in expenses which will, however, be offset by new employees coming in at the low end of the scale. Loy further clarified that though longevity has been removed, the system has longevity implied because the mid-range step 5 is the market rate but we hire below that step and then rise above throughout their employment to reach the maximum step, which is 40% higher than when they started, with Loy asserting that the progression is promising to a new employee. Loy also clarified that employees progress through the pay matrix annually on their anniversary date dependent upon a satisfactory performance evaluation from their supervisor, with Rasmussen expressing approval in that this method introduces some of the elements of merit through performance with wage progression dependent upon employee performance. Committee briefly discussed the performance evaluation process with Loy informing Committee that our present system will be updated and developed going forward. Additionally Loy spoke to the small number of employees that are currently red-lined as their current rates translated above the maximum step of the pay matrix, explaining that those employees would stay at their present rate until the matrix catches up to them. Loy spoke to the reclassification request process as regulated to requests being accepted April 1<sup>st</sup> through June 30<sup>th</sup> and then presented as a whole prior to the budget process, with Committee briefly discussing various general points in how reclassifications are handled and administered. Loy specified that, should this Committee approve the pay model it will be forwarded to February 28<sup>th</sup> Council meeting, along with the handbook, for implementation April 1, 2012.

Motion by Nutting, second by Oberbeck to approve the Compensation Policy and Pay Model, as presented. All ayes. Motion carried unanimously.

8. Discussion on participation in salary grade survey: Loy informed Committee that Marathon County is engaging in a compensation study that will index positions not only from the public sector but the private sector as well which will be new and invaluable information as that is the market that we recruit from, and that data will result in the development of a new compensation plan, matrixes and a new system for them. Loy further explained that he is requesting authorization to participate in that study only to the extent of receiving the data from the study and bringing the information back to Committee to discuss how to utilize that data. Loy extrapolated that the data will show that some of our positions are over market and some are under market, and that information will assist us in possible future adjustments to our own compensation plan. The full study has been estimated to cost \$70,000, however, access to the data will cost us \$5,000, which Loy suggested is well worth the cost to do our due diligence in assessing our compensation plan. Committee discussed the process and participation demographic of compensation studies, and how that data is obtained and utilized across the public and private sectors, with Loy stressing that joining with regional entities in these studies is a good strategy. Loy clarified that he is seeking permission from this Committee to participate in the study as discussed and assured Committee that he has the funding available in his budget.

Motion by Nutting, second by Rasmussen to approve participation in the compensation study as requested. All ayes. Motion carried unanimously.

9. CLOSED SESSION pursuant to Section 19.85(1)(e) of the Wisconsin statutes for the purpose of considering the following:

- a. Updates on ongoing Negotiations with Professional Police Association

Motion by Rasmussen, second by Nutting to enter into closed session. All ayes. Motion carried unanimously. Committee entered into closed session.

10. Reconvene in open session, and possible action on closed session items: No action on closed session item.

11. Future agenda items for consideration, including future meeting dates: Wagner, with Committee's agreement, expressed appreciation to Loy for his many initiatives, progress, and presentations brought forward to Committee since joining the City, commending him for a great job.

12. Adjournment: Motion by Nutting, second by Rasmussen to adjourn. All ayes. Motion carried unanimously. Committee adjourned at 7:45 p.m.

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Romey Wagner  
Human Resources Committee, Chair

**ATTACHMENT B**  
**Request to Update and Salary Range Reassignment**  
**Senior Human Resource Generalist Position**

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE**  
**SPECIAL MEETING**  
**MINUTES OF OPEN SESSION**

DATE: April 9, 2012  
TIME: 5:30 p.m.  
PLACE: Board Room  
PRESENT: R. Wagner (C), G. Gisselman, D. Nutting, D. Oberbeck, L. Rasmussen  
EXCUSED G. Gisselman excused at 6:10 p.m.  
Also present: S. Abitz, D. Beula, P. Czarapata, N. Giese, M. Groat, M. Lehman, S. Lipscomb, M. Loy, B. Nagle, T. VanOrder

7. Discussion of parameters for Health Insurance RFP: Loy explained that he is recommending doing a full RFP and will assess all options available including self insured, traditional, and HSA plans, adding that he will utilize a consultant to assist with the process. Rasmussen suggested that we consider a plan that will dove-tail with our wellness initiatives, with Loy agreeing that will be taken into consideration as plans are looked at. Loy informed Committee that the next step will be to address the Finance Committee. No formal action

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving Recommendation to Self-Insure Workers Compensation Program with CVMIC

Committee Action: Approved 4-0

Fiscal Impact: Within 2013 Budget

**File Number:** 12-1119

**Date Introduced:** November 27, 2012

**RESOLUTION**

**WHEREAS**, your Finance Committee has reviewed and considered information regarding the 2013 Workers Compensation program renewal and funding options; and

**WHEREAS**, Cities & Villages Mutual Insurance Company (CVMIC) provided the most competitive fully-insured and self-insured worker's compensation program options; and

**WHEREAS**, historical data would suggest that the City would save money over the long-term in a self-insured program; and

**WHEREAS**, the City has built a reserve in excess of \$300,000 to provide for large loss claims; and

**WHEREAS**, the City has a strong commitment to Risk Management and safety programs that will continue to reduce risk and improve worker safety; and

**WHEREAS**, the City of Wausau is a qualified political subdivision of the State of Wisconsin; and

**WHEREAS**, the Wisconsin Worker's Compensation Act (Act) provides that employers covered by the Act either insure their liability with worker's compensation insurance carriers authorized to do business in Wisconsin, or to be exempted (self-insured) from insuring liabilities with a carrier and thereby assuming the responsibility for its own worker's compensation risk and payment; and

**WHEREAS**, the State and its political subdivisions may self-insure worker's compensation without a special order from the Department of Workforce Development (Department) if they agree to report faithfully all compensable injuries and agree to comply with the Act and rules of the Department; and

**WHEREAS**, the Finance Committee at its November 13<sup>th</sup>, meeting approved the establishment of a self-insured worker's compensation program administered by CVMIC; and

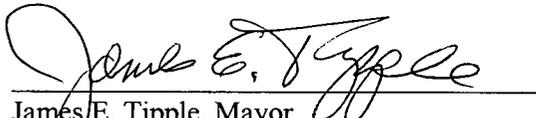
**NOW, THEREFORE, BE IT RESOLVED**, that the Common Council of the City of Wausau does ordain as follows:

- (1) Provide for the establishment of a self-insured worker's compensation program effective January 1<sup>st</sup>, 2013.

- (2) Authorize the Human Resources Director to forward certified copies of this resolution and other required documentation to the Worker's Compensation Division, Wisconsin Department of Workforce Development.
- (3) Create and approve a reserve policy that the City reserve \$500,000 for purposes of paying large claims and/or claims that exceed budget projections.
- (4) Contract with a third party administration (CVMIC) for the purposes obtaining third-party excess loss insurance, claim processing, discounting, and management services;
- (5) Purchase excess insurance for claims on a per occurrence basis that exceed \$500,000.

**BE IT FURTHER RESOLVED** by the Common Council of the City of Wausau that the proper City officials and designees are hereby authorized and directed to execute and administer the plan as approved by this resolution.

Approved:

  
James E. Tipple, Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, November 13, 2012 @ 4:30 pm., Board Room

Members Present: Nagle {c}, Oberbeck, Winters, Nutting, Brezinski

Others Present: Groat, Tipple, Gisselman, Abitz, Mielke, Wagner, Buchberger, Giese, Jacobson, Loy, Marquardt, Werth, Wessling, Don Zamzow, Mike Zamzow, Jim Rosenberg, Randy Wanta, Michael DeMoss, Greg Gilsinger, Pat Peckham

### **Consider Self-Insurance Workers Compensation – CVMIC**

Michael Loy asked the committee to consider whether they would like to change administrators, as well as if they would like to self-insure that benefit. He stated currently we are fully insured with Liberty Mutual and received a discounting off the manual premium and a dividend of 32.5%. He indicated upon renewal this year, Liberty made a move to eliminate the dividend and the discount and provided only a retrospective rating plan option, which would significantly increase our costs and put the city in a bad position as far as the financing of that benefit. He stated they have quote from CVMIC for 2013 for a fully insured option with a 10% level dividend, which is significantly lower than what Liberty was in the past. He noted there was an opportunity for a variable dividend on top of that. He referred to an analysis in the packet of self-insured versus fully insured with CVMIC for the past five years. The analysis showed that we would have fared well in the last five years with significant savings from that program. He commented he thought the city was headed in a good direction and have built up a reserve to be able to absorb what a projected bad year would be.

Loy introduced Mike DeMoss, Executive Director of CVMIC, and Greg Gilsinger, Workers Compensation Manager from CVMIC, who talked about the company and explained the options and the risks involved in either scenario. Loy recommended going with the self-insured plan with CVMIC.

Motion by Nutting, second by Winters to approve a self-insured plan with CVMIC. Motion carried 4-0.

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving recommendation to contract with WPS for Health and Prescription Drug Plans

Committee Action: Approved 4-0, 1 Abstained

Fiscal Impact: (\$ 90,000) Estimated

File Number: 12-1008

Date Introduced: October 9, 2012

**RESOLUTION**

**WHEREAS**, your Finance Committee has reviewed and considered information from a request from proposal conducted by The Horton Group on medical and prescription drug benefits, and

**WHEREAS**, the proposed changes are to provide an agreement with WPS to provide medical and prescription drug plans for 2013 is recommended, and

**WHEREAS**, medical and prescription drug benefits are a considerable expense to the City with an annual budget of \$5,153,281 in 2012, and

**WHEREAS**, an agreement to provide medical and prescription drug benefits with WPS would reduce cost by 2% or \$90,000 when medical inflation is estimated to be around 8% or approximately an increase of \$400,000 if the City did not issue a request for proposal, and

**WHEREAS**, additional savings may be realized if employees enroll in other plan options provided by WPS, and

**WHEREAS**, an agreement with WPS provides financial savings in addition to improved reporting to evaluate future financing options, improved network options (out-of-network specifically), and multiple plan options including dual choice high deductible plans with Health Reimbursement and Health Savings accounts options, and

**WHEREAS**, your Finance Committee recommends authorization and approval of the recommendation made by The Horton Group to change medical and prescription drug insurers to WPS, and

**NOW THEREFORE BE IT RESOLVED** by the Common Council of the City of Wausau that the City of Wausau enter into an agreement with WPS as summarized above and specified in attached documentation for plan year 2013, and

**BE IT FURTHER RESOLVED** by the Common Council of the City of Wausau that the proper City officials and designees are hereby authorized and directed to execute and administer the plan as approved by this resolution.

Approved:

  
James E. Tipple, Mayor

## FINANCE COMMITTEE

Date and Time: Monday, October 2, 2012 @ 4:45 pm., Board Room

Members Present: Nagle {c}, Brezinski, Oberbeck, Winters, Nutting

Others Present: Groat, Giese, Jacobson, Loy, Kellbach, Wagner, Stratz, Goede, Marquardt, Chmiel, Kathy Foley, Bruce Bohlken, Oliver Burrows, III, Barbara Oakes

### Report and Recommendation on RFP for Medical, Prescription Drug and Dental Plans (Loy)

Michael Loy introduced Rae Ann Beaudry, Executive Vice President of The Horton Group, who addressed the committee via phone from Waukesha. Loy explained The Horton Group is the firm that put out our medical and dental plans for RFP.

Beaudry reviewed the report noting that they follow a pretty strict process for their public sector clients in terms of sending out RFP requests. She stated the city being with Security Health Plan was somewhat limited in the information that the health plan specifically was able to provide to those vendors looking to issue a proposal, so we had to set up some verbal commentary and a revised timeline for the RFP. Each and every vendor went through the critical eyes of her entire team. It came down to two very viable opportunities to perform better for the city both financially and with a strategic plan to move the city forward with the very best options.

Beaudry stated those plan considerations were with the Wisconsin Education Association Insurance Trust (WEA) and with WPS. She explained if we had wanted to stay with one plan of benefits, meaning the consistent plan of benefits that the city has available to its employees today, we would have looked much more closely at WEA which had a lot of pros; their reporting is better than what we're experiencing today, they have a global as well as statewide network, etc. However, when we started to look at the opportunity to offer some local networks alongside broader based statewide and national networks, WPS became a clear frontrunner. WPS is able to offer the city a choice of four different health plans simultaneously, so everyone gets to select on an annual enrollment basis whether they want the current plan of benefits with the Health Reimbursement Account or if they would like to take advantage of the Health Savings Account. She felt WPS will do great things for all of the active employees and their dependents as well as retirees and its going to save the city a substantial amount of money.

Beaudry stated with regard to the dental they had a number of fully insured options and a number of self-funded options. Delta Dental is a close partner with WPS and we know the city has enjoyed some decent savings with them in being self-funded, so therefore we are recommending the city remain with Delta Dental. She noted Delta Dental decreased their administration fees by \$.30 per employee per month.

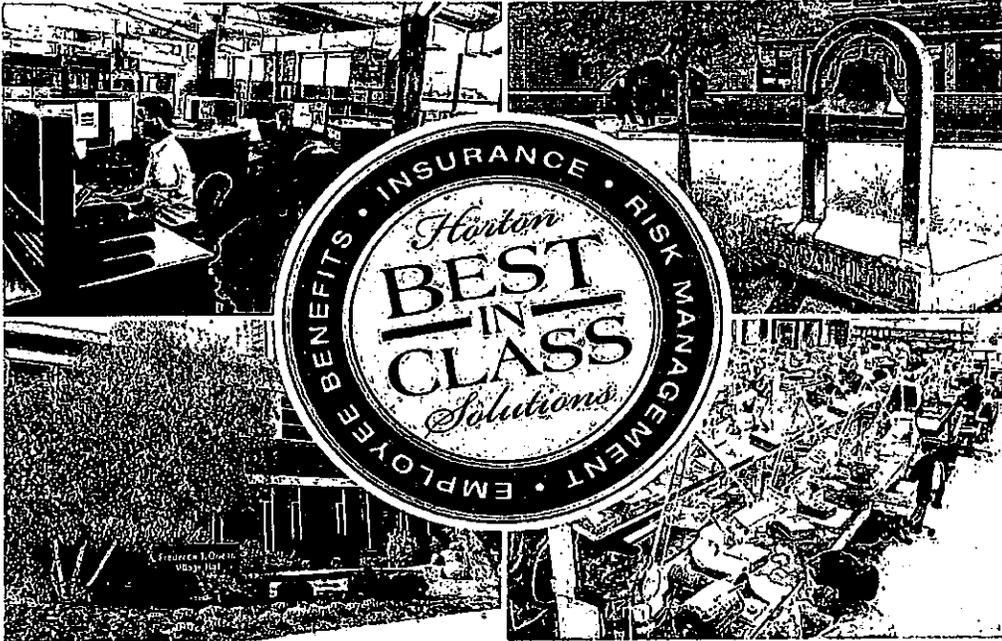
Loy stated we started this year with just over 6% increase initially offered from Security Health which would be an increase to the budget of approximately \$300,000. We obtained a 2% reduction, or a reduction in the budget of \$90,000 with room to grow depending on people's plan selections.

Loy felt the design recommended by the consultant is going to offer us an opportunity to introduce some true consumerism into the plan and sets up a strategic plan to manage these costs over a couple years. One of the things that WPS is guaranteeing in this two year deal is that at our premiums will not increase by more than 12% in year two, or not to exceed. Beaudry assured the committee that not to exceed did not mean that we just accept 12% and stop negotiating; we will try to make sure it is significantly below that, if possible.

Winters questioned if WPS would be able to support a movement to a self-funded plan if the city chooses to go in that direction. Beaudry confirmed that they would and do it very well. Nagle stated a con for WPS was partially that the in-network providers may vary from the current program; he questioned if the employees will still get their same bank of physicians. Beaudry indicated that they will and that the broad base network actually has more access than Security has.

Loy stated we are really offering the employees a true choice between an HRA and an HSA plan and there are advantages to both. He felt it was important to point out there are two different networks. He pointed out the statewide network offers employees access to more providers than they're typically accustomed to. He noted two of our plans will be Aspirus only network which drives some additional discounting in the area.

Motion by Brezinski, second by Nutting to approve the recommendation made by the consultant for medical and dental, which is a two year contract with WPS and continuing with Delta Dental on a self-funded basis. Motion carried 4-0, with one abstention. (*Winters indicated he abstained from voting as a licensed representative of WPS*)



October 1, 2012

## Final Report and Recommendations

Prepared for:

**City of Wausau**

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Presented by:  
Rae Anne Beaudry, Executive Vice President, Horton Benefit Solutions  
**The Horton Group**

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## **Executive Summary**

The City of Wausau engaged The Horton Group (Horton) to create and market a Request for Proposal (RFP), with an effective date of January, 1, 2013, relative to the below plans:

- Medical & Prescription Drug
- Dental

### **RFP Process**

Horton prepared a confidentiality agreement and sent it via e-mail to potential vendors. Each vendor was asked to sign and return the confidentiality agreement to indicate that they would like to submit a proposal on behalf of the City of Wausau and to indicate that they would keep any data received confidential.

Horton compiled a detailed narrative that outlined the current plans and history and the guidelines that any of the carriers quoting needed to follow in order to issue a proposal. Horton included any pertinent attachments including benefit summaries, demographic information, carrier histories, etc. Each carrier that returned a signed confidentiality agreement was asked to submit their proposal. The proposals outline the benefits quoted, rates, rate guarantees and any deviations from the current programs. Each carrier was asked to complete a questionnaire for each line of coverage.

In addition to the existing plan designs, the RFP narrative outlined other plan design options that the carriers were asked to provide as alternatives to the existing benefit levels.

Carriers were asked to submit any questions relating to the RFP in writing. Horton tracked these questions and provided a response to all carriers so that all proposals were based on the same information.

As part of the RFP process, Horton weighed each response based on the rates, benefit deviations, networks and questionnaire responses. Horton completed a financial analysis in addition to outlining the positives, negatives and benefit deviations for the proposals received. These items were summarized in this report.

<b>Carrier</b>	<b>Status</b>
	was a strong business opportunity.
Group Health Cooperative	Did not return confidentiality agreement.
Humana	Declined to quote due to network and uncompetitive rates.
Meritain	Issued a self-funded proposal.
Midwest Risk Underwriters	Declined to quote stop loss due to pricing; issued a separate transplant network quote.
Network Health Plan	Declined to quote due to network.
Orien Risk/Gerber (provided by Security Health)	Issued a stop loss proposal.
Security Health Plan (incumbent)	Issued self funded and fully insured proposals.
SLG Benefits (QBE)	Issued a stop loss proposal, but with a minimum specific deductible of \$100,000.
Sun Life	Declined to quote due to uncompetitive rates.
WCA Group Health Trust (UMR)	Declined to quote due to uncompetitive rates.
WEA Insurance Trust	Issued a proposal.
WPS Health Insurance/Arise	Issued a proposal.

The request for proposal asked for quotes to match the current underlying plan. Any plan discrepancies were to be identified in the proposal response. An alternate plan design was also requested as were plan designs with out of network benefits.

Finalists were determined based on the selection criteria outlined below. Those carriers that were selected as finalists were asked to participate in a finalist interview.

In addition to the quotes and questionnaires provided, the criteria used for evaluating medical providers is outlined below.

- Ability to match existing plan design and eligibility requirements
- Competitive Pricing
- Network Providers/Available Discounts
- Performance Guarantees
- Completeness of proposal
- References
- Capacity
- Quality
- Provider Disruption

WPS  
Self Funded and Fully Insured Quotes Received

PROS:

- WPS offered both a fully insured and self funded proposal.
- They have the ability to fully match current benefits
- WPS offers a competitive track record regarding multiple plan offerings.
- WPS fully integrates its disease management and wellness programs and has the complete ability to customize these programs.
- WPS reporting is extensive and offers many more reports than are available currently.
- Very competent customer service.
- References were extremely complimentary.
- Customer Service Consultant assigned to your account.

CONS:

- There would likely be changes in administration of the existing program and the in-network providers may vary from the current program.
- WPS utilizes Medco for their pharmacy benefits and Medco is not particularly flexible with respect to plan design.
- Implementation would require complete enrollment.

Auxiant  
Self Funded Quote Only

Auxiant offered a self funded third party administration proposal with alternative stop loss quotes. The minimum specific deductible offered was \$75,000. The expected claim costs were higher than the fully insured renewal premiums.

Meritain  
Self Funded Quote Only

Meritain offered a self funded third party administration proposal. Meritain did not provide stop loss alternatives, so it is difficult to determine if their proposal would be competitive.

Midwest Risk Underwriters  
Self Funded Transplant Network Proposal

Midwest Risk did not issue a stop loss quotation. They provided a self-funded transplant network option which should only be considered if the City were to move to a true self funded option.

other than preventive, would be subject to deductible and coinsurance. Carriers were asked to indicate if they had any minimum participation requirements. Carriers were advised that the contributions for this plan would likely vary from the existing 88%/12% to encourage participation.

### **Medical Considerations for Initial Recommendation /Finalist Interviews**

In addition to the evaluation of proposals, questionnaires, ability to provide substantially similar plan design and network availability, we evaluated the proposals based on pricing.

Upon consideration of all the Proposal Responses, we recommended that the City of Wausau move forward with a finalist interview for WPS.

In our professional opinion, Security Health Plan offered neither the financial stability, nor the plan design flexibility to retain them as our vendor partner for these services.

WEA Insurance Trust was a contender with their plan design flexibility, as well as their pricing for all plan designs. With their long relationship with school districts, the level of customer service demanded by a client, such as The City of Wausau, would be strongly fulfilled and they did provide a rate guarantee of a second year not to exceed price, however, they did not match the priced savings or familiarity of the City of Wausau plans or needs as did WPS.

WPS offered the choice of four plan designs including a rate guarantee not to exceed 12% for the plan year 2014. They are a well established vendor in this area. They offer seamless networks throughout the City, the State of Wisconsin and the U.S. Secondly, they priced plans at current levels for a broad based network option which includes all of the following; out of network benefit levels as well as PPO access throughout the State of Wisconsin and across the Country. Along with the Broad Access Network option, WPS offered a narrow network (Aspirus which could be offered stand alone or as a dual choice) which is priced significantly under current. Aspirus is a well known, local provider and this gives the City the ability to offer local access to those employees who can utilize or desire to utilize the local option; as well as the choice for those who want to utilize a broader network. The City could offer the Statewide plan as an alternative with a higher cost. It would be our recommendation that the City budget against the Aspirus Option and employees desiring the Broad Based Statewide Network would absorb the higher cost difference in premium.

Horton is recommending that the City move to WPS with two plan designs as outlined above.

### Dental

We sent confidentiality agreements to the following providers. The status is outlined below:

<b>Carrier</b>	<b>Status</b>
Anthem	Declined to quote due to uncompetitive rates.
Auxiant	Issued a self funded administrative proposal. No dental network was quoted.
Cypress	Declined to quote as they did not feel it was a strong business opportunity.
Delta Dental (incumbent)	Issued self funded and fully insured proposal.
GIS Benefits (MetLife)	Issued a fully insured MetLife proposal.
Group Health Cooperative	Did not return confidentiality agreement so no RFP was sent
Guardian	Declined to quote due to uncompetitive rates.
Humana	Issued a self funded and fully insured proposal.
Meritain	Issued a self-funded proposal.
Sun Life	Declined to quote due to uncompetitive rates.
UnitedHealthcare (Dental)	Declined to issue a quote as quotation request was also sent to WCA Group Health Trust.
WCA Group Health Trust (UMR)	Declined to quote due to uncompetitive rates.
WEA Insurance Trust	Issued a fully insured proposal.
WPS Health Insurance	Did not issue a dental proposal.

The request for proposal asked for quotes to match the current underlying plan and to quote on both a self-funded and fully insured basis. Any plan discrepancies were to be identified in the proposal response.

The claim reports initially received from Delta Dental included claims run-out from the prior plans. As such, the initial proposals received from the other carriers were overstated. This point was clarified with Delta Dental and revised reports were sent to each of the dental carriers.

CONS:

- Although they are a national carrier, each state plan is considered an independent contractor.
- Their fully insured proposal includes the evidence based integrated care plan, is limited to 2 exams per benefit year and limits bitewing x-rays to once per benefit year.

GIS Benefits (MetLife)

PROS:

- Proposed fully insured rates are approximately 8% lower than the Delta Dental fully insured proposal.
- Proposal included a 2 year rate.

CONS:

- MetLife is unable to offer a self-funded dental proposal.
- The MetLife network varies from the existing Delta network and may cause disruption on the part of plan participants.
- The age limits and benefit frequencies may vary from the existing Delta Dental plan.
- The MetLife plan has waiting periods for late entrants.

Humana

The initial proposal provided by Humana included administrative fees that were slightly less than the existing Delta administrative fees, but higher than the renewal proposed by Delta Dental. Humana offered a 3 year rate guarantee, whereas Delta offered a 4 year guarantee.

The Initial fully insured proposal from Humana was based on claims from the prior Dental plans. Humana elected not to provide a revised proposal and as a result, the rates quoted on a fully insured basis were not competitive.

Auxiant

PROS:

- Self funded administrative fees are less than the proposed Delta Dental rates.
- Plan participants can see any dental provider.
- Auxiant is able to match existing plan designs and eligibility requirements.

- 
- The age limits and benefit frequencies may vary from the existing Delta Dental plan. This will need to be closely reviewed.

### **Dental Considerations for Initial Recommendation/Finalist Interviews**

Based on the proposals submitted, questionnaire responses, network disruption and pricing, at this time, The Horton Group will outline its recommendation separately based on fully insured versus self funded alternatives. Note the below:

#### Self-Funded

If the City wishes to remain self-funded, Horton would recommend that the City remain with Delta Dental. Delta reduced its administrative fees by \$.30 PEPM and provided a 4 year rate guarantee through 12/31/2016. Delta Dental is a business partner with WPS and which takes into consideration the reduced administration fees and guarantee.

Humana offered a self-funded dental proposal, but their administrative fees are slightly higher than the renewal rates proposed by Delta Dental. Auxiant has reduced administrative fees, but offers no dental network. Meritain has reduced dental fees, but an open network.

#### Fully Insured

The City may wish to consider a fully insured dental option for 2013. The most competitive fully insured proposal was from MetLife. If the medical plan were to move to WEA, Horton recommends that WEA also be considered on the dental on a fully insured basis. This would consolidate to one carrier and reduce administrative responsibilities.

Given the claims run-out and the dental claims volatility from month to month, changing to a fully-insured option would be a way to stabilize costs on a month to month basis. Also, certain of the carriers have offered a not to exceed increase for year 2, which would stabilize the plan costs over a 2 year period. If the City were to explore fully insured alternatives, we would recommend the City consider Delta Dental and Met Life as finalists. WEA should also be considered if the WEA medical plan is a finalist. If desired by the City, a finalist meeting could be scheduled.

OFFICIAL PROCEEDINGS OF THE WAUSAU COMMON COUNCIL  
held on Tuesday, October 9, 2012 at 7:00 p.m. in the City Hall Council Chambers. Mayor Tipple  
presiding.

Item # 101211

12-1008 WPS Contract

10/9/2012 7:17:47 PM

Motion by Nutting, second by Nagle to adopt the Resolution of the Finance Committee approving recommendation to contract  
with WPS for Health and Prescription Drug Plans.

Yes Votes: 9

No Votes: 0

Abstain: 1

Not Voting: 1

Result: PASS

<u>District</u>	<u>Aldersperson</u>	<u>Vote</u>
1	Nagle, William P.	YES
2	Wagner, Romey	NV
3	Nutting, David	YES
4	Brezinski, Jim	YES
5	Gisselman, Gary	YES
6	Winters, Keene	ABS
7	Rasmussen, Lisa	YES
8	Kellbach, Karen	YES
9	Oberbeck, David	YES
10	Abitz, Sherry	YES
11	Mielke, Robert	YES

PAY FOR PERFORMANCE SALARY RANGES

GRADE	Annual			Hourly		
	Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
1	\$83,200	\$104,000	\$124,800	\$40.00	\$50.00	\$60.00
2	\$77,376	\$96,720	\$116,064	\$37.20	\$46.50	\$55.80
3	\$71,960	\$89,950	\$107,940	\$34.60	\$43.25	\$51.89
4	\$66,922	\$83,653	\$100,384	\$32.17	\$40.22	\$48.26
5	\$62,238	\$77,797	\$93,356	\$29.92	\$37.40	\$44.88
6	\$57,882	\$72,352	\$86,822	\$27.83	\$34.78	\$41.74
7	\$53,830	\$67,287	\$80,744	\$25.88	\$32.35	\$38.82
8	\$50,062	\$62,577	\$75,092	\$24.07	\$30.09	\$36.10
9	\$46,558	\$58,197	\$69,836	\$22.38	\$27.98	\$33.58
10	\$43,298	\$54,123	\$64,948	\$20.82	\$26.02	\$31.22
11	\$40,267	\$50,334	\$60,401	\$19.36	\$24.20	\$29.04
12	\$37,449	\$46,811	\$56,173	\$18.00	\$22.51	\$27.01
13	\$34,827	\$43,534	\$52,241	\$16.74	\$20.93	\$25.12
14	\$32,390	\$40,487	\$48,584	\$15.57	\$19.46	\$23.36
15	\$30,122	\$37,653	\$45,184	\$14.48	\$18.10	\$21.72
16	\$28,014	\$35,017	\$42,020	\$13.47	\$16.84	\$20.20
17	\$26,053	\$32,566	\$39,079	\$12.53	\$15.66	\$18.79
18	\$24,229	\$30,286	\$36,343	\$11.65	\$14.56	\$17.47
19	\$22,533	\$28,166	\$33,799	\$10.83	\$13.54	\$16.25
20	\$20,955	\$26,194	\$31,433	\$10.07	\$12.59	\$15.11

**CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403**

<b>JOINT RESOLUTION OF THE HUMAN RESOURCES COMMITTEE AND FINANCE COMMITTEE</b>			
Approving an Internal Organizational Efficiency and Development Initiative			
Committee Action:		HR Comm: Approved 5-0 Finance Comm: Pending	
Fiscal Impact:		\$13,150	
<b>File Number:</b>		16-0111	<b>Date Introduced:</b> January 26, 2016
<b>FISCAL IMPACT SUMMARY</b>			
COSTS	<i>Budget Neutral</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source: Unencumbered funds in Unclassified Contractual Services</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$13,150</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount</i> <span style="float:right;"><i>Annual Retirement</i></span>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, your Human Committee has reviewed and considered various options for improving organizational efficiency and to better develop the organization towards accomplishing the strategic goals of the City of Wausau in the most effective manner possible in service of the citizenry; and

**WHEREAS**, in the year 2014 a Request for Proposal process indicated the use of external resources to perform similar work would cost as much as \$112,000, and

**WHEREAS**, your Human Resources Committee has recommended embarking on a pilot designed to determine if the organizational efficiency and development would best be served by an internal process by conducting a performance audit and applying LEAN process improvement methodology to the following bodies of work: Establishing Property Valuations within the City; Maintaining and Constructing Streets within the City; Providing potable Drinking Water within the City and Ensuring Construction Complies with Codes and Ordinances, and

**WHEREAS**, the City employs a Human Resources Director skilled in conducting performance audits with qualifications for process improvement facilitation as a LEAN practitioner at the greenbelt level, and

**WHEREAS**, this pilot can best be supported through the oversight of a LEAN practitioner at the blackbelt level, which is available through North Central Technical College to develop internal staff and outline the framework to conduct the pilot and sustain continued organizational efficiency and improvement efforts for the future, and,

**WHEREAS**, your Human Resources Committee recommends authorization and approval of the recommendation contract the services of the aforementioned NTC LEAN blackbelt along with implementation of the pilot; and

**WHEREAS**, your Finance Committee has reviewed and approved of the proposed budgetary source;

**NOW THEREFORE BE IT RESOLVED** by the Common Council of the City of Wausau and the City of Wausau contract with the North Central Technical College for the services of a LEAN practitioner at the blackbelt level to initiate the pilot under the supervision of the Human Resources Committee, and

**BE IT FURTHER RESOLVED** by the Common Council of the City of Wausau that the proper City officials and designees are hereby authorized and directed to execute and administer the pilot as approved by this resolution.

Approved:

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James E. Tipple, Mayor

APPROVED

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE/TIME: November 10, 2014 at 4:30 p.m.  
LOCATION: City Hall (407 Grant Street) – Board Room  
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen  
MEMBERS ABSENT:  
Also Present: Mayor Tipple, M. Hite, A. Jacobson, J. Kannenberg

**Discussion of Organizational Efficiency & Effectiveness RFP (Update).**

Hite said there were 3 responses to the RFP ranging from \$57,500 and \$112,000. Hite would like guidance on what the committee would like to do next. Hite suggested having department scorecards or LEAN initiative training to enhance efficiency and effectiveness. Wagner asked for an explanation of what LEAN does. Hite explained that LEAN looks at the processes within an organization and involves staff performing the work in evaluating processes. Oberbeck stated his concern of additional staff time needed for such training and believes it would end up costing as much or more than \$57,000, and that to really make changes the City needs to look outside of the organization. Wagner agreed that it would be more beneficial to have outside help. Rasmussen mentioned that an organization in the county recently went through LEAN training and managed to reduce time spent on processes. Rasmussen said the City could try the LEAN approach first and if no results are seen, then turn to an outside source. Hite explained the Department Scorecard option to the committee that would measure efficiency and procedures, and could be measured internally and externally. Nagle sees it as two issues, measuring employees and measuring services. Gisselman said that if the City isn't prepared to make changes, why ask the citizens for their comments? Rasmussen suggested contacting similar cities to find out how they run their organization; network with a group of other cities to make improvements. Wagner stated that a professional consultant would have the knowledge of all cities and how they've run efficiently and effectively. Oberbeck believes an investment in a consultant could save the City money. Tipple reminded the committee that hiring a consultant does not guarantee that money would be saved. The City would have to be committed to make the changes suggested by the consultant, and that might mean additional costs. Oberbeck agreed that the City may have to spend more money to grow. Wagner questioned whether foundation funding would be available. Hite said she will reach out to UW-Marathon, UW-Point, and the League of WI Municipalities to explore options. The committee will defer any action until next month and Hite will research more options. Further discussion took place regarding the goals of the study. Oberbeck is interested in efficiency, growth, increased revenue, and a vision for growth for the next 5 years. Gisselman wants to look at organizational structure and what changes can or should be made. Wagner is also interested in organizational structure and would like someone to think outside the box for options.

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Romey Wagner  
Human Resources Committee, Chair

APPROVED

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE/TIME: November 9, 2015, 2015 at 4:30 p.m.  
LOCATION: City Hall (407 Grant Street) – Board Room  
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen  
MEMBERS ABSENT:  
Also Present: Mayor Tipple, T. Alfonso, M. Hite, E. Krohn, J. Schara

**Discussion and Possible Action on Organizational Efficiency Study.**

Wagner said initially they (Council) wanted to focus on specific departments, but now thinks that a study of all departments may be more beneficial to find out what departments are doing and if they are staffed properly. Oberbeck said that they are predicting a 4.7% budget increase for next year, and the City has to look for ways to do things differently. Oberbeck said instead of looking at individual positions, they have to focus on defining the priorities of the City, the outcomes, and ways to achieve them? Rasmussen said the last time an organizational efficiency study was sent out for RFP, it was decided that the City could not afford the cost, but another option would be to do a LEAN analysis. The Committee discussion explored the possibility of assigning Human Resources to assist with conducting this type of analysis. When asked direct, Hite responded that while she has a LEAN green belt and could perform an analysis, she would ask to have the support of a LEAN black belt as a resource for conducting this work. The Committee agreed this would be an appropriate measure. Wagner tasked Hite to develop and bring a proposal back to committee for consideration in December. No motion on this item.

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Romey Wagner  
Human Resources Committee, Chair

APPROVED

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE/TIME: December 14, 2015, 2015 at 4:30 p.m.  
LOCATION: City Hall (407 Grant Street) – Board Room  
MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen  
MEMBERS ABSENT:  
Also Present: Mayor Tipple, T. Alfonso, P. Czarapata, K. Dubore, M. Hite, E. Krohn, T. Kujawa, E. Lindman, R. Mohelnitzky, J. Schara, B. Schmidt

**Discussion and Possible Action of Organizational Efficiency Proposal (Hite).**

Hite reviewed the chart of the proposed organizational efficiency analysis and improvement process included in the packet with the Committee. Hite said the first step of the process is to understand what hopes to be accomplished, followed by a performance audit. After a performance audit, processes would be evaluated, and this is where the Lean would come into play, evaluating if processes are being done as efficiently as possible, and identifying barrier and gaps. Once the performance audit and process evaluations are complete, job descriptions would be reviewed to clarify performance standards, expectations, and organizational goals. Hite said that job descriptions will be updated in 2016 regardless. The position descriptions will then better determine levels of compensation within the organization. Once the positions descriptions are updated, development of employees would follow, ensuring that they are able to do the job. The last step would be to evaluate the process to determine if desired change is occurring and if outcomes are being met. Hite said that Lindman expressed interest in having Public Works as a pilot department, and expects the process to take approximately 3-4 months for each evaluation. Hite included a proposal for the requested Lean Black Belt assistance from NTC; the proposal is \$5100.00 for 6 months of assistance (10 hours per month). Hite explained that priorities will have to set for what is to be evaluated, and that the Committee cannot expect a full evaluation of all Public Works to be completed within 3-4 months. Hite explained that the evaluations would be conducted by body of work, not by department. Wagner said that the first thing the Committee needs to do is decide what to evaluate. Hite listed examples of bodies of work to evaluate and said that she can continue to determine bodies of work to be evaluated or the Committee can determine them. The Committee agreed that the items listed are important to look at. Oberbeck would like to have a session to determine priorities, core services, add-on services, and more expensive services. Wagner asked if the money for the NTC assistance needs to go to Finance Committee. Hite said she talked with Groat and the money will come from the Council budget. Motion by Rasmussen to direct Myla to move forward with the process as outlined for the test pilot for six months. Second by Oberbeck. Oberbeck asked if they could get a proposal from NTC that includes additional services to bring back to the Committee, and would prefer that the proposal be brought back when clarification is made to the Lean Black Belt of what the Committee would like to accomplish. Hite will talk with the Lean Black Belt and the proposal will come back to the Committee next month for a vote.

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Romey Wagner  
Human Resources Committee, Chair

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE  
MINUTES OF OPEN SESSION**

DATE/TIME: January 11, 2016 at 4:30 p.m.

LOCATION: City Hall (407 Grant Street) – Board Room

MEMBERS PRESENT: R. Wagner (C), G. Gisselman, W. Nagle, D. Oberbeck, L. Rasmussen

MEMBERS ABSENT:

Also Present: Mayor Tipple, C. Barr, M. Hite, E. Krohn, T. Kujawa, T. Larsen, E. Lindman, J. Schara, R. Neupert (WSAU)

**Discussion and Possible Action of Revised Organizational Efficiency Proposal (Hite).**

Hite said, working from the direction given by the Committee at the last meeting, she has provided an expanded proposal that includes more involvement from the LEAN BlackBelt. Hite provided a supplement to the proposal she presented to the Committee in December. Hite explained that she met with the BlackBelt and focused on the four items that were listed in the original proposal. The previous quote was \$5,100 and the revised quote is \$13,150. Hite provided an outline of the activities that would take place and the amount of time the activities would take, indicating that the BlackBelt would be more heavily involved at the beginning of the process and less involved as the process move forward. At the end of the contracted 180 hours, it would be up to the Committee if they wish to have the BlackBelt continue in the process. Rasmussen pointed out that on the memo for this item that in the initiatives listed, it said “City-County IT Commission” instead of “City”. Hite said that this was an electronic error and “City-County IT Commission” should be replaced with “City”. Motion by Rasmussen to approve the revised Organizational Efficiency Proposal and direct Hite to move forward. Second by Oberbeck. Wagner asked when the Committee can expect the study to be done. Hite said the request for the funds needs to go to the Finance Committee, and then it will be a 6 month pilot. Wagner asked for clarification if that meant 6 months after it starts; Hite responded that he was correct. Gisselman asked if this was included in the budget. Hite said the \$13,150 is not in the budget, and that the Finance Director has some ideas on where to get the money, and that is why this needs to go to the Finance Committee. All ayes. Motion passes 5-0.

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Romey Wagner  
Human Resources Committee, Chair