

JOINT FINANCE, PARKS & RECREATION, AND ECONOMIC DEVELOPMENT COMMITTEES

Date and Time: Tuesday, September 24, 2013 @ 5:00 pm., Board Room

Finance Members Present: Nagle (C), Brezinski, Oberbeck, Winters, Nutting

Park & Rec Members Present: Oberbeck (C), Brezinski, Nutting, Mielke

ED Members Present: Brezinski (C), Rasmussen, Oberbeck, Wagner, Nagle

Others Present: Mielke, Wagner, Kellbach, Tipple, Groat, Hardel, Giese, Jacobson, Loy, Duncanson, Goede, Dave Sether-Revi Design, Faith Thomas, Eric Thomas

In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner. It was noted that there was a quorum present and the meeting was called to order by Finance Chair Nagle, Park & Rec Chair Oberbeck and ED Chair Brezinski.

Consider landscape improvements and art features Hwy 52 Parkway/Stewart Avenue

Dave Sether, Revi Design, presented an update of the plan for landscape improvements and art features to the committees. He noted they were going to add some unique vertical art elements of ornamental grass and cattails made out of metal four or five feet high around the base of some of the poles.

Rasmussen questioned if the plan was going to be expanded, as discussed in ED, to the west side of the interchange so that that it was visible to both northbound and southbound traffic. Marquardt stated they did not have money in the budget for that this year, but will put it in the budget for next year. He indicated they were under some time constraints this year to get the plantings and work the contractor has scheduled done. He estimated the total for both east and west islands to be approximately \$220,000. The funds would come from TID #6 for one median and TID #7 for the other.

Marquardt stated the Park Department did not have any issues with the plan and they are considering a possible maintenance agreement for the island.

Adjournment ED

Motion by Wagner, second by Rasmussen to adjourn the Economic Development Committee. Motion carried unanimously at 5:10 pm.

Adjournment P&R

Motion by Nutting, second by Brezinski to adjourn the Park & Recreation Committee. Motion carried unanimously at 5:10 pm.

******Finance Committee continued on with the remainder of their agenda******

Public Comment on matters appearing on the agenda.

None

Minutes of a previous meeting. (8/13/13, 9/10/13)

Motion by Brezinski, second by Winters to approve the minutes of the previous meetings on 8/13/13 and 9/10/13. Motion carried 5-0.

Consider Resolution 02-0435, Amending Designation of Public Depositories to Replace Bank of Wausau with Nicolet National Bank

Groat noted this is a housekeeping item to amend the resolution adopted each election cycle which names the financial institutions that the city works. Recently the Bank of Wausau was taken over by Nicolet National Bank, so this amendment reflects that change of corporate status.

Motion by Nutting, second by Oberbeck to approve the resolution amending the designation of public depositories. Motion carried 5-0.

Sole Source Purchase - DPW (snow plows)

Marquardt explained they are looking to purchase three plows for snow plowing. He noted they have been purchasing plows from this company (Wausau Everest Heavy-Duty Snow & Ice Control) for 20 plus years. He indicated they have tried out other plows, but they have not worked to their satisfaction. The price for each plow blade is approximately \$14,000, for a total of \$42,000.

Motion by Brezinski, second by Nutting to approve the sole source purchase by DPW for three snow plows. Motion carried 5-0.

Authorize the application for a State of Wisconsin Department of Commerce Idle Industrial Sites Redevelopment Grant up to \$1,000,000 for the rehabilitation and redevelopment of the waterfront properties.

Groat indicated she and Ann Werth met with one of the representatives from the WEDC regarding this grant and they are encouraging us to apply for it. The city might be eligible for up to \$1million of grant funds and the application is due on November 1, 2013. She noted they expect that we would have an answer regarding the results of the application within about 90 days. It is a competitive process and they are giving out three or four grants. This would be for our riverfront and it really has very wide eligibility as far as costs; anything that makes the property more desirable for redevelopment is eligible. She pointed out even though there is a cost share, they will allow us to use money we have already spent as the city's cost share.

Motion by Brezinski, second by Oberbeck to authorize staff to pursue redevelopment grant. Motion carried 5-0.

Consider Service Agreement with GovTech Services for certain tax collection services including the processing of escrow checks and online citizen payments

Groat stated tax collection is a major part of the job the Finance Department does and is prone to cycles of due dates. She indicated December is our busiest time of year and is the time when we receive most of our escrow checks. Some of the big processing companies will get checks in excess of \$1 million, which consists of many parcels on one check that we have to individually enter into our land records system. She stated because this is such a peak job the escrow companies do have problems submitting accurate payments to us. She indicated we often find that they are sending us payments to wrong municipalities for wrong amounts; they transpose numbers; and in one instance forgot to take off the lottery credit, making every single payment wrong.

Groat explained GovTech services basically acts as a middle man between the escrow companies and the tax collectors. The process entails us sending them a file of all of our parcels and the taxes due and the escrow companies submit the escrow payments they want to make. GovTech compares the two and rejects any incorrect ones or those that are for the wrong jurisdiction back to the escrow company. Currently we are sending our tax information to those escrow agents before the tax collection season starts, so they do have an electronic data base of our individual taxes due, but to this point they have never had any electronic means of getting the payment to us. She stated an agreement with this company for them to provide that service would really help us be more efficient in processing escrow checks. She noted another plus is that we will be able to go in and see where an individual escrow payment for an individual parcel is in the processing. As we get close to December 31st we receive a lot of calls from people, sometimes daily, questioning if we have received the check from their escrow yet. This way both they and we will be able to go on and see where it is in the process. It will expedite when the payment is made to the city because it will be wired into our account. Currently the escrow company mails a report of all of the

payments with a check and after all the parcels are individually entered, which is time consuming on the large checks; it gets deposited in the bank. Groat noted other communities using this service are very happy with it.

Nutting questioned why there was no charge to the city for this service. Groat explained they charge the escrow companies themselves and because it allows them to be more efficient, too, by sending electronic files rather than having to manage through a paper process. Nagle pointed it out it is a one year agreement that either party can terminate with 30 days' notice.

Motion by Brezinski, second by Winters to approve the service agreement with GovTech Services. Motion carried 5-0.

Consider new personnel position ranking for 2014 Budget from the Human Resources Committee

Michael Loy stated the HR Committee evaluated all these positions and recommended all of them be included within the 2014 working budget. They ranked the positions for priority: 1. Payroll Specialist, 2. Police Officer (2), 3. Community Service Officers (2), 4. Utility Locator/Property Inspector and 5. Communications Coordinator.

Loy felt there was still a lot of value in the Communications Coordinator position, but given the higher ranking of the first four and the realities of the 2014 budget, he was amending his request to make it an internship position for next year to experiment with and demonstrate its value at a lower cost.

Chief Hardel stated Gary Freels of the Alexander Foundation is willing to fund one officer for every officer the city agrees to hire. If the city hires one officer, they will fund one officer for one year; if the city hires two officers, they will fund two officers for one year. He commented he struggles to provide the service the community wants and needs, which includes service calls that have increased dramatically over the last few years. All of the detectives are carrying 18 – 20 cases per detective; there is more evidence to handle; and they are understaffed for clerical. He felt the Alexander Foundation was very generous in their offer and we should take advantage of it.

Nagle indicated he was on the HR Committee and felt strongly that the Payroll Specialist should be the first position funded because there is only one person that does this job. He felt CSO's were important to our community as well.

Brezinski questioned if there was any money in the budget for any of these positions and Groat indicated there was not any money built in for them. Oberbeck estimated they added up to about \$300,000 in impact to fund.

Winters proposed funding suggestions for the new positions: Fund the Payroll Specialist Officer and two Police Officers by imposing an 85 basis point turnover reduction on the salary and fringe benefits of the city's three largest departments. This method requires no increase of property taxes. Fund the one CSO, property inspector and an additional clerical support position with new property inspections revenue. First, change nonstructural violations from a warning letter to a ticket. Secondly, impose a landlord licensing system which requires an annual fee and an inspection of the property every other year. Impose a \$30 re-inspection fee for cases with violations. This method also requires no increase in property taxes. He recommended not funding a Utility Locator or a Communications Coordinator. Oberbeck commented these positions are different from what was recommended by HR.

Motion by Brezinski, second by Nutting to concur with the recommendation of the ranking of positions as recommended by the HR Committee for purposes of budgeting in 2014. (*Motion was subsequently withdrawn.*)

Motion by Winters, second by Brezinski to accept the priorities as set by the Human Resources Committee and direct staff to explore funding them. Motion carried 5-0.

2014 Budget

Groat reviewed handout reports of the general fund budget analysis by agency, the general fund salary and benefits analysis, as well as the general fund budget analysis – revenue by agency. She noted she received the statement from the state on Shared Revenue and Expenditure Restraints which have decreased by approximately \$40,000; Transportation Aids is still an unknown.

Pet License report and August Monthly Financial Report

Groat stated after we had conversation whether to increase the pet license fees, we reached out to PetData and they indicated they would like us to make decision by the end of October at the latest.

Winters distributed his handout of Animal Control Program Fund 2013 Budget as well as data on pet licensing progress in the Wausau-Weston PetData Area. He noted we are now up to 34% licensing for altered dogs; but for unaltered dogs it is only 17% and cats is much lower. Wausau is at a total of 20% penetration for all pets licensed, which means 80% of pets are still unlicensed. He felt we needed to get \$15,000 more in late payment charges and should be writing tickets. He indicated there still is a backlog from PetData of 250 people who have come through the veterinarians that have been unresponsive. He felt this needs to be a priority because 20% licensing is not enough. Loy noted the new humane officer is doing her certification training this week and will be ready to go next week. Winters commented the City of Wausau increased the county's budget by \$10,000 with our licensing efforts, but now they have removed cats from the system.

Discussion of possible revenue source landlord licensing fee

Nagle stated the city is in a very difficult financial situation, as are most Wisconsin municipalities, due to our inability to generate money for all the services we provide to not only city residents, but county residents as well. We can tax people and we can have fees for services, such as licensing fees, however, a license fee has to relate directly to the activity that is being licensed. He stated being a landlord is a business; they are in the business to make money, and the good landlords do make money. Part of the business is operating a quality operation and the city has to spend a lot of time and a lot of effort in policing, contacting landlords and tenants, and following up on complaints. In his opinion, the way to handle it was to have a licensing fee for landlords in the city. He felt if the Council does not have a licensing fee on the books effective January 1, 2014, we would be remiss. Brezinski questioned if he envisioned a fee per landlord or a fee per unit. Nagle felt it should be a fee per unit.

Motion by Winters, second by Oberbeck to direct staff to develop a plan for landlord licensing to begin in 2014 as part of the budget and bring it back to the next committee meeting.

Oberbeck suggested modeling it after the building code where it would be based upon square footage, because if it is a large property you are going to be spending more time there inspecting. Brezinski liked the idea that we get back a report from staff that looks at that as an alternative; looks at single units as an alternative; and also has an idea of what other communities do. Winters commented the landlord can use the fact that it is an inspected property to attract tenants, as well as document the condition. Nagle stated we pay the inspector now with tax money and this will pay for the inspector with license fee money. Wagner commented staff needs to come up with the easiest proposal for implementation. Oberbeck agreed they need a proposal with a time analysis.

Groat suggested bringing it back to a Committee of the Whole rather than Finance to let everyone weigh in on it and equalize the knowledge base. Jacobson suggested preparing an ordinance for the Public Health & Safety Committee to consider first. Brezinski felt it should go to both those committees, but felt it should be at Finance to determine what kind of revenue it could generate.

Nagle clarified the motion on the floor: to direct staff to prepare an ordinance creating a landlord license fee; that all alderpersons receive a copy; and that Public Health & Safety, as well as Finance Committees weigh in on it. Motion carried 5-0.

Adjournment

Motion by Brezinski, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:55 p.m.