

FINANCE COMMITTEE

Date and Time: Tuesday, August 26, 2014 @ 5:00 pm., Board Room

Members Present: Winters, Kellbach, Nutting, Oberbeck

Members Not Present: Nagle

Others Present: Tipple, Groat, Giese, Hite, Jacobson, Lenz, Mohelnitzky, Werth, Wesolowski, S. Gehin, Wagner, Gisselman, Goede, Mielke, Abitz, Duncanson, Deb Ryan, Todd Mitchell

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 Chairperson Winters.

Public Comment on matters appearing on the agenda.

Deb Ryan, 702 Elm St, suggested that letterhead and memos in the committee packet have dates and signatures. She commented on what information she felt Revi Design should have provided.

Winters withdrew the following items from the agenda to be held over to a future meeting:

11) Discussion and possible action on budget modification - midyear budget adjustments - Existing Budget Gap, Expanded Audit Work, Organizational Study, Wausau Form of Government Study, Director of Public Works Position and Recruiting, Interim Administrator Position and Recruiting -Tipple/Groat

16) Forecast of 2014 budget surplus and deficits – Groat

17) Consider 2015 Budget update - Tipple/Groat

18) Consider purchase of 1006 N 1st Street - Werth

19) CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: for negotiating the purchase of properties. (1006 N 1st Street) – Werth; and 20) Reconvene into Open Session

21) Review of city development agreements - Werth

Minutes of the previous meeting(s). (7/08/14, 7/22/14)

Motion by Nutting, second by Kellbach to approve the minutes of previous meetings on 7/08/14 and 7/22/14. Motion carried 4-0.

Discussion and possible action on budget modification - Inspections Software – Hebert

Bill Hebert stated he got a recent response from Vendor C which was the low bid and came within budget. He stated it is a strong vendor with a good product and he was waiting for the contract and wants to finalize reference checks for the cloud based system.

Transfer of funds public works budget asphalt overlay- Mohelnitzky

Ric Mohelnitzky, DPW Superintendent, explained the Thomas Street and the Airport projects used up the majority of the asphalt overlay budget for patching and they will run short of asphalt without the transfer of the funds they had set aside for seal coating.

Motion by Oberbeck, second by Kellbach to approve the transfer of funds for asphalt overlay. Motion carried 4-0.

Review maintenance costs Stewart Avenue median – Mohelnitzky

Winters questioned if Revi was doing all the work or was the city doing the watering. Mohelnitzky stated the city did the watering as that was not part of their contract. Revi had maintenance of the irrigation system but because it is not active yet it will be reduced off of their maintenance charge for this year.

Discussion and possible action on budget modification - 2014 Curling Way Street Land Acquisition- Wesolowski

Sean Gehin stated Curling Way is being extended from the cul de sac just north of the Curling Center north up to McDonald Street. He explained Marquardt had been working to acquire properties from CN Railroad and Wausau Cemetery Association. It was recently discovered that funds are not available to purchase the needed property from the Wausau Cemetery Association to complete the roadway design. He requested a budget modification to get the funds to purchase and finish the project.

Groat indicated the Holtz-Krause group which provided the funding for the soccer fields still has some funds available and is willing to contribute \$50,000. Winters questioned if this would deplete funds that would otherwise be available for the maintenance of the soccer facility. Tipple stated it did not and that the maintenance of the facility is jointly between the county and city.

Motion by Nutting, second by Kellbach to approve the budget modification for 2014 Curling Way Street land acquisition. Motion carried 4-0.

CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, for negotiating the purchase of properties. (Curling Way Land Acquisition – Wausau Cemetery Association) – Glenn Speich, MSA Appraisals

Motion by Oberbeck, second by Nutting to convene in closed session. Roll Call Vote: Ayes: Nutting, Kellbach, Winters, Oberbeck. Noes: 0. Motion carried 4-0.

Reconvened back into open session to take action on previous closed session item:

Agreement for Purchase and Sale of Real Estate between the City of Wausau and the Wausau Cemetery Association

Motion by Nutting, second by Kellbach to approve the agreement for purchase and sale of real estate between the City of Wausau and the Wausau Cemetery Association (Curling Way Land Acquisition). Motion carried 4-0.

Discussion and possible action on budget modification - Stinchfield Creek Walkway Project- Wesolowski

Wesolowski stated the Stinchfield Creek project is from the east end of Bridge Street to Wildlife Court. The contract would involve putting a walk bridge over the Stinchfield Creek and the Parks Department was going to build some boardwalk to connect up to the asphalt trail. He indicated engineering went ahead with designs and bid it with the understanding that we had the funding through the Parks Department and DPW. He stated there was apparent miscommunication between the departments and we don't have the funding. He stated design costs for the pools are under budget leaving \$85,000 that could be used for this project. Oberbeck felt we should be cautious about reassigning dollars from one project to another. Groat reviewed a pool funding analysis.

Sean Gehin stated the contracts haven't been signed yet, but we've made commitments to the property owners near the trail that the trail would be built this fall. Gisselman explained people currently using the trail are crossing a resident's property and through the years that property owner has been wondering if the city could get the users of that trail off of the land and through the work of engineering and parks we came up with this plan.

Motion by Nutting, second by Kellbach to approve the budget modification for Stinchfield Creek Walkway Project. Motion carried 4-0.

Consider alternative Request for Proposal (RFP) options for City refuse and recycling contract – Winters

Tipple stated in discussions with haulers and the solid waste site it was determined that the haulers are not really interested in a one-year contract, which was one of the options we were directed to explore. There is equipment issues and amortization and then one year later they'd have to switch trucks for the automated system. We refocused and found there is interest from several haulers to gear up and be ready for a January 1st new contract, so we are convinced we will have multiple companies bidding. He indicated staff is recommending automated collection and to go through with an RFP.

Rasmussen questioned what happened to the research on a “pay as you throw” plan. She stated now we are three months away from the end of our contract and she did not feel we can get what we expected with this timeline. Winters was very concerned about the costs to go fully carted and felt there was no way this was going to be cheaper than the current cost per household. Groat explained that is why other communities have gone to longer term contracts of seven to ten years, so that companies have the opportunity to amortize the costs of those carts and of the new vehicles over that period of time.

Winters pointed out that Weston used a process starting a year in advance, setting up a citizens committee, having vendors on it, and meeting regularly looking through the alternatives. He questioned why we did not have a process like that here. Groat noted that option was brought up at the Finance Committee in June, but they elected not to do it so we went into the RFP process. Wagner was not comfortable making this decision with only three months left.

Todd Mitchell, Advance Disposal, stated he had a meeting with the staff and they would like to have a longer extension of the contract to be able to afford to go into the carted system. He indicated he spoke with corporate and they agreed to extend for a year if it will help make it work.

CLOSED SESSION pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: to consider alternative RFP options for City refuse and recycling contract – Winters

The committee did not convene in closed session for this item.

Discussion and possible action on budget modification - parking fund revenue due to the Murdock Wausau Limited Properties parking agreement- Groat

Groat stated Finance Committee and Council previously approved a parking agreement with Murdock Wausau Limited Properties for discounted parking fees. This budget adjustment is to reflect that reduction in revenues.

Motion by Oberbeck, second by Kellbach to approve the budget modification. Motion carried 5-0.

Review of general fund financial report July 2014 - Groat

Groat reviewed the July report, noting the revenues are looking very good. The narrative report can be accessed on the city’s website <http://www.ci.wausau.wi.us/Departments/Finance/FinancialDocuments.aspx>.

Review of ten year history of valuations and mill rates – Winters

Winters reviewed a document: Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property for the City of Wausau. He noted in the last four years our assessed valuation has been going up.

Review of salary and benefit results 2010-2014 – Groat

Groat handed out and reviewed an updated Estimated Actual for 2014. She stated as our health plan benefits declined a number of our employees shifted to their spousal plans and we also enacted surcharges if you kept a spouse on your insurance when they had their own plan. We had the savings in the retirement as a result of Act 10 as well. She indicated from 2010 - 2012, each one of those years we saw some substantial savings. In 2013 after everything settled down, we returned very little to the general fund for salaries and benefit declining to \$68,248; in 2014 she projected \$37,509. She noted the county has not completed their payroll budget for 2014 or 2015, so she made the assumption that 100% of their budget was spent.

Adjournment

Motion by Kellbach, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:45 p.m.