

## **FINANCE COMMITTEE**

Date and Time: Tuesday, February 10, 2015 @ 5:00 pm., Birch Room

Members Present: Winters, Kellbach, Nagle, Oberbeck, Nutting

Others Present: Tipple, Groat, Giese, Werth, Hite, Wesolowski, Hanson, Mohelnitzky, Lenz, Kujawa, Wagner, Neal, Rasmussen, Mielke, Gisselman, Goede, Joe Mella, Representatives of Enterprise Rental.

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.**

None

### **Presentation and possible action regarding exploring the benefits of a leased vehicle fleet - Enterprise Rental -**

#### **Mark Hanson**

Mark Hanson stated with a growing fleet, increasing technology and decreased staff has put a burden on them. He indicated they maintain approximately 430 total pieces of equipment, part of which is the light duty fleet. He indicated things are getting harder to maintain so they are looking at different ways to be creative as far as saving money while maintaining the fleet. We are losing ground in budgeting for replacements as the costs keep increasing. One of the ways considered was the possibility of leasing some of our light duty fleet.

Hanson introduced representatives of Enterprise Rental who presented their proposal. A light duty vehicle is any vehicle that does not require a CDL License, such as pickup trucks, sedans and SUVs. Some highlights of the 10 year model: replace all vehicles 10 years old or more with brand new vehicles with new technology; replace on a five-year cycle resulting in less maintenance required, more efficiency and safety; 68 vehicles eligible to be leased, 17 are over 10 years old; an estimated savings of \$94,000 per year for the city. Hanson indicated this will allow him the time to get his staff focused on other operations that he felt they were failing on due to being overburdened. Winters requested Hanson bring back information on the staff time savings and where it is going.

Motion by Nagle, second by Oberbeck to draft an RFP and bring it back. Motion carried 5-0.

### **Review, discussion and possible action on compiled list of low value tasks and activities – Winters**

The lists of low value tasks submitted by departments were reviewed and commented on. Winters suggested putting the suggestions into a spreadsheet to include whether they are realistic or unrealistic, whether there is an upfront investment, as well as the estimated annual savings and bring it back to the first meeting in March.

### **Review, discussion and possible action on 2015 tax increment five year projections – Groat**

Winters questioned if what the TIFs owe the fund balance could be added to the summary and asked Groat to also prepare a budget for the TIFs for 2016. He stated they were looking for a sense of what they will look like two years into the future and particularly interested what is going to happen with the debt service numbers. Groat indicated she could bring back this information for committee review in March.

### **Discuss and possible action on budget modification Tax Increment District Number Three Sidewalk Construction McClellan Street – Groat**

Groat explained in the TID #3's budget this year is a sidewalk overlay project on McClellan Street and approximately \$97,000 of the \$200,000 project costs will be funded by the state. She indicated Engineering has asked to expand the project to do some upgrading to the sidewalks due to their dire condition. The estimate for this is additional work is \$40,000 which would come from the TIF district.

Rasmussen questioned if the abutting property owners were being assessed for any of this sidewalk project. Groat stated if there is an assessment it would show up as revenue to the TID. Wesolowski explained a regular sidewalk project would normally be assessed, but in this case we plan on possibly reconstructing in 10 years, so if you assess them now, in 10 years you are going to assess them again. Rasmussen felt they should maybe consider waiting until reconstruction or assess something to property owners. Oberbeck commented he agreed with Engineering on the condition of the sidewalk as a dire need for safety and appearance.

Motion by Nagle, second by Oberbeck to approve the budget amendment to TID #3 for the sidewalk project for McClellan Street; and not to assess the property owners. Motion carried 5-0.

**Discussion and possible action on sole source purchase professional services - North Central Regional Planning - City of Wausau Comprehensive Plan – Lenz**

Brad Lenz stated the city's Comprehensive Plan is approximately 10 years old and needs to be updated every 7 – 10 years, so now is the time to get going on the plan. He noted the county is undertaking their Comprehensive Plan right now. He explained it is essentially a land use plan but there are many other elements in it. The proposal is from North Central Regional Planning which is a quasi-public organization. If we did go out for a private consultant we would probably still be working with Regional Planning because it provides a lot of the data and maps that we would be using for the plan. They also provide that link to Marathon County and one of the chapters in the plan will be Intergovernmental Coordination. Groat indicated money was budgeted for this in 2014 Capital Budget, so we will be requesting a carryover.

Motion by Nagle, second by Oberbeck to approve the sole source purchase for professional services (North Central Regional Planning – City of Wausau Comprehensive Plan). Motion carried 5-0.

**Discussion and possible action sole source purchase - amendment to the Contract with Stantec for Riverfront Engineering Services and Budget Modification Tax Increment District Number Three – Lenz**

Lenz stated we have been working with Stantec on our east riverfront project and the task order is for the same area. In 2012 we signed a master services agreement with Stantec to do any engineering work that came up along the riverfront and this is part of that master services agreement. He indicated it already has gone through Board of Public Works and ED. Groat stated she had \$120,000 budgeted, so a budget amendment of \$175,000 will be needed to bring it up to \$295,000.

Motion by Nagel, second by Nutting to approve the sole source for amendment to the contract with Stantec for riverfront engineering and the budget modification to TID #3. Motion carried 5-0.

**Discussion and possible action regarding establishing a non-lapsing account for Holtz Krause Fund - Mayor Tipple**

Mayor Tipple stated the Holtz Krause Steering Committee has contributed \$54,000 and has asked that we segregate it into a fund for the recurring maintenance costs at the Holtz Krause landfill.

Groat noted she reviewed the resolution with the committee and they asked that we strike out the last Whereas which states “Whereas the Holtz Krause Committee also expects the City of Wausau to complete the Kent and Curling Way Street project in the spring of 2015” because their donation of these funds is not contingent on that completion.

Motion by Kellbach, second by Oberbeck to approve establishing a non-lapsing account for Holtz Krause Fund. Motion carried 5-0.

**Discussion and possible action on potential purchase and lease agreements with the Catholic Diocese regarding the property located at the 600 block of North Second Street and related budget modification in Tax Increment District Number Three Fund - Attorney Mella**

Attorney Joe Mella stated there was the possibility of requesting a budget modification to the TID #3 budget for this year related to some ongoing negotiations with respect to a parcel of property within the City of Wausau. He requested they convene in closed session regarding those negotiations.

**CLOSED SESSION pursuant to Section 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 - Discussion and possible action on potential purchase and lease agreement with the Catholic Diocese regarding the property located at the 600 block of North Second Street**

Motion by Nagle, second by Oberbeck to convene into closed session. Roll Call Vote: Ayes: Kellbach, Nagle, Nutting, Oberbeck, Winters. Noes: 0. Motion carried 5-0.

**RECONVENE into open session to take action on closed item: Discussion and possible action on purchase and lease agreements with the Catholic Diocese regarding the property located at the 600 block of North Second Street and the related budget modification of the Tax Increment Number Three Fund**

Motion by Nagle, second by Nutting to approve a budget amendment to TID #3 to incorporate the land purchase of the property located at the 600 block of North 2<sup>nd</sup> Street for \$950,000 and \$160,000 for site preparation. Motion carried 5-0.

**Discussion and possible action regarding staff directives for the City of Wausau Strategic Plan process - Tipple**

Oberbeck felt the Finance Committee should follow through with the GFOA contract. Winters questioned if there were any written reports of where the committees are currently at in the process. Groat stated the Blight Committee had concluded its work and had reported to the Strategic Planning Committee at the time. The Crime Committee had stalled, as the former HR Director who was in charge of that committee, was working on the Pay for Performance plan at the time. She indicated they have discussed reassigning that task to someone in the Police Department and could get it back up and running. The Jobs Committee had not started yet.

Motion by Nagle, second by Kellbach to reconvene the committees and have them report on their status and bring the report back in a month. Motion carried 5-0.

**Discussion and possible action on reports for monitoring the Animal Control Enterprise Fund - Groat**

Winters reviewed the budget in their packets and handouts he distributed. He suggested creating a report that shows direct revenues and direct costs; how much license revenue comes in for the program and how much are the direct sheltering costs and do these programs actually contribute to supporting the Humane Officer position or not.

**Discussion and possible action on fee structure for Animal Control - Winters**

Discussion took place regarding a memo from the City Clerk regarding the \$5.00 counter fee implemented for citizens getting their pet licenses at City Hall and the adverse reaction by the public and anger directed at the Customer Service staff. Winters questioned if we have the support in place or policy for abuse directed at employees. Mielke indicated he personally observed a customer mistreating an employee over the fee and noted staff has been threatened and has already called police a couple times. Oberbeck commented that he has been hearing complaints from citizens as well and felt the fee should be rescinded. Mielke agreed the \$5.00 is not worth it. Rasmussen pointed out it was meant to give incentive to use PetData online, however, she believed it has failed and the resulting nastiness is creating a dangerous work environment for Customer Service.

Motion by Kellbach, second by Nagle to remove the \$5.00 counter fee for pet licensing in 2016. Motion carried 3-2. (*Winters and Nutting were the dissenting votes.*)

**Adjournment**

Motion by Nutting, second by Oberbeck to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 7:00 p.m.