

FINANCE COMMITTEE

Date and Time: Tuesday, December 13, 2016 @ 5:00 pm., Council Chambers

Finance Members Present: Rasmussen (C), Smith, Kellbach, Gehin, and Nutting

Others Present: Groat, Jacobson, Mielke, Barnes, Kujawa, Lindman, Schock, Splinter, Mohelnitzky, Giese, Abitz, Gisselman, Neal, Wagner, Goede.

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 there was a quorum present of the committee and the meeting was called to order by Finance Chairperson Rasmussen.

Minutes of previous meeting(s) (11/22/16)

Motion by Nutting, second by Kellbach to approve the minutes of the previous meeting (11/22/16). Motion carried 5-0.

Consider Sole Source Purchase Request Body Camera \$50,000 - Police Department

Cpt. Barnes stated we currently have a five-year contract for body cameras and would like to add nine additional cameras for the command staff. He commented it makes sense to stay with current contractor with whom we are very satisfied.

Motion by Kellbach, second by Smith to approve the sole source purchase request for body cameras for Wausau PD. Motion carried 5-0.

Consider Sole Source Purchase Request Street Sweeper \$62,465 - Public Works Department

Lindman stated they have found a used 2005 street sweeper out in California that has been fully refurbished. He indicated new sweepers start at \$240,000, but this one at approximately \$62,000 is a significant savings. He noted one of our mechanics with go and inspect it and discuss the purchase.

Motion by Kellbach, second by Gehin to approve the sole source request for street sweeper for DPW. Motion carried 5-0.

Discussion and possible action regarding amending Section 17.10.010 regarding re-inspection fees

Chief Kujawa noted the comprehensive fee schedule was already approved by Council, however, our re-inspection fees did not align with it and this will correctly update it.

Motion by Kellbach, second by Nutting to approve the amendment to Section 17.10.010. Motion carried 5-0.

Discussion and possible action regarding BMO Harris Pledge Agreement and Bank of America Pledge Deposit Agreement

Groat stated she has been working with BMO Harris to update the collateralization of our depository account which is our pooled checking account. She explained oftentimes we exceed the FDIC insurance, particularly at year end when we are collecting taxes on behalf of all of the local government units. The collateral that BMO is offering us is a pledge deposit agreement with Bank of America. Bank of America is willing to take securities owned by BMO and put them in our name and Bank of America will hold them, so if there would be a problem for BMO Harris to cover the deposits, we can use those securities to cover deposits that were lost. She pointed out as part of that agreement, they will only offer to Bank America to hold as a third party, those securities that are covered and allowable under our Investment Policy. She indicated she was unable to find an approved policy from Council, so the next item will be to formally approve our Investment Policy. She noted the City Attorney has reviewed these agreements.

Motion by Smith, second by Nutting to approve the BMO Harris Pledge Agreement and Bank of America Pledge Deposit Agreement. Motion carried 5-0.

Discussion and possible action regarding Investment Policy

Motion by Kellbach, second by Gehin to approve the Investment Policy. Motion carried 5-0.

Discussions and possible action on Fire Department \$6,500 carryover request to modify the 2017 Budget for accreditation

Groat noted this carryover was already approved at the last meeting for \$6,000 after which Chief Kujawa determined it should have been \$6,500. This is approval for the correction.

Motion by Nutting, second by Gehin to approve the \$6,500 carryover request from the Fire Department for accreditation. Motion carried 5-0.

Discussion and possible action on amendment to Image Trend, Inc. software license agreement

Chief Kujawa stated when they put the RFP out last spring our call volume was different than it is now; it is a percentage higher, and therefore there is a \$900 increase that came with storing that data. She indicated another change in the contract has to do with the training. They could not come on site for training, so we contracted them for three days of online training and one additional day; there was an exchange of training, but no cost to that change.

Motion by Gehin, second by Nutting to approve the amendment to Image Trend, Inc. Motion carried 5-0.

Discussion and possible action on the Tax Increment Financing request received for the properties at 2307 and 2401 N Third Street

Schock stated the ED Committee approved a reverse TIF payment to the Woodchucks for the renovation of two vacant buildings on North 3rd Street, which they will turn into a mixed use project involving storage and office space and perhaps a future clubhouse.

Groat explained the vision would be to amend TID #3 to incorporate either these properties or spend outside within the half mile boundary. She indicated she used a projection of \$500,000 of increment, which she felt was very conservative estimate given the amount of improvements that will be made. They are asking for \$95,000 in reverse TIF payments. The payments fall within the time period that the district would be open and wouldn't cause any undue hardship for the district.

Motion by Nutting, second by Smith to approve the TIF request for the properties at 2307 and 2401 N Third Street. Motion carried 5-0.

Discussion and possible action regarding the parking and ground lease agreement for the Wausau Center Mall

Schock stated they were currently working with the mall owner (Mid America) to discuss the parking agreement and the collapse of the Sears sublease. He indicated it was a complex process but it was going well and he expected to have it as part and parcel of the redevelopment proposal in early January for review.

Discussion and Possible Action on the Redevelopment Proposals Received for the Property at 411 Washington Street and possible Tax Increment Financing

Schock stated he has been working with the finance director, mayor and staff to come up with some options for structuring the financing. He indicated in discussions there was a lot of interest in ensuring that this would fit into the existing TID #3 and not create an additional district. There were a couple options in the packet, including a recommendation for a larger amount for the project up front to Micon Theaters. This allows the project to move forward and for us to capture increment right away.

Groat reviewed the documents in the packet regarding funding for two scenarios, one if the value was \$6 million and one if the value was \$7 million. She indicated through discussions they came up with an alternate proposal of a \$1 million forgivable loan and instead of the 30% increment they wanted we would sell them the building for one dollar.

Smith commented his concern was we are waiting nine years for this to pay out and we do not know what condition the mall will be in by then. He did not think there was a magic bullet for the mall and that we were gambling a lot of money in hopes that it will pay out. *Discussion followed regarding a theater for the mall.* Smith stated he was not suggesting we do nothing, but perhaps the furniture store would have been more of a quick fix and they didn't want any TIF money.

Motion by Gehin, second by Nutting to approve Option 2, which consists of transferring the Sears property for \$1.00. Motion carried 4-1.

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

>Discussion and possible action on the Tax Increment Financing request received for the properties at 2307 and 2401 N Third Street

>Discussion and possible action regarding the parking and ground lease agreement for the Wausau Center Mall

>Discussion and Possible Action on the Redevelopment Proposals Received for the Property at 411 Washington Street and possible Tax Increment Financing

Did not convene in closed session.

Communication

Rasmussen stated if there are not pressing items that need immediate attention, the December 27th Finance meeting will be canceled for the holidays.

Adjourn

Motion by Nutting, second by Gehin to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:00 p.m.