

FINANCE, LICENSE & REGULATION COMMITTEE
MONDAY, SEPTEMBER 27, 2010 - 6:00PM
COUNCIL CHAMBERS, CITY HALL

Chair Krause called the meeting to order at 6:00pm.

Roll Call. Present: Aldermen Krohn, Hartz, Marsala, Fesenmaier and Krause. Also Present: Administrator Jordan, DPW Winkler, Comptroller Pollitt and Clerk Reale.

Marsala/Hartz motion to approve Finance, License and Regulation Committee minutes of September 13, 2010 as distributed. Unanimously carried.

Comments from the public as allowed by Wis. Stats. §19.84(2), limited to items on this agenda except for public hearing items. Comments will be limited to 5 minutes. None.

RESOLUTIONS

Resolution 10-R55, a final resolution declaring intent to exercise special assessment powers under Section 66.0703, Wisconsin Statutes, for improvements in the City of Lake Geneva related to the proposed Shore Acres water main and sanitary sewer project. Administrator Jordan stated that this was the final resolution for the Shore Acres project. A public hearing had been conducted and the project was now complete. The cost assessed to each property had been figured at \$7,675.00 and all affected property owners would be notified and given 45 days to arrange a payment plan with the City Clerk. DPW Winkler noted that the original estimate for the assessment had been \$9,000.00 to each property owner.

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of **Resolution 10-R55**. Unanimously carried.

Resolution 10-R56, a preliminary resolution declaring intent to exercise special assessments powers under Section 66.0703, Wisconsin Statutes, for improvements in the City of Lake Geneva related to the Edwards Boulevard frontage road connection project. Administrator Jordan stated that these special assessments would be applied to properties affected by the Edward Boulevard project. Upon passage of the preliminary resolution, legal notice of a public hearing would be published and mailed to each of the affected property owners. It was anticipated that the public hearing would be conducted at the October 11, 2010 regular meeting of the Council, with passage of a final resolution taking place after the hearing.

Hartz/Marsala motion to forward to Council with recommendation for approval of **Resolution 10-R56**. Unanimously carried.

ORDINANCES

First Reading of **Ordinance 10-11**, amending Chapter 74 Traffic and Vehicles of the Lake Geneva Municipal Code, Restricted Parking for Compact Cars Only. This item had been continued from the August 23, 2010 meeting; however, Alderman Krause noted that it had not yet been considered by the Parking Commission and Public Works Committee, as requested by Council. Alderman Fesenmaier asked if the proposed ordinance had been reviewed by Chief Rasmussen. Administrator Jordan responded that it had been reviewed and the Chief had indicated that he had no issues with the proposal.

Marsala/Krohn motion to continue to the October 25, 2010 meeting, pending review by the Parking Commission and Public Works Committee. Unanimously carried.

First Reading of **Ordinance 10-12**, amending Chapter 50 Offenses and Miscellaneous Provisions of the Lake Geneva Municipal Code, Prohibited Acts (Smoking Ordinance). This item had also been continued from the August 23, 2010 meeting. Administrator Jordan noted that the City Attorney had made some changes to the original draft, including the addition of a definition for "enclosed area". Alderman Fesenmaier asked if the ordinance had been reviewed by Chief Rasmussen. Administrator Jordan responded that the Chief would review and provide feedback on the proposal before the next meeting.

LICENSES & PERMITS

Alderman Krause noted that the application for an Original “Class A” Retail Liquor License for TNT LLC, d/b/a Geneva Street Antiques, had been withdrawn at the request of the applicants.

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of Original “Class A” Retail Liquor License and Class “A” Fermented Malt Beverage License for Brutap LLC, d/b/a Bruno’s Liquors, 524 Broad Street, James E. Sharkus, Agent. Unanimously carried.

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of original Operator Licenses for the following applicants: Marcy Eifert, Eloy Alvarez, Mary Chamberlain, Ryan Fritz, and Terry Krunic. Unanimously carried.

Discussion/Recommendation on renewal of Liability, Property and Workman’s Compensation policy

Administrator Jordan reported that the City had received its insurance renewal proposal from the League of Wisconsin Municipalities Mutual Insurance Company. The proposal showed an increase of \$1,695.00 in premium cost over the previous year, with some additional options being offered to the City for the renewal. One option would be to add the Treasurer to current crime coverage for \$100,000.00, for an additional \$227.00. Another option included no-fault sewer coverage for \$100,000.00 per incident, at a cost of \$9,591.00 per year. The current policy would expire October 1; however, it was noted that the no-fault sewer backup coverage could be added after the initial renewal if that option was attractive to the Council. Administrator Jordan noted that the City had received 13 sewer claims since 2005 and that none had resulted in the City paying for the claims. He suggested that all residents should contact their insurance provider to see if they are covered by flood insurance in the event of a backup because the City has limited liability in these instances. Alderman Fesenmaier asked what measures the City takes to monitor backups. DPW Winkler responded that crews have televised lines in particular problem areas and have investigated products that can be placed in manholes to monitor lines. Regular cleaning of the lines is also conducted as a means of trying to avoid backup problems. DPW Winkler stated that the no-fault sewer insurance was more a matter of compassion than an admission of liability on the part of the City. With respect to the Treasurer coverage, Alderman Krohn asked if any claims had been made in the Treasurer’s office. It was reported that no claims had been made.

Fesenmaier/Marsala motion to forward to Council with recommendation for approval of renewal of League of Wisconsin Municipalities Mutual Insurance policy, including additional \$100,000.00 crime coverage for the City Treasurer, for the total amount of \$235,541.00. Motion carried by vote of 4 to 1, with Alderman Krohn opposed.

Discussion/Recommendation on grading proposal for WE Energies site

Administrator Jordan reported that Reesman’s Excavating and Grading, Inc., the contractor building the Edwards Boulevard extension, had submitted a proposal to grade and shape the property, place topsoil on top of the graded area and seed the area for a cost not to exceed \$14,000.00. He stressed that it was important to get the WE Energies site leveled as much as possible to make it a more attractive site for potential sale or future development. Alderman Krause noted that the Council had committed up to \$140,000.00 for the project and had spent approximately \$98,000.00 to date. Alderman Hartz agreed that this work would make the property more marketable in the event that the City decided to sell at a future date. He inquired if there would be any additional costs that might be expected for the WE Energies project. DPW Winkler responded that he did not foresee any additional work that would need to be done in terms of the site. Alderman Fesenmaier asked if the contractor would be providing a guarantee on the seeding work. DPW Winkler responded that if the seed didn’t come up in the spring, it should be covered under a one-year warranty. Comptroller Pollitt noted that the funds for this project would come out of the Sheridan Springs maintenance account.

Hartz/Marsala motion to forward to Council with recommendation for approval of proposal from Reesman’s Excavating and Grading, Inc. in an amount not to exceed \$14,000.00. Unanimously carried.

Discussion/Recommendation on bids for Riviera renovation project

Administrator Jordan stated that bids for the renovation project had been solicited, with a total of five bids received by the City. He noted that staff had found during its review of the bids that one bid had come in considerably lower than the remaining bids. The contractor then reviewed the bid documents and determined that errors had resulted in the bid amount provided to the City being significantly lower than it should have been. Although the revised bid amount was still lower than the other bids received, staff was recommending rejecting all bids and rebidding the project

because of the discrepancy. DPW Winkler noted that the Public Works Committee had also voted unanimously to recommend rejection of the bids.

Marsala/Krohn motion to forward to Council with recommendation to reject all bids and rebid the project. Unanimously carried.

Discussion/Recommendation on CD and CDARS investments

Comptroller Pollitt reported that the funds from the previous First Banking Center CD had been transferred as directed by Council, with \$140,000.00 invested in a CD through M&I Bank and the balance being moved into the Local Government Investment Pool (LGIP). She stated that quotes for CD and CDARS investments had not changed significantly from those presented at the previous committee meeting, recommending that the current arrangement be continued for another month and reviewed again at the end of October. Comptroller Pollitt also stated that she had recommended to the Ad Hoc Policy and Procedure Committee that the 50 percent maximum cap on LGIP investments was too low and should be raised to 90 percent. Currently, the City was at 78 percent invested in the pool.

Marsala/Hartz motion to continue this item to October 25, 2010. Unanimously carried.

Discussion of Internal Controls Update

Comptroller Pollitt reviewed an updated Internal Controls report, including the City's response to the auditor recommendations. Alderman Hartz noted that the City had made substantial progress on most of the recommendations; however, there had been little progress on the recommendation of instituting a pooled cash system to streamline the accounting process and improve controls. Comptroller Pollitt responded that the new City Treasurer was receptive to the idea of a pooled cash system, although it would require a slight change in the City's accounting to support such a system. She stated that the City would need to act before tax collection begins on December 1 if a pooled cash system was to be developed this year. Alderman Hartz also noted the recommendation of changing the elected Treasurer to an appointed position. Comptroller Pollitt stated that the auditor believed that elected treasurers were becoming outdated and had recommended making the position a full-time employee of the City. This was, however, a political issue. Following discussion, Alderman Fesenmaier requested that this updated report be posted on the City website.

Presentation of Accounts, Alderman Krause.

Purchase Orders. None.

Hartz/Marsala motion to approve Prepaid Bills in the amount of \$23,357.70. Unanimously Carried.

Marsala/Hartz motion to approve Regular Bills in the amount of \$238,756.04. Unanimously Carried.

Adjournment

Marsala/Krohn motion to adjourn at 6:46pm. Unanimously Carried.

/s/ Jeremy A. Reale, City Clerk