

FINANCE, LICENSE & REGULATION COMMITTEE
MONDAY, OCTOBER 25, 2010 - 6:00PM
COUNCIL CHAMBERS, CITY HALL

Chair Krause called the meeting to order at 6:12pm.

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

Marsala/Krohn motion to approve Finance, License and Regulation Committee minutes of October 11, 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.

Terry O'Neill, 954 George Street, addressed the committee regarding the annual budget process. He disputed the claim that the City was experiencing a revenue problem, suggesting instead that it had a spending problem and had drained all of its available reserve funds. He noted that it had been proposed to borrow money to continue spending on capital items through general operations bonds that would not be revenue-specific. Mr. O'Neill told the committee that borrowing money was not an appropriate solution to the excessive spending habits of the City.

Pete Peterson, 1601 Evergreen Lane, addressed the committee regarding the budget. He stated that budget problems would only be solved by fundamentally changing the way in which the City is run. He told the committee members that they needed to consider the root cause for most of the City's expenses, with that cause being the tourists. He offered a series of examples of decisions made by the City during the course of the year without any regard for the potential budgetary effects of those decisions. He noted that the City continued to invest money in the Museum facility at a point where it should be collecting rent from a self-sufficient Museum organization. Mr. Peterson further suggested that the City should consider eliminating the Harbormaster position, as the responsibilities delegated to that position should be handled by the City Administrator. Noting that the Council would later be discussing the proposed improvements to Flat Iron Park, he also stressed that each of these improvements would generate additional expenses for City operations. Among the solutions that Mr. Peterson offered to the committee were raising beach fees and parking rates, as those measures would target the tourist population that is the root cause of many of the City's expenses.

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

First Reading; no action taken.

RESOLUTIONS

Resolution 10-R60, 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 Edwards Boulevard Frontage Road connection project

Administrator Jordan reported that this resolution would begin the process of applying special assessments to the properties benefitting from the Edwards Boulevard extension. Sue Barker, Crispell-Snyder, explained to the committee members that this resolution would identify all costs associated with the project, with the share to be assessed to the affected property owners. The final resolution would also specify the terms of the assessment and payment options for the properties in question. Alderman Fesenmaier noted that there was a significant difference between the assessment amounts included in the final schedule and those listed on the preliminary schedule. Ms. Barker explained that the preliminary schedule only included roadway costs and had been modified to incorporate additional costs associated with the overall project.

Marsala/Hartz motion to forward to Council with recommendation for approval of Resolution 10-R60. Unanimously carried.

Resolution 10-R61, a budget resolution transferring \$3,000.00 from the Contingency account into the Police Special Equipment account for the purchase of a pole-mounted solar speed control device

Chairman Krause requested that this item be removed from further consideration, as the revised quotes for the equipment now exceeded \$5,000.00.

Marsala/Hartz motion to forward to Council with recommendation for denial of Resolution 10-R61. Unanimously carried.

Resolution 10-R62, a resolution adopting a revised schedule of fees, effective January 1, 2011

Administrator Jordan reported that staff had reviewed all City license and permit fees to identify any fees that could potentially be adjusted. The proposed resolution incorporated all recommended adjustments, including: raising the general business license fee to \$25.00; raising the annexation filing fee to \$200.00; raising adult beach fees by \$1.00; and increasing taxi company licenses to \$50.00, with a \$25.00 fee for each additional taxi vehicle. Chairman Krause asked if the proposed fees had been increased enough to cover the administrative costs associated with processing the license applications. Alderman Hartz questioned the proposed addition of a non-profit group rental fee for the Riviera Building. It was noted that the City had already been charging this fee and it was being included in the resolution so the fee schedule would conform to City practices. Alderman Hartz also expressed concern about raising fees for taxi companies, suggesting that the City should consider whether it wanted to pass those costs along to those residents in need of transportation. Clerk Reale replied that the proposed increase would bring the taxi license fees for the City in line with those being charged in Elkhorn, Delavan and Burlington. Administrator Jordan noted that the committee may also wish to consider adjusting other license fees such as carriage licenses or operator licenses. Chairman Krause suggested that this proposal be tabled so that the fees could be reviewed in greater depth by the committee at a later date.

Fesenmaier/Hartz motion to table Resolution 10-R62. Unanimously carried.

LICENSES & PERMITS

Marsala/Hartz motion to forward to Council with recommendation for approval of Change of Agent application for Ryan Braun's Tavern & Grill, 430 Broad Street, to Anne Gram Sayers, 532 Mary Knoll Ct., Twin Lakes, WI. Unanimously carried.

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of original Operator Licenses for the following applicants: Colleen Crandall-Masten, Jessica Condon, Savannah Wampner, and Alyssa Aavang. Unanimously carried.

Discussion/Recommendation on publication of 2011 Annual Budget summary and public hearing set for November 22, 2010

Hartz/Marsala motion to continue this item to a Special Council Meeting to be held on November 1, 2010 at 6:00pm. Unanimously carried.

Discussion/Recommendation on purchase of pole-mounted solar speed control devices

Chairman Krause restated that the cost of the item proposed for purchase had come in higher than the initial quote had indicated, therefore requesting that the Committee recommend denying the purchase.

Marsala/Krohn motion to forward to Council with recommendation for denial. Unanimously carried.

Discussion/Recommendation on award of bid for Riviera Building remodeling project

DPW Winkler reported that bids for the project had been opened on October 13, 2010, with the low bid having been submitted by Scherrer Construction in the amount of \$473,629.00. Public Works Committee had reviewed the bid tabulations and, given the \$800,000.00 allocation for the overall Riviera project, had determined that the City could only afford the base bid plus alternates 1-5. After further discussion of the project alternates, the Committee had recommended approval of alternates 1, 2, and 5, which would bring the total amount to \$506,349.00. The recommended alternates included the cleaning and re-plating of the existing brass railings, addition of a remote control unit for the new projection screen, and new room-darkening draperies. Alternates 3 and 4 had provided for

new round folding tables and stackable banquet chairs. DPW Winkler stated that Superintendent Carstensen believed that he would be able to obtain pricing for tables and chairs of the same quality at a lesser rate; therefore, it was recommended that the Council proceed without those alternates. Alderman Hartz expressed concern about spending roughly \$30,000.00 on new draperies, questioning whether some of these alternates would result in additional maintenance costs for the City. DPW Winkler responded that the Public Works Committee felt that this project presented an opportunity to replace items that were in need of replacement, adding that the existing draperies were significantly outdated. He also stated that these improvements should contribute to savings in operations-related costs over time.

Marsala/Fesenmaier motion to forward to Council with recommendation to authorize award of base bid and alternates 1, 2, and 5 to Scherrer Construction Co., Inc., for the total amount of \$506,349.00. Unanimously carried.

Discussion/Recommendation on repairs to Main Street storm tunnel

DPW Winkler reported that the Public Works Committee had reviewed the culvert inspection report from Westbrook Associated Engineers, recommending that Council authorize the DPW to obtain at least three proposals for the repair of three large holes in the stone portion of the culvert near the outlet. These areas had been identified as the primary areas in need of immediate attention. A full scale rehabilitation of the deteriorated tunnel areas would be planned within the next five years.

Hartz/Marsala motion to forward to Council with recommendation to authorize staff to obtain proposals for recommended repair work and for the additional repair of the crack in the culvert. Unanimously carried.

Discussion/Recommendation on renewal of Community Bank CD for \$300,669.41, expiring October 28, 2010

Comptroller Pollitt reported that this CD was due to expire on October 28; however, she had not been able to obtain rate information prior to the meeting. She stated that the Council would have the option of allowing the CD to lapse and putting the funds into a money market account until the next meeting or renewing the CD for the shortest term of four weeks. The Committee could then revisit the issue at its November meeting.

Marsala/Krohn motion to forward to Council with recommendation for approval of renewal of Community Bank CD for a term of 4 weeks. Unanimously carried.

Discussion/Recommendation on Assessor contract with Accurate Appraisal, LLC

Administrator Jordan reviewed the process of obtaining proposals for professional assessor services, which would supplant the City's current arrangement of employing a full-time assessor. The most favorable proposal had been provided by Accurate Appraisal, which would provide assessor services to the City for a period of four years at the all-inclusive total cost of \$174,000.00. Mr. Jim Danielson, Accurate Appraisal, had addressed the Committee at its October 11 meeting to discuss the terms of the proposed contract and address any questions of the members. Staff was recommending approval of the contract, as this arrangement would be expected to save the City approximately \$18,000.00 in the first year of the contract and over \$40,000.00 in subsequent years.

Hartz/Marsala motion to forward to Council with recommendation for approval of contract with Accurate Appraisal, LLC for assessor services. Motion carried by vote of 3 to 2, with Aldermen Krohn and Fesenmaier opposed.

Presentation of Accounts, Alderman Krause.

Purchase Orders. None.

Marsala/Hartz motion to recommend approval of Prepaid Bills in the amount of \$2,066.42. Unanimously Carried.

Hartz/Marsala motion to recommend approval of Regular Bills in the amount of \$151,942.91. Unanimously Carried.

Adjournment

Marsala/Hartz motion to adjourn at 6:53pm. Unanimously Carried.

/s/ Jeremy A. Reale, City Clerk