

FINANCE, LICENSE & REGULATION COMMITTEE
MONDAY, FEBRUARY 28, 2011 - 6:00PM
COUNCIL CHAMBERS, CITY HALL

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

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

Marsala/Fesenmaier motion to approve Finance, License and Regulation Committee minutes of February 14, 2011 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 11-R07, establishing regulations for trapping on City property, as permitted under Section 54-34 of the Lake Geneva Municipal Code

Administrator Jordan stated that staff was requesting that this item be continued, as the City was still awaiting information from the Department of Natural Resources. City Attorney Draper clarified that there was data that needed to be ascertained about the property in question, such as animal population, before proceeding with adoption of the resolution. He stressed that the City needed to develop some rational basis for any regulations that might be adopted to protect the resolution from potential legal challenges.

Hartz/Marsala motion to continue. Unanimously carried.

ORDINANCES

First Reading of Ordinance 11-06, establishing regulations for the use of dinghy pads

City Attorney Draper stated that the proposed ordinance would change existing regulations to restrict the use of dinghy spaces to individuals leasing buoys and only for dinghies not exceeding ten feet in length, as previously instructed by Council. There was some discussion as to whether the language contained in the ordinance needed clarification. It was determined that the draft sufficiently expressed the restrictions recommended by Council, and the consensus of the Committee was therefore to leave the ordinance unchanged.

First Reading of Ordinance 11-07, amending Chapter 70 Taxation of the Lake Geneva Municipal Code regarding the reporting of monthly room tax returns

City Attorney Draper reported that the Mayor had been contacted by some hotel proprietors with concerns about their ability to provide monthly reports by the fifteenth day of the following month, as currently required under local ordinance. It had been suggested that the ordinance be amended to allow for reporting of monthly returns on or before the last day of the following month, which would make reporting deadlines consistent with certain State filing deadlines. Ordinance 11-07, if adopted, would provide for that change.

LICENSES & PERMITS

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of Temporary Class "B" Retail License application for Lake Geneva Jaycees, for the sale of fermented malt beverages at Venetian Festival, August 16, 2011 through August 21, 2011, from 6:00am to 12:30am. Unanimously carried.

Hartz/Marsala motion to forward to Council with recommendation for approval of Street Use Permit application filed by Lake Geneva Jaycees for Venetian Festival using portions of Wrigley Drive and Center Street from August 15, 2011 to August 22, 2011. Unanimously carried.

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of Original Operator License applications for Adam Mayster and Amanda Soto. Unanimously carried.

Discussion/Recommendation on directing the City Administrator to issue a Request for Proposals (RFP) for parking system (continued on 2/14/11)

Administrator Jordan reported that he had made the changes to the RFP document, as had been recommended by Mayor Connors and Alderman Fesenmaier. The scope of the RFP would cover several possible options for a completely automated parking station system, including pay-by-space and pay-and-display, which would be integrated with the City's existing handheld devices. If approved, the document would be sent out on March 1, with proposals due to be received at City Hall on or before April 1, 2011.

Alderman Fesenmaier expressed the concern that bids should be solicited from as many companies as possible in order to obtain the most favorable price. She suggested that companies unable to meet certain components of the RFP should still be permitted to bid on the project, provided that an explanation is given as to why those components could not be fulfilled. Administrator Jordan stated that the purpose of the RFP process was to obtain proposals that would meet the exact needs and wants of the City with respect to a new parking system. He was concerned that companies submitting the lowest bids might not be able capable of providing the system desired by the City. Alderman Fesenmaier responded that there was sufficient funding available for the project to allow for flexibility in selecting the best parking system. She was particularly concerned that the coin acceptor section of the RFP might eliminate some companies from competing for the project. Alderman Hartz agreed that it was important to find the best possible price; however, he was concerned that allowing bidders to parcel out certain sections of the RFP would make it difficult for City officials to compare and evaluate bids to determine the most favorable proposal. Administrator Jordan added that it was important to have the coin acceptor option to accommodate the current parking rate of \$0.50 per hour. He noted that the majority of companies on the bid list should be capable of meeting the specifications of the RFP, although there was one firm on the list that might not be able to meet one or two items in the RFP.

Marsala/Hartz motion to forward to Council with recommendation to direct the City Administrator to issue the RFP. Unanimously carried.

Discussion/Recommendation on 2010 transfers from Parking and Lakefront to the General Fund

Comptroller Pollitt reported that the Council had historically left \$75,000.00 in the Parking and Lakefront fund reserves; however, it had been necessary to use those funds to balance the budget in 2010. Noting that the annual audit was scheduled to begin March 7, she suggested that the City might find that there is money available to put back into those reserves. Chairman Krause added that increased beach revenues from the previous year would likely make it possible for the City to replenish the reserves, if the Council would be amenable to the transfer. Comptroller Pollitt stated that the amount of funds available for the possible transfers would be determined during the audit process.

Marsala/Krohn motion to recommend directing the Comptroller to transfer amounts up to \$75,000.00 to the Parking and Lakefront Funds, pending the final results of the annual audit. Unanimously carried.

Discussion/Recommendation on emergency services agreement with the Town of Geneva

Administrator Jordan stated that City and Township officials had been negotiating the terms of the agreement for some time before finally coming to a proposal that was acceptable to all parties. He briefly outlined the terms of the final agreement, including the \$20,000.00 annual retainer and the \$1,000.00 per fire response fee. City Attorney Draper had insisted that language be added to the agreement stipulating that the Township would agree that calls from outside of the service area would be "hot keyed" to Walworth County dispatch, and that the City would have no responsibility or liability for any delays in response by following that procedure. The City would also have no obligation to respond directly to any calls from outside of the service area specified in the agreement.

With respect to the billing of patients for ambulance transports, Alderman Hartz suggested that the City should be billing the Town for any response fees, with the Town responsible for going through collections. Administrator Jordan stated that this item had been a point of contention during negotiations. Alderman Hartz further asked about what would happen in the event of non-payment from the Town. Administrator Jordan responded that the City Attorney would need to get involved to determine what the City could do to obtain payment.

Marsala/Hartz motion to forward to Council with recommendation for approval of the agreement. Unanimously carried.

Discussion/Recommendation on roof repair work at Riviera

Administrator Jordan presented a proposal from Renaissance Roofing, Inc., for repairs to the clay tile roof at the Riviera building not to exceed \$2,200.00. The scope of the work would include an evaluation of the entire roof, replacement of damaged tiles, sealing or replacement of up to four static roof vents, and caulking as needed, including flashings. Alderman Hartz inquired about annual inspections of the roof. Administrator Jordan responded that the City would hire a firm to perform inspections, as that was not included in this proposal. Alderman Krohn asked if repairs had been done to the roof within the last five to eight years. Administrator Jordan stated that he was not aware of any repairs that had been done since he was hired by the City; however, he would check on this.

Marsala/Krohn motion to forward to Council with recommendation for approval of repairs by Renaissance Roofing, Inc., for an amount not to exceed \$2,200.00 and to be funded from Lakefront. Unanimously carried.

Discussion/Recommendation on change order for fire protection work at Riviera (*recommended by Public Works Committee on 2/17/11*)

Administrator Jordan explained that communications had broken down between the architect and the Fire Department regarding the requisite amount of fire alarm devices to be included in the building. Subsequent to a review of the premises by Fire Department personnel, it was determined that more devices were needed than had been previously included in the scope of the project. The Public Works Committee had reviewed the possible options for addressing the issue, and recommended approval of Alternate No. 2 which would result in a net deduction of \$31.76 from the contract price. This alternative would provide for coverage of the main concourse area and the installation of eleven tamperproof pull switches.

Hartz/Fesenmaier motion to forward to Council with recommendation for approval of Change Order PCO#16, Alternate No. 2, to result in a net deduction of \$31.76. Unanimously carried.

Discussion/Recommendation on tuckpointing repairs at the Fire Station

Administrator Jordan reported that several years ago, City staff had been made aware of the fact that the pilasters and brick had been separating at the Fire Station building. Quotes had initially been obtained in 2009, with the least expensive quote provided coming in at \$4,400.00. Since that time, the situation had gotten progressively worse and was now in need of immediate attention. DPW Winkler had obtained a quote from Holton Brothers (the contractor hired to perform tuckpointing repairs at the Riviera) for an amount not to exceed \$2,500.00. It was proposed to fund these repairs from Contingency, which would require a subsequent budget amendment.

Marsala/Krause motion to forward to Council with recommendation for approval of tuckpointing repairs by Holton Brothers for an amount not to exceed \$2,500.00, to be funded from Contingency.

Alderman Hartz suggested that the work could be funded from the Fire House Repairs Account. Administrator Jordan responded that this would be possible, adding that additional funds could be transferred from Contingency if necessary at a later point. Alderman Hartz also questioned whether the City should obtain more quotes for the work before acting on the proposal from Holton Brothers. Administrator Jordan noted that the price from Holton Brothers was considerably more favorable than the best bid received in 2009, adding that it would be relatively easy for the contractor to perform these repairs since they were already on site at the Riviera.

Alderman Marsala offered to amend his motion to specify that \$2,000.00 for the repairs would be paid from the Fire House Repairs account, with any balance to be paid from Contingency. Alderman Krause, having seconded the motion, accepted the amendment. Unanimously carried, as amended.

Discussion/Recommendation on disallowance of claim filed by David and Cheryl Hawkins for sewerage backup pursuant to Wis. Stats. 893.80 (1g)

Administrator Jordan briefly explained the City's process for handling such claims. When a claim is received by the City, the City Clerk forwards the claim and all pertinent information to the City's insurance provider, who then

conducts an investigation of the events. In the vast majority of instances, the City is determined not to be at fault for the backup and the insurance provider will make a recommendation to the Council to disallow the claim.

Marsala/Krause motion to forward to Council with recommendation for disallowance. Alderman Hartz noted that the City had received eighteen claims related to sewerage backup since 2005. He suggested that the Utility Commission needed to be persuaded to purchase additional “no-fault” insurance coverage to provide some sort of remedy for residents who experience backups through no fault of their own. Administrator Jordan responded that having the “no-fault” coverage would carry both benefits and potential drawbacks, as there was a concern that having such coverage in force might lead some individuals to believe they have free license to dump anything into the City’s sewer system. On the other hand, he sympathized with the homeowners who were being forced to pay for damages incurred through the negligent actions of other parties. Chairman Krause noted that during previous discussions about the possibility of purchasing the “no-fault” coverage, the estimated cost had been approximately \$10,000.00. Administrator Jordan confirmed this, though he cautioned that the figure was likely to increase due to a significant number of claims in the previous year. Citizens were once again encouraged to consult with their insurance providers to determine whether their policies covered sewerage backups.

Fesenmaier/Krohn motion to suspend the rules to permit Terry O’Neill to address the Committee. Unanimously carried. Mr. O’Neill stated that he had added coverage to his homeowner’s policy for sewerage backup at a cost of \$50.00.

Motion carried by vote of 4 to 1, with Alderman Hartz opposed.

Discussion/Recommendation on disallowance of claim filed by Shuichi and Pat Sasaki for sewerage backup pursuant to Wis. Stats. 893.80 (1g)

Marsala/Krause motion to forward to Council with recommendation for disallowance. Motion carried by vote of 4 to 1, with Alderman Hartz opposed.

Discussion/Recommendation on authorization to collect unpaid room tax funds from Geneva Hospitality of Lake Geneva (The Cove)

Administrator Jordan reported that The Cove was substantially in arrears on room tax payments to the City, adding that City Attorney Draper wanted an opportunity to discuss potential options available to the Council for pursuing the collection of these funds. City Attorney Draper noted that this was a recurring problem with The Cove, and remedies available to the City would include initiating a lawsuit or withholding reissuance of the liquor license. Alderman Hartz inquired about the possibility of initiating the process to revoke the liquor license for The Cove now, rather than waiting until license renewals in June. City Attorney Draper responded that there was a question of whether unpaid room taxes would be sufficient legal grounds for revocation of the license. He stated that the City could enforce that portion of the ordinance; however, the Council should be prepared for the possibility of a legal challenge.

Hartz/Krohn motion to authorize the City Attorney to take whatever means necessary to collect the unpaid funds.

Alderman Hartz offered to amend his motion to specify that the means directed would be revocation of the liquor license for Geneva Hospitality of Lake Geneva, d/b/a The Cove. City Attorney Draper noted that the process would require a citizen to initiate a written complaint against The Cove containing a basis for revocation of the license. Unanimously carried.

Discussion/Recommendation on ordinance for Kayak Rack selection policy

City Attorney Draper noted that the Council had previously directed that an ordinance establishing a numbering system and first-come, first-served distribution for the racks be drafted for consideration. He reported that the numbering of spaces was already included in the existing ordinance, adding that the City would typically handle assignments through internal policies and procedures rather than dictating practice by ordinance. He stated that he had discussed the matter with Harbormaster Gray and both were in agreement that it would be best to handle the assignment of kayak racks through an internal policy.

Presentation of Accounts, Alderman Krause.

Purchase Orders. None.

Marsala/Hartz motion to recommend approval of Prepaid Bills in the amount of \$43,958.76. Unanimously carried.

Hartz/Marsala motion to recommend approval of Regular Bills in the amount of \$255,337.21. Unanimously carried.

Adjournment

Marsala/Hartz motion to adjourn at 7:10pm. Unanimously Carried.

/s/ Jeremy A. Reale, City Clerk

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BY THE FINANCE, LICENSE & REGULATION COMMITTEE**