

FINANCE, LICENSE & REGULATION COMMITTEE
MONDAY, APRIL 25, 2011 - 6:00PM
COUNCIL CHAMBERS, CITY HALL

In the absence of Chairman Krause, City Clerk Reale called the meeting to order at 6:01pm.

Roll Call. Present: Aldermen Krohn, O'Neill, Hartz, and Marsala. Absent: Alderman Krause (excused). Also Present: Administrator Jordan, Comptroller Pollitt, DPW Winkler, and City Clerk Reale.

City Clerk Reale opened the floor to any nominations for chairman pro tem. Marsala motion to nominate Alderman Hartz to serve as chairman pro tem. Motion failed for lack of a second. Hartz/Krohn motion to nominate Alderman Marsala to serve as chairman pro tem. There being no further nominations, Hartz/Krohn motion to close nominations and elect by unanimous consent Alderman Marsala to serve as chairman pro tem in the absence of Chairman Krause. Unanimously carried. Alderman Marsala assumed the chair.

Hartz/Krohn motion to approve Finance, License and Regulation Committee minutes of April 11, 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-R33, a resolution authorizing the adjustment of transfers to the General Fund in the 2010 Operating Budget by the amount of \$1,592.03 from the Lakefront Special Revenue Fund and the amount of \$728.00 from the Parking Lots and Meters Special Revenue Fund

Comptroller Pollitt reported that accounting adjustments during the annual audit process had made it necessary to modify the final numbers from the original resolution that had authorized the transfers.

Hartz/Krohn motion to forward to Council with recommendation for approval of Resolution 11-R33. Unanimously carried.

Resolution 11-R34, a resolution amending the budget to transfer \$2,500.00 from the Contingency Account to the Firehouse Repairs Account

Comptroller Pollitt noted that the Council had previously approved tuckpointing repairs at the Fire Station building using funds from the Firehouse Repairs Account, which resulted in the depletion of that account. Chief Connelly had additional outstanding bills for building repairs totally approximately \$1,000.00; however, there were no longer funds available in the budget to cover those expenses. She added that she would leave it to the discretion of the Council whether to transfer the \$1,000.00 necessary to cover these bills or to restore the original appropriation of \$2,500.00. Alderman Hartz expressed reluctance to continue tapping into Contingency funds to remedy the problem of departments exceeding their budgets. Administrator Jordan responded that building repairs was a budgetary line item for which departments generally lacked much control. He further expressed concern that the Council really lacked the authority to use the money from the Firehouse Repairs account without having first obtained the approval of the Police and Fire Commission.

O'Neill/Krohn motion to amend Resolution 11-R34 to adjust the amount of the transfer from \$2,500.00 to \$500.00, to strike paragraphs 1, 2, and 4 in their entirety, to strike the last six words of paragraph 3, and to forward to Council with recommendation for approval as amended.

Alderman Krohn stated that the department should have an operating expense account that could be used to pay for these types of repairs. Comptroller Pollitt noted that the crux of the situation was that the Police and Fire Commission had not approved the tuckpointing repairs that depleted the account; therefore, they really were not responsible for overspending the budget account.

Motion carried by vote of 3 to 1, with Alderman Hartz opposed.

LICENSES & PERMITS

Hartz/O'Neill motion to forward to Council with recommendation for approval of Change of Agent Schedule application filed by Anagnos Enterprises, Ltd., d/b/a Popeyes Inc., 811 Wrigley Drive, Lake Geneva, to Michael Anagnos, 415 Miller Ct., Lake Geneva, WI. Unanimously carried.

Hartz/Krohn motion to forward to Council with recommendation for approval of Change of Agent Schedule application filed by Prairie State Enterprises of Darien LLC, d/b/a Lake Geneva Mobil, 350 N. Edwards Blvd., Lake Geneva, to Kenneth B. Kearns, 5912 N. River Bay Road, Waterford, WI. Unanimously carried.

Hartz motion to deny Street Use Permit application filed by the Genoa City Lions Club for Harley Davidson Raffle, including display of motorcycle and trailer and selling of raffle tickets of the northwest corner of Hwy 50 and Broad Street, between the hours of 6:00am and 6:00pm, on weekends and holidays during the months of April, May, June, and July, 2011. Motion failed for lack of a second. Krohn/O'Neill motion to forward to Council with recommendation for approval. Alderman Hartz stated that he was concerned that allowing this type of activity was not in keeping with the character of Lake Geneva, further asking where the City was to draw the line for other groups seeking to use City streets for raffles and other fundraisers. He also questioned allowing a group from outside of the City to conduct this type of event in Lake Geneva. Chairman Pro Tem Marsala responded that this particular event had been taking place at the same location for several years, adding that Council ultimately would have the discretion to approve or deny such activities for other events that might be proposed. Alderman Hartz expressed concern about setting a precedent for non-Lake Geneva groups to use the busiest intersection in the City. He rejected the notion that the past practice of permitting this event was a valid reason to continue allowing it in spite of any problems. Alderman O'Neill remarked that the Council should at least provide the applicant with some advance notice if it intended to deny the event going forward, given the fact that it had been approved in previous years. Chairman Pro Tem Marsala concurred that, in the spirit of being fair, the City needed to advise the applicant that the Council might revisit the issue next year.

Motion carried by vote of 3 to 1, with Alderman Hartz opposed.

Hartz/Krohn motion to forward to Council with recommendation for approval of Original Operator License applications for Jacob Otto, Terri Messerschmidt, Dawn Reed, and Brooke Milbocker. Unanimously carried.

Discussion/Recommendation on Change Order No. 4 for Riviera remodeling project, resulting in net deduction of \$32,870.08 (continued 4/11/11)

Administrator Jordan reported that additional information had been distributed to the Committee members to provide more specific details about the materials purchased through Scherrer Direct, as previously requested by the Council. The Committee again raised the question of whether any associated contractor fees were being deducted as part of the change order. Administrator Jordan noted that the deduction provided in Change Order No. 4 was only for the amount of the materials purchased through Scherrer Direct, adding that no costs for labor or any other administrative fees were being deducted as part of this item. DPW Winkler sought to clarify that this item was basically shifting costs associated with the project so the City could take advantage of sales tax savings by purchasing materials directly. The costs for the materials would therefore be deducted from the original contract price; however, those costs would still be assumed by the City through the subsequent purchase order. DPW Winkler stressed that nothing in the subject change order would affect the labor or administrative costs associated with the project. Alderman O'Neill asked if the City would be paying a ten percent fee for the change order. DPW Winkler responded that there was no additional fee for the contractor associated with the change. Alderman O'Neill stated that it seemed as though the City was paying \$3,200.00 for the contractor to administer the change in order to save approximately \$1,900.00 in sales taxes. It was noted that Greg Odden of Scherrer Construction would be present at the Council meeting to address the issues raised by the Committee.

Hartz/Krohn motion to forward to Council without recommendation. Unanimously carried.

Discussion/Recommendation on Change Order No. 6 for Riviera remodeling project, for tax savings deduction in the amount of \$1,955.00

Hartz/Krohn motion to forward to Council with recommendation for approval. Unanimously carried.

Discussion/Recommendation on purchase of banquet chairs for the Riviera (*recommended by Public Works Committee 4/14/11*)

DPW Winkler reported that the Public Works Committee had discussed the possible options available for chairs to be used in the ballroom, ultimately recommending the Shelby Williams model 5355C chair in a neutral color. Street Superintendent Carstensen had been asked to verify the best pricing available for the chairs, which had come in at the final cost figure of \$74.00 per chair. For the 300 chairs required, the total purchase would be \$22,200.00, plus any freight and shipping charges that would apply. It was noted that the original estimated budget for the chairs had been approximately \$42,000.00; therefore, the final cost would be significantly less than budgeted. Administrator Jordan stated that the draperies for the ballroom had not yet arrived, adding that staff was trying to obtain a swatch of the drapery fabric to determine which chair color would best complement the drapes. Alderman Krohn asked if the decision on color would come back to the committee at a later meeting. Administrator Jordan responded that it was preferred that the Council trust the decorators working with City staff to select an appropriate color so orders could be made in a reasonable amount of time.

Hartz/Krohn motion to forward to Council with recommendation for approval of the purchase of 300 Shelby Williams model 5355C chairs for an amount not to exceed \$22,200.00 plus shipping costs, subject to selection of a neutral color. Unanimously carried.

Discussion/Recommendation on approval of two additional street lights on Cook Street, between Main and Geneva Streets (*recommended by Public Works Committee 4/14/11*)

DPW Winkler stated that the Business Improvement District (BID) had offered to purchase two additional light poles, for a total of three new poles on that block, if the City would agree to pay for the installation of the lights. At this point, he noted that the BID was seeking approval from the Council for this payment arrangement before proceeding with any purchases. DPW Winkler had obtained one quote for the installation that totaled less than \$7,000.00 and, if authorized, would obtain additional quotes for the project. He added that the scope of the project would also include work on the sidewalk squares in the areas the poles were to be installed. He estimated that the total cost of all work to be covered by the City would not exceed \$7,500.00. He also confirmed that LED lights would be installed on the new poles. Alderman O'Neill asked about the funding source for the installation. DPW Winkler stated that it would be funded from TIF 4.

Hartz/Krohn motion to forward to Council with recommendation for approval of the installation of the lights and necessary sidewalk work, and to direct DPW Winkler to solicit bids for the project, with funding from TIF 4 not to exceed the amount of \$7,500.00. Unanimously carried.

Discussion/Recommendation on disallowance of claim for property damage filed by Phillip Hall, on behalf of claimant Robert Glavin, pursuant to Wisconsin Statutes 893.80 (1g)

Administrator Jordan reported that the City had received a claim for damages to a power window shade at the claimant's house, which had allegedly occurred during a Police Department response to the property. The claim had been submitted to the City's insurance provider, who had investigated and recommended that the Council disallow the claim. City Clerk Reale noted that the amount of damages originally claimed by Mr. Glavin had been approximately \$2,500.00.

Hartz/Krohn motion to forward to Council with recommendation to disallow the claim. Alderman O'Neill stated that he would prefer to have additional information about claims and the results of any investigations prior to be asked to act on the claims, noting that the City could feasibly be sued by the claimants in the event of a disallowance.

Motion carried by vote of 3 to 1, with Alderman O'Neill opposed.

Presentation of Accounts, Alderman Marsala

Hartz/Krohn motion to forward to Council without recommendation the Purchase Order in the amount of \$32,870.08. Unanimously carried.

Hartz/Krohn motion to recommend approval of Prepaid Bills in the amount of \$32,762.30. Unanimously carried.

Krohn/Hartz motion to recommend approval of Regular Bills in the amount of \$88,547.01. Unanimously carried.

Adjournment

Marsala/Hartz motion to adjourn at 7:15pm. Unanimously Carried.

/s/ Jeremy A. Reale, City Clerk

**THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED
BY THE FINANCE, LICENSE & REGULATION COMMITTEE**