

**FINANCE, LICENSE & REGULATION COMMITTEE**  
**MONDAY, OCTOBER 11, 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 27, 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 Item No. 6 on the City budget process. He stated that an examination of City audits showed that the City was spending roughly \$1 million more out of the general fund than it collects, with any shortfalls being covered by funds from other accounts. He noted that this option would not be available to the City in 2011, as these other accounts had been drained over time. Mr. O'Neill also stated that most of the City's expenses are paid before the majority of revenues are collected, as tax revenues were not received until the end of the budget year. He further expressed concern that the City should be focused on having a budget surplus to provide for any unforeseen expenses during the upcoming year. He stated that the property tax reassessment in 2011 should drop property values by 30 percent and result in reduced tax revenues. He suggested that each City department should cut its budget by 10% to reduce expenses and rebuild the depleted accounts in preparation for future reductions in tax revenue due to declining assessments.

**LICENSES & PERMITS**

Marsala/Fesenmaier motion to forward to Council with recommendation for approval of original Operator Licenses for the following applicants: Samantha Engerman, William Hartmann Jr., Samantha Vandercar, and Jacqueline Brower. Unanimously carried.

**Budget Process Update (Alderman Krause)**

Alderman Krause reported that the committee had conducted three budget workshops during the prior week, with departmental presentations on October 4 and 5, and a full budget review on October 7. He noted that revenues were projected to be down approximately \$200,000.00, with proposed expenditures increasing by \$700,000.00. At the budget workshop on October 7, the aldermen present had directed Administrator Jordan to notify all department heads that they were to freeze budget requests at the 2010 level and include an additional 1% cut to those figures. Alderman Krause explained that this would allow the department heads to have an opportunity to decide what expenses to cut in their budgets before any reductions would be made by Council. He further asked that any citizens with suggestions for possible revenue sources or creative ideas for reducing expenses contact him or the other aldermen. As an example of ways to reduce costs, he noted that Street Superintendent Carstensen had come up with the idea of eliminating paper towels in favor of installing hand dryers in the public restrooms. The next step in the budget review process would involve a full Council workshop on October 19, 2010 at 6:00pm.

**Discussion/Recommendation on award of bid for Riviera tuckpointing repair project**

DPW Winkler reported that bids had been opened for the project, which included the grinding of joints, repairs, caulking and brick replacements around the building and parapet walls. An alternate base bid was included that provided for the removal and replacement of the parapet walls at the stairways, front walls except for the masonry arch around the lower concourse doorway, and a portion of the west stairway wall. DPW Winkler noted that staff had contacted all of the tuckpointing contractors in the region; however only one bid was received from the eight bid packages sent. Holton Brothers, of Grafton, WI, had submitted a base bid in the amount of \$48,400.00, with alternate base bid of \$91,300.00. Staff recommended approval of the alternate base bid, including the front wall replacement.

Alderman Hartz expressed concern about bidding such a large project in successive increments, rather than soliciting bids for all portions of the project at one time. In taking the piecemeal approach, he suggested that it was difficult for the aldermen to get an understanding of where the City stands in terms of the overall budget for the project. DPW

Winkler responded that he believed the project would be completed within the \$800,000.00 budgeted for the Riviera renovation. He also noted that most of the project totals would have already been known had the City not re-bid the remodeling project in September. The bids for that portion of the project were due to be opened October 13, and were anticipated to come in between \$500,000.00 and \$550,000.00. Alderman Krause asked why the other firms contacted had not submitted bids for this portion of the project. DPW Winkler suggested that many of these tuckpointing contractors may have been reluctant to bid on the project because of concerns about the prevailing wage rate or a lack of experience in working with municipalities in general. He also noted that temporary measures had been put into place so the rentals of the Riviera facility would not be affected during the duration of the project.

Marsala/Hartz motion to forward to Council with recommendation for approval of alternate base bid to Holton Brothers in the amount of \$91,300.00. Motion carried by vote of 4 to 1, with Alderman Hartz opposed.

#### **Discussion/Recommendation on award of bid for Geneva Lake Museum of History addition and alterations**

DPW Winkler reported that ten bids had been received for the project. Following a review of the bids, staff had determined that the amount of funding available for the project would only permit the City to take the base bid plus the first alternate bid. The scope of work included: exterior canopies at the entrances, electrical lighting, new doors and windows, remodeling one restroom for ADA compliance, and the addition of another restroom. DPW Winkler stated that Big Foot Construction of Fontana had submitted the low bid for the project at \$124,500.00. Administrator Jordan noted that the recommended TIF budget for the project had been \$150,000.00; however, the Joint Review Board had allowed for a 15% cushion on projects. With anticipated fees of \$15,000.00 to \$17,000.00 for the services of McCormack-Etten Architects and an estimate of \$24,000.00 for tuckpointing repairs, he noted that the total cost for the project would fall within those parameters established by the Joint Review Board.

Alderman Krause noted that Bigfoot Construction had no track record with the City and asked if staff was comfortable with the bidder. DPW Winkler responded that he was comfortable with recommending Big Foot, as the City had worked with all of the project subcontractors in the past and the contractor appeared to have the financial ability to complete the project. Alderman Krause also inquired about the energy efficiency of the museum building. DPW Winkler stated that the building has thick walls and substantial ceiling insulation, adding that the new windows and upgraded panels would also help improve the energy efficiency of the facility.

Hartz/Marsala motion to forward to Council with recommendation for approval of bid to Big Foot Construction in the amount of \$124,500.00, with total project costs not to exceed \$150,000.00. Unanimously carried.

#### **Discussion/Recommendation on proposals for Assessor Consultant services**

Administrator Jordan reported that the City had contacted the five major assessing firms that serve municipalities in Wisconsin and had received proposals from two firms for these services. These proposals had been reviewed by the Personnel Committee in September, with the committee requesting that a presentation be made by representatives from Accurate Appraisal, the low bidder.

Marsala/Krohn motion to allow presentation from Jim Danielson of Accurate Appraisal. Unanimously carried.

Mr. Danielson stated that his firm was presently working with 85 municipalities throughout the state, including 10 in Walworth County. He also noted that Accurate Appraisal had worked with the City in the past on board of review and revaluations. Accurate Appraisal bid for market revaluation in the first year, with annual maintenance of market value thereafter to save the City the spike in periodic revaluations. Mr. Danielson stated that this full value system has worked very well in the other municipalities serviced by the firm. He added that the firm tries to educate residents about why and how the revaluation process is conducted and how it affects them and their taxes. Alderman Krause asked how property owners would contact the assessor, in the event that the City opted for the consultant arrangement. Mr. Danielson responded that Accurate Appraisal would have staff available during regular business hours, with a specific employee assigned to the City to address any technical questions. Residents would also be able to access data online or contact the firm by telephone or email. Administrator Jordan noted that the cost of the contract would amount to \$43,500.00 per year for 4 years. It was expected that annual maintenance costs after the initial 4-year contract would be approximately \$35,000.00 to \$40,000.00. Alderman Hartz inquired as to whether the City could expect to incur additional costs for services beyond the \$43,500.00 included in the contract. Mr. Danielson responded that the contract price was all-inclusive, adding that the revaluation was also covered in that figure. Alderman Krause noted that no action would be taken on the proposal at this time, as the mayor would need to recommend any changes with the full-time assessor position and a specific legal process would need to be followed in eliminating the current assessor. These items would be continued to the October 25, 2010 meeting.

**Discussion/Recommendation on Request for Proposals (RFP) for Auditor services**

Comptroller Pollitt reported that the City had obtained a quote from the current auditor, Deignan & Associates, to perform the 2010 audit. She noted that Council had previously discussed issuing an RFP for auditor services; however, no formal direction had been given at that time. She suggested that the Council could either approve a one-year agreement with Deignan and then issue an RFP, or proceed with the RFP process immediately. Alderman Marsala asked if there were any specific advantages or disadvantages to retaining Deignan. Comptroller Pollitt responded that Deignan was amenable to the one-year agreement and there would be an advantage in that the firm had familiarity with the City through its past working relationship.

Marsala/Hartz motion to forward to Council with recommendation for approval of a one-year contract with Deignan & Associates to perform the 2010 audit, for the amount of \$21,055.00. Motion carried by vote of 4 to 1, with Alderman Fesenmaier opposed.

**Discussion/Recommendation on acceptance of credit cards for tax payments**

Comptroller Pollitt stated that the City Treasurer had received requests in the past to accept credit cards for tax payments. Staff had researched companies that provide this service and was recommending that the City enter into an agreement with Official Payments.com Corp. Comptroller Pollitt noted that she was familiar with this company and had used them in her previous position. A convenience fee of 2.75% would be paid by the customer, with the full tax payment being deposited into the City's bank account. At the present time, it was proposed that credit cards would be accepted either online or by telephone and would not be physically accepted at City Hall. Alderman Hartz inquired about the security factors for these payments. Comptroller Pollitt responded that the City would assume no cost or liability for the service, as all liability would be held by the company.

Fesenmaier/Marsala motion to forward to Council with recommendation for authorization to accept credit card payments through Official Payments.com Corp., with 2.75% convenience fee charged to the user. Unanimously carried.

**Discussion/Recommendation on agreement for current planning services with Vandewalle & Associates**

Administrator Jordan presented a renewal contract for planning services with Mike Slavney and Vandewalle and Associates for 2011. He noted that there was no increase in rates contained in the proposal, adding that most of the charges from Mr. Slavney were passed through the City on to the developers and applicants whose requests necessitated the planning services. The City had budgeted \$2,000.00 for these services, and there were no projects planned for 2011 that would require any special work from Vandewalle.

Hartz/Marsala motion to forward to Council with recommendation for approval of renewal contract for planning year 2011. Motion carried by vote of 4 to 1, with Alderman Fesenmaier opposed.

**Discussion/Recommendation on long-term parking study survey**

Alderman Marsala reported that the City had not conducted a parking survey since the 1990s. The City had received a proposal from the Center for Political Science and Public Policy Research at the University of Wisconsin-Whitewater to conduct a long-term parking survey including presentation and recommendations. The Parking Commission had considered the proposal; however, it wanted to determine if the Council had any interest in proceeding with a survey before arranging for a joint presentation with the UW-Whitewater researchers. He noted that the Parking Commission had discussed the possibility of spending up to \$15,000.00 for the survey and related costs.

Alderman Fesenmaier inquired about the goals of the parking study survey. Administrator Jordan responded that the individuals involved in the study were professional surveyors and not consultants. As such, their work would primarily involve soliciting figures and information that could then be used by the Parking Commission in making decisions about how to proceed with long-term parking plans. Alderman Fesenmaier suggested that the primary focus should be on creating a long-term plan.

Marsala/Hartz motion to forward to Council with recommendation for approval of Parking Commission request for a long-term parking study survey, for an amount not to exceed \$15,000.00. Motion failed by vote of 2 to 3, with Aldermen Krause, Krohn and Fesenmaier opposed.

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

Alderman Krause presented a request to spend funds from contingency to purchase three devices to be temporarily located at areas experiencing frequent speeding issues. He stated that these devices would be very effective at controlling the speed of traffic in these areas and would complement the mobile trailer unit that the City had obtained through a grant. It was noted that these pole-mounted units could also be easily moved from location to location, as deemed necessary by the Police Department. Alderman Krause stated that Chief Rasmussen had obtained a quote from Decatur Electronics for \$2,694.00 per device, although a lower revised quote was expected. If the committee was interested in purchasing the devices, a budget resolution would be necessary. Alderman Marsala suggested that the City could use the software installed in the units to collect different types of traffic data. Alderman Fesenmaier suggested that the City should purchase one unit to ensure that the device would indeed be mobile and not become fixed at one location.

Fesenmaier/Marsala motion to forward to Council with recommendation for approval of funding from Contingency for the purchase of one unit at a cost not to exceed \$3,000.00. Motion carried by vote of 4 to 1, with Alderman Hartz opposed.

**Presentation of Accounts, Alderman Krause.**

Purchase Orders. None.

Marsala/Hartz motion to approve Prepaid Bills in the amount of \$11,765.86. Unanimously Carried.

Hartz/Marsala motion to approve Regular Bills in the amount of \$583,877.65. Unanimously Carried.

**Adjournment**

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

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/s/ Jeremy A. Reale, City Clerk