

JOINT HUMAN RESOURCES / FINANCE COMMITTEE – BUDGET SESSION #2

Date and Time: Wednesday, October 19, 2022 @ 5:15 pm., Council Chambers

Finance Members Present: Lisa Rasmussen, Michael Martens, Carol Lukens, Doug Diny, and Sarah Watson - (entered late)

HR Members Present: Becky McElhaney, Michael Martens, Tom Kilian, Gary Gisselman, Dawn Herbst

Others Present: Maryanne Groat, Emily Ley, Eric Lindman, Anne Jacobson, Anne Keenan, Mary Goede, Jeremy Kopp, Solomon King, Dustin Kraege, Nathan Miller, Chad Henke

The Finance Committee was called to order by Chairperson Lisa Rasmussen. The Human Resources Committee was called to order by Chairperson Becky McElhaney.

Joint HR & Finance Item:

CLOSED SESSION pursuant to Section 19.85(1)(e) of the Wisconsin State statutes for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, for the purpose of considering the following: Discussion of Committee recommendation regarding upcoming negotiations of City Employee Union Contracts with: Wausau Firefighters Association, Local 415; and Wausau Professional Police Association

Motion by Martens, second by Diny to convene the Finance Committee in Closed Session. Roll Call Vote Ayes: Lukens Martens, Diny, and Rasmussen. Motion carried unanimously.

Motion by Herbst, second by Kilian to convene the Human Resources Committee in Closed Session. Roll Call Vote: Ayes: Gisselman Herbst, Martens, Kilian, and McElhaney. Motion carried unanimously.

Closed Session convened into the Maple Room. (Sarah Watson arrived late and entered the meeting.)

Human Resources Committee adjourned in Closed Session and Finance Committee Reconvened into Open Session at 6:20 pm.

Discussion and possible action regarding sole source request to upfit the 2023 Police Squad Cars

Lisa Rasmussen stated there is value in having consistency between the squad cars. She indicated there are four cars this year to upfit with everything from lights, sirens, radios, mobile data terminals, shotgun mounts, dog cages, and decals.

Solomon King, Fleet Manager, explained this is following the prior approval received from Finance Committee to order early. The cars were ordered early, and the next step is the upfit, but we may potentially have to order some radios later on. He indicated they would like to continue with Belco Vehicle Solutions. He explained the cars are used by multiple different officers throughout the different shifts, so consistency in the vehicles is important. He noted the current price that Belco has given us is still less than what some of the other vendors proposed the last time we went out for RFP, so they are likely to stay the same or increase. He appreciated that every issue had with lighting, for example, Belco brings everything, comes right to our facility, swaps out and/or repairs what's needed and often it is still under warranty where we don't even see a bill. He commented they are very consistent and fantastic to work with.

Motion by Diny, second by Martens to approve the sole source request to upfit the 2023 Police Squad Cars. Motion carried 5-0.

Discussion and possible action on the Sales Study for Project ID 6999-09-02, Stewart Avenue, South 72nd Avenue to South 48th Avenue.

Eric Lindman explained the project will take place in 2024, but through DOT process we have to do real estate whether its Temporary Limited Easements. They prepare a sales study and that is how the values put to different lands are determined. These are the values they are going to use when they come up with their sheet for making offers for the property owners along that route. He indicated if they approve this the offers will be brought to the Finance Committee for closed session discussion.

Motion by Diny, second by Martens to approve the Sales Study. Motion carried 5-0.

Discussion and possible action regarding ARPA funding requests

Lisa Rasmussen stated the ARPA requests were mostly capital projects for the Water & Sewer Utility. She commented we are in the middle of a very large legacy project with the utilities that has constrained a lot of their available capital for some of these projects. Some are the water and sewer portion of street projects for 10th Avenue, Grant Street, and Henrietta Street, and some required utility projects.

Eric Lindman stated the high priority are the projects that we are required to do by the WI DNR or the US EPA. He indicated there will be additional regulatory requirements coming down, but over the past 24 to 36 months we've had a lot of requirements and revisions to standards that already have. Rasmussen noted if we funded these particular projects with ARPA, it would reduce the capital borrowing the utility needs to do for 2023. The utility has already leveraged much of its borrowing capacity with both plants.

Rasmussen questioned in reference to the Solar Array project what information the study was looking for. Lindman stated the location is key where it is because it would be direct service to the water treatment facility. The study was more about sizes and how to maintain the neighborhood by preparing additional concepts for them. He indicated the intention is also to do a public outreach city wide.

Groat stated the PFAS Treatment Process Design gets us the rest of the way. They authorized \$240,000 for the Pilot Study on the PFAS, and this will get the design up to bidding. The Corrosion Control project is somewhat PFAS related in that with the new chemicals being used, the water needs to be re-balanced.

Groat stated the utility pays a tax equivalent to the city every year, which is based on a formula developed by the PSC. Two years ago that pilot payment was approximately \$1.3 million; last year just under \$1.6 million; and she estimated the payment due on December 31st of this year to be \$2 million. This is a big jump for the utility, especially with the investment into the new facility, and it is not in the budget to receive it. She indicated she researched 10 to 12 municipalities on the PSC website to see if any of them are forgiving a portion of that tax equivalent, which is allowed. She found that Milwaukee and Oshkosh both forgive a portion. She indicated she would like the committee to discuss in budget sessions forgiving what we did not anticipate in the 2022 budget and the 2023 budget has the same amount. She stated that would be nearly \$1 million over that two-year period that they could forgive to the water utility to help it get on its feet as it recovers from the plant when rates did not support the debt payments. Rasmussen agreed it was important to ensure the financial health of the utility. *Discussion continued.*

Rasmussen stated the committee will rank the requests for the next regular Finance Committee meeting.

Budget Discussions and Actions regarding Recommending a 2023 Budget including setting the 2023 Fee Schedule

Maryanne Groat presented a PowerPoint on the 2023 City of Wausau Budget, focusing on the Tax Incremental Districts and Internal Service Funds. View on YouTube at: <https://www.youtube.com/watch?v=nUUVmQUIFbk>

The next budget sessions are Thursday, October 20th at 5:30 pm., and Monday, October 24th at 6:30 pm./ as well as the regular meeting on Tuesday, October 25th at 5:15 pm.

Adjourn

Motion by Diny, second by Watson to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 7:30 pm.