

Finance Committee Meeting Minutes
December 21, 2010

Chairman Nold called the meeting to order at 6:59 PM.

Members Present: Aldermen Hall, Nold and Kohlenberg

Staff Present: Mayor Daley, Gard, Beguhn, Gallo, Kitsembel, Duffy, Frye, Lamp, Kelliher, Bednarski and Coenen

Others present: Aids. Miller, Slattery, Larsen and Cochrane and Atty. Chapman, Stan Sugden and Larry Kilduff

Kitsembel reported that staff completed a comprehensive review of our 2011 user fees including calculation of the average cost to the City to provide the items. Last year the Committee asked staff to bring back increases incrementally, therefore, staff is recommending an increase in the vehicle impound charges from \$10.00/day to \$15.00/day, an increase in the animal impound fee from \$8.00/day to \$16.00/day and an increase in the State seal charge for building permits from \$30.00 to \$35.00. The animal impound fee and the State seal charge will fully cover the cost to the City. The vehicle impound fee would need to be at least \$25.00/day to break even. The Committee agreed that taxpayers should not subsidize this fee and asked what circumstances cause impounding a vehicle. Beguhn stated an accident and when a vehicle is used in a crime.

2. Consider/recommend Vehicle Impoundment Storage Charge

Motion by Kohlenberg to recommend the vehicle impoundment storage charge be increased to \$25.00 a day; second by Hall. Motion carried 3-0.

3. Consider/recommend Animal Impoundment Fee

Motion by Kohlenberg to recommend the animal impoundment fee be increased to \$16.00 a day; second by Nold. Motion carried 3-0.

4. Consider/recommend City Charge for State Seal (Building Permits)

Motion by Kohlenberg to recommend the City charge \$35.00 for the State seal; second by Hall. Motion carried 3-0.

5. Consider/act on Vouchers

Motion by Hall to approve the vouchers in the amount of \$3,151,022.50; second by Nold. Motion carried 2-1. Kohlenberg voted no.

6. Discussion on Engineering Services Analysis Request for Proposals

Daley stated that the City advertised for proposals for the engineering services analysis with numerous newspapers and although 5 firms showed interest, only one submitted a bid in the amount of \$145,515.

Frye stated that the proposal from Kunkel Engineering along with the RFP document that they responded to was included in the packet for the Committee's review. After staff and the Mayor reviewed the proposal, the Mayor requested staff look to see which tasks, if any, could be reduced to lower the cost. Frye then outlined each section and possible reductions as follows:

- **Task 1 - Interview and Documentation Regarding Past and Present Engineering Projects:** This section lays the basis for the remainder of the study. Because this is the place where elected officials, staff and private developers get to voice their opinions it would be suggested to keep this as is.
- **Task 2 - Review City Projects, Subdivisions and Selected Projects:** This area could have the majority of projects removed for the review. Suggestion is to keep Summit Center Market Place, Oconomowoc School Expansion (2 new schools), Pabst Hospitality Campus, 2009 Street projects, Oconomowoc Parkway East extension, Town Centre Development and Wisconsin Avenue Downtown Reconstruction.
- **Task 3 - Review of Private Developments:** Suggested to delete this from the engineering study.
- **Task 4 - Review of In-House Engineering Capabilities:** Interviews could be limited to the Director of Public Works and Utility Manager.
- **Task 5 - Analyze In-House Engineering Department Concept:** The use of consulting engineers versus employing them on City staff has been a past discussion with the Aldermen. Based upon the public statements regarding potential cost savings to do this in-house, it is recommended to keep this task as is.
- **Task 6 - Develop Conclusion:** This task was selected to answer two questions - Did the City receive appropriate value for what it paid out in engineering services, and should the City maintain our use of consultants or convert to in-house staffing? It is recommended to have these questions answered.
- **Task 7 - Final Report:** With a reduction of projects to review, there should be cost savings in this area. The cost savings for the changes listed above are estimated at \$45,000.00.

Daley stated that if the scope of the RFP is changed, the City would need to go out for new RFP's. The Finance Committee discussed bidding out engineering services for new development, TIF #4 engineering costs, in-house engineering versus contracting for services and percentage of City levy spent on engineering costs each year. Next the Committee agreed that the issue of an in-house engineer should be brought forward to the Personnel Committee and that they are not in favor of the RFP cost as proposed. The Committee next discussed the Pabst Farms Town Centre and the engineering fees for that project. Sugden stated most of that engineering work is already done. The Committee then asked Daley to look at bidding out engineering services and hiring an in-house engineer. Daley asked Kitsemel to put together numbers on each option. There was further discussion between the Committee and staff on the scope of in-house work and how many employees would be needed for sustainable work. The Committee would like to know what other communities do.

Motion by Hall to adjourn; second by Nold. Motion carried 3-0. The meeting adjourned at 7:37 PM.

Minutes taken by
Diane Coenen, City Clerk
Ald. Kohlenberg, Secretary