



Minutes
Committee No. 1
Revenues, Disbursements, Water and Wastewater
August 11, 2011

Committee #1 – Revenues, Disbursements, Water and Wastewater met on **Thursday, August 11, 2011 at 8:00 AM** in the **Council Chambers, City Hall, 30 West Central Street, Chippewa Falls, WI.**

Committee/Council Members present: Jane Lardahl, Brian Flynn, George Adrian.

Others present: Police Capt. John Liddell, Utility Office Manager Connie Freagon, Fire Chief Tom Larson, Library Director Darryl Eschete, Finance Mgr/Treasurer Lynne Bauer, S E H Representative Tim Marko and Apex Engineering Representative Justin Musser.

The meeting was called to order at: 8:00 AM.

Item #1: Discuss funding for the Police Department boiler project. Possible recommendations to the Council.

Capt. John Liddell indicated bids were opened on August 9th and were much higher than anticipated (see attached). (In April of this year the Council set aside \$135,000 of agricultural land sale monies to fund this project). The low bid was \$215,128 not including alternate bid items. Alternatives were discussed such as postponing the project or removing items and rebidding the project. Mr. Marko and Mr. Musser indicated Item #4 of the “Base Bid Items” – “Replace AHU-2 and ductwork modifications” could be removed however that would also reduce efficiency. This item would still need to be replaced at some point in the future. Mr. Marko stated it would be possible to amend the bid documents, get a notice published, and have the bid opening September 1st or 2nd. The Committee indicated funding of \$135,000 would still be set aside from land sale monies. The engineering firms indicated no additional monies would be needed to rebid the project.

Motion by Flynn/Adrian to recommend the Council reject all bids received for the replacement of the Police Department boiler project and move Item #4 of the “Base Bid Items” to “Alternate Bid Items” and rebid the project. **All present voting aye, motion carried.**

Item #2: Discuss funding for Firehouse software upgrade and request to move forward with budgeted upgrade of network server. Possible recommendations to the Council.

Fire Chief Tom Larson explained the need for an upgrade to the Firehouse software program they use for city inspections. Without the upgrade, he is unable to get signatures from property owners after inspections and would have to resort back to using paper forms. City IT representative Connie Freagon explained in order to accommodate the upgrade, the City network needs to be upgraded. She indicated funds were budgeted for 2011 for network

upgrades but because of budget concerns she has not proceeded. In addition, there was some concern about the lack of a plan with the County to move forward with consolidation efforts. Ms. Freagon indicated this is not a consolidation with the County and the network upgrades would be housed on our servers. In addition, if the City did choose to consolidate with the County, most of the upgrades would fit into that plan. Fire Chief Larson indicated he could use budgeted monies from his Fire Prevention and Computers/Equipment accounts.

Motion by Flynn/Adrian to recommend the Council approve the request to upgrade the Firehouse software program and move forward with network upgrades using current budgeted monies. **All present voting aye, motion carried.**

Item #3: Discuss recycling fee increase due to State funding cut. Possible recommendations to the Council.

The Committee discussed the reduction in grant funding from the State for the recycling program. The grant was cut by 40% amounting to a reduction in revenues of \$27,000. The \$27,000 is used to offset city expenses of the recycling program. In 2011, the City began billing the customers for recycling contractor fees of approximately \$136,000. (The cost to each household is currently \$2.31 per month.) The City discussed options to offset the funding cut, however due to already tight budgets they see no alternative but to increase the fee. It is estimated the fee would increase by less than \$1.00 per month per household.

Motion by Flynn/Adrian to recommend the Council approve increasing the recycling fees due to the State funding cut with the increase to be calculated by staff and effective on August 1. **All present voting aye, motion carried.**

Item #4: Discuss 2012 Budget timeline. Possible recommendations to the Council.

The Committee discussed the budget process and future meeting dates. A draft of a budget calendar is attached.

No action taken.

Item #5: Discuss 2012 Budget issues. Possible recommendations to the Council.

The Committee discussed issues affecting the 2012 budget including State funding cuts of over \$200,000 as well as increases in operational expenses. In addition, Finance Mgr. Lynne Bauer explained the Expenditure Restraint Program qualifications have been modified and if the 2012 city budget increases by more than a very small percentage over the 2011 budget, the City will lose over \$200,000 in State funding in 2013. For those reasons, the Committee is directing staff to prepare budgets with a zero percent increase. Bauer explained that even with that directive, reductions will need to be made to offset increases in health insurance and worker's compensation premiums, fuel and other operational costs.

No action taken.

Item #6: Adjournment.

Motion by Adrian/Flynn to adjourn at 8:50 AM. **All present voting aye, motion carried.**

Minutes submitted by:
Lynne Bauer, Finance Mgr.