

FINANCE COMMITTEE

December 12, 2017

Call to Order: Chairman DeWitt called the regular meeting of the Finance Committee to order at 5:00 pm in the Municipal Building Council Chambers.

Roll Call: Chairman DeWitt, Aldermen Stebnitz and Schroeder. Also Present: City Administrator Pieroni, Director of Public Works Wendorf, Finance Director Hayden, Treasurer Wiese, Street Foreman Brotz and City Clerk Kitzman.

Public Comments and/or Communications: None.

Approval of Minutes: Alderman Stebnitz moved to approve the minutes of November 14, 2017, seconded by Alderman Schroeder and unanimously carried.

Administrator's Report: No report.

Finance Director's Report: Ms. Hayden noted the auditors will be here tomorrow for the pre-audit.

Review of Treasurer's Report (City Investments) and Bank Reconciliation for November, 2017: Alderman Schroeder moved, seconded by Alderman Stebnitz and unanimously carried, to approve the City Investments and Bank Reconciliation for November, 2017.

Financial Statements for November, 2017: Alderman Stebnitz asked for the breakdown of the Water and Sewer salary accounts. Ms. Hayden will provide the information once the final payroll is calculated, which won't be paid until January. Alderman DeWitt noted the court fines were down and questioned if there was any insight into the situation. Staff felt it was a combination of lower fines and fewer tickets.

Warrant 17-11 and Professional Services over \$5,000 not previously approved under contract: After review, Alderman Stebnitz moved to recommend to the Common Council the approval of Warrant 17-11. The motion was seconded by Alderman Schroeder and unanimously carried. Professional Services over \$5,000 for November were then reviewed.

Consider 2018 Insurance Proposal: The insurance proposal prepared by Arthur Gallagher & Associates was reviewed. A question was raised as to whether other pricing was obtained. Ms. Pieroni indicated that staff had solicited another proposal two years ago. Based on pricing and service other proposals were not solicited for 2018. It was noted that EMC has been the City's insurance provider for the past four years and has provided excellent service to the City. The premium increase is 9% with the majority of the increase in workers compensation. It was also noted that values on certain properties had been increased to more closely align with their replacement value. Coverage on some additional equipment and the street sweeper that were inadvertently left off the policy in past years had also been added.

Alderman Stebnitz moved to recommend to the Common Council the approval of the contract with:

- a. EMC Insurance (for all coverages with the exception of Crime and Cyber) at an approximate cost of \$245,050 [with 22% dividend on Worker's Compensation (estimated at \$27,759) payable in 2019]; and
- b. Crime to Hanover Insurance at an approximate cost of \$1,000, and
- c. Cyber Insurance to BCS Insurance Company in the amount of \$2,837.

The motion was seconded by Alderman Schroeder and unanimously carried.

Consider 2018 purchase of a 5-yard Dump Truck from Lakeside International at a cost of \$161,940: The 2018 Budget includes the funds for the purchase of a new dump truck with plow. Street

Foreman Brotz has found a “demo” truck that could be available shortly after the first of the year through Lakeside International. The truck meets all of our specifications and appears to come at a cost savings over going through the traditional bid process. Ms. Pieroni thanked Adam Brotz for locating this deal. He noted this is a brand-new vehicle that is being constructed at this time.

Alderman Schroeder moved to recommend to the Common Council the approval of the 2018 purchase of a 5-yard dump truck in the amount of \$161,940 from Lakeside International, Milwaukee, Wisconsin; and to further declare the City’s existing 2000 International plow truck as surplus property upon receipt of the replacement vehicle in 2018. The motion was seconded by Alderman Stebnitz and unanimously carried.

Consider approval of proposal from General Fire for changeover of police squad cars: Chief O’Neill advised the Committee that the three new police vehicles should be received soon. The Police Department is now requesting approval of the proposal for the change-over of the equipment. Alderman Stebnitz moved to approve the proposal from General Fire for squad change-overs at a per squad cost of \$2,582.49 and a total cost of \$7,747. The motion was seconded by Alderman Schroeder and unanimously carried.

Consider MOU agreement with Baxter & Woodman for the 2018 Street Improvement program at an amount not to exceed \$41,400 for engineering design work and an amount not to exceed \$34,000 for construction engineering: Mr. Wendorf noted this is for the 2018 road program that includes the reconstruction of Washington Street and Edward Street and rehabilitation of Whispering Pines Drive.

Alderman Stebnitz moved to recommend the approval of the proposed MOU agreement with Baxter & Woodman for the 2018 Street Improvements program, at an amount not to exceed \$41,400 for engineering design work and an amount not to exceed \$34,000 for construction engineering. The motion was seconded by Alderman Schroeder and unanimously carried.

Consider MOU agreement with Baxter & Woodman for the Edward Street water main replacement at an amount not to exceed \$6,000 for engineering design work and an amount not to exceed \$3,170 for construction engineering services: Alderman Schroeder moved to approve the proposed MOU agreement with Baxter & Woodman for the Edward Street water main replacement in 2018, at an amount not to exceed \$6,000 for engineering design work and an amount not to exceed \$3,170 for construction engineering services. The motion was seconded by Alderman Stebnitz and unanimously carried.

Consider MOU agreement with Baxter & Woodman for the Washington Street water main replacement at an amount not to exceed \$7,200 for engineering design work and amount not to exceed \$3,400 for construction engineering services: Alderman Stebnitz moved to recommend to the Common Council the approval of the proposed MOU agreement with Baxter & Woodman for the Washington Street water main replacement in 2018, at an amount not to exceed \$7,200 for engineering design work and an amount not to exceed \$3,400 for construction engineering services. The motion was seconded by Alderman Schroeder and unanimously carried.

Consider authorizing release of final payment request to Stark Pavement in the amount of \$270,257.87 for the 2017 Street and Utility Rehabilitation Contract, upon receipt of all final lien waivers and the required warranty bonds: Mr. Wendorf explained the adjustment to the final payment for Stark Pavement. He advised the Committee of underground utility conflicts under Racine Street near Mound Road, noting that when the piping was exposed the conditions were significantly different than what was assumed. The contractor was eligible to request that the work be considered on

a “time-and-material” basis. This amounted to an increase of \$5,916.77. A lengthy discussion was held on the ability to/feasibility of obtaining a firm or not-to-exceed price at the time of the issue is identified. Following this discussion, Alderman Schroeder moved to authorize release to Stark Pavement the final payment in the amount of \$270,257.87 on the 2017 Street and Utility Rehabilitation Contract, upon receipt of all lien waivers and the required warranty bonds. Seconded by Alderman Stebnitz and unanimously carried.

Consider approval of Electronic Agenda Software: Staff has reviewed various suppliers of agenda management software and is recommending the purchase of the program offered through iCompass. A lengthy discussion was held on the usability and training for Council members. Alderman DeWitt moved to approve the purchase of the agenda management software from iCompass at the annual cost of \$6,000. The motion was seconded by Alderman Schroeder and unanimously carried.

Future Agenda Items: None

Adjourn: There being no further business to come before the Finance Committee, the meeting adjourned at 5:40 pm upon a motion by Alderman Schroeder, seconded by Alderman Stebnitz and unanimously carried.

Susan Kitzman
City Clerk