

**CITY OF NEENAH
FINANCE AND PERSONNEL COMMITTEE MEETING
Monday, January 28, 2019 – 6:30 p.m
Hauser Room, Neenah City Administration Building
211 Walnut Street, Neenah, Wisconsin**

MINUTES

Present: Chairman Erickson; Aldermen Kunz, Boyette, Steele and Stevenson; Mayor Kaufert; City Attorney Godlewski; Director of Finance Easker

Others Present: Police Chief Olson, Director of Community Development Haese, Director of Public Works Kaiser, Director of Community Development Schmidt.

Public Appearances: None.

Minutes: Motion/Second/Carried Kunz/Stevenson to approve the minutes from the January 7, 2019 Regular Meeting and the January 16, 2019 Special Meeting. All voting aye.

Request to Fill Police Captain Position: Committee reviewed memo from Chief Olson requesting authorization to fill the pending Police Captain vacancy effective February 25, 2019. Mayor Kaufert has reviewed the request and concurs with filling the position. He informed the Committee that an individual has been chosen for the position pending Committee and Police Commission approval. Committee and staff discussed various aspects of filling the vacant position, including removing the effective date of February 25 for the hiring.

Motion/Second/Carried Kunz/Erickson authorizing the Police Department to fill the pending Police Captain vacancy. All voting aye.

Request to Fill Police Officer Position: Committee reviewed memo from Chief Olson requesting authorization to fill the pending Police Officer vacancy effective February 18, 2019. Mayor Kaufert has reviewed the request and concurs with filling the position. Committee and staff discussed various aspects of filling the vacant position.

Motion/Second/Carried Kunz/Boyette authorizing the Police Department to fill the pending Police Officer vacancy effective February 18, 2019. All voting aye.

ERP Funding and Implementation Timeline Plan: Agenda item deferred to a future meeting.

Off Network Backup Solution Purchase Request: Agenda item deferred to a future meeting.

Annexation Impact Report – Annexation #213 (Lone Oak Drive/Paint Brush Drive – Town of Neenah – 14.516 Acres: Committee reviewed memo from Director Easker with regard to the impact of the proposed annexation of 14.516 acres located at Lone Oak Drive/Paint Brush Drive in the Town of Neenah (Annexation 213). Committee and staff reviewed the map of the proposed annexation area. Deputy Director Schmidt indicated that fifteen residential lots are planned by the developer within the annexed property. Issues discussed included the amount of deferred assessments generated by the annexation, the proposed road layout and potential annexation land to the north of the property.

REPORT

Motion/Second/Carried Kunz/Boyette recommending Council approve and accept the petition for annexation of 14.516 acres located at Lone Oak Drive/Paint Brush Drive in the Town of Neenah. All voting aye.

Acquisition of 502 Monroe Street for Storm Water Management Purposes: Committee reviewed memo from Director Haese recommending Council authorize the appropriate staff to acquire 502 Monroe Street, at a purchase price of \$147,000, for the purpose of storm water management. The property is adjacent to land purchased earlier from Neenah Foundry by the City for storm water management. Director Haese pointed out how controlling the property would greatly benefit the configuration and efficiency of the storm water pond proposed for the site.

Committee and staff discussed various aspects of the proposed purchase. Alderman Kunz suggested that the City consider using CDBG funds for the purchase. Director Haese said that could be an option, pending the additional requirements that are part of a CDBG purchase. Other issues discussed included the role the DNR will play in the storm pond project, the cost to demolish the house and proposed uses for the property if it is ultimately not used as part of the storm pond. Alderman Stevenson suggested that the City investigate the potential of Habitat for Humanity moving the home as opposed to demolishing it.

REPORT

Motion/Second/Carried Stevenson/Kunz recommending Council authorize the appropriate staff to acquire 502 Monroe Street, at a purchase price of \$147,000, for the purpose of storm water management, with funding for the acquisition assumed to be provided from the storm water utility fund, pending additional investigation on the potential of using CDBG funding, and that City staff investigate the potential of Habitat for Humanity moving the home as opposed to demolishing it. All voting aye.

Acquisition of 886, 1225 and 1229 S. Commercial Street Utilizing Community Development Block Grant Funding: Committee reviewed memo from Director Haese recommending Council authorize the appropriate staff to acquire 886 S. Commercial Street at a purchase price of \$45,000 and acquire 1225 and 1229 S. Commercial Street for a total purchase price of \$157,000, with the use of CDBG funds as the funding source for the purchases.

The memo indicated that the property at 886 S. Commercial has been vacant for many years and has attracted little interest. Among other options, preliminary discussions with an adjacent property owner indicate that removal of the existing building could ultimately lead to their ability to acquire and utilize the property. The property at 1225 S. Commercial Street has a common ownership interest and has reached a high degree of economic obsolescence, while the 1229 S. Commercial property is a single-family residence that is both in a state of disrepair and inconsistent with adjoining land uses. He indicated that the properties could be combined for development with adjoining property already controlled by the City.

Committee and staff discussed various aspects of the proposed purchases. A map of the area was reviewed and options for potential development were discussed.

REPORT

Motion/Second/Carried Kunz/Stevenson recommending Council authorize the appropriate staff to acquire 886 S. Commercial Street at a purchase price of \$45,000. The funding source for the purchase shall be CDBG funds. All voting aye.

REPORT

Motion/Second/Carried Kunz/Stevenson recommending Council authorize the appropriate staff to acquire 1225 and 1229 S. Commercial Street for a total purchase price of \$157,000. The funding source for the purchase shall be CDBG funds. All voting aye.

Sanitary Sewer Lateral Assessments: Committee reviewed memo from Director Kaiser recommending Council approve proposed revisions to Policy 2013-1 “Policy on procedures and payment for repairs on private sanitary sewer laterals.” The revised policy would change the cost-share arrangement between the utility customer and the utility. The changes fall into two major areas:

1. The City will cost-share in full lateral replacements, whether done as part of a City utility project or as a stand-alone replacement.
2. Complete sanitary sewer lateral replacement from the sewer main to the building will be the standard of work on City utility replacement projects.

The need to replace substandard laterals will allow the utility to reduce the amount of infiltration and inflow (“I&I”) getting into the system through substandard laterals. I&I is a significant problem for the City as some estimates put the amount of I&I at 50% of the total flowage, with a significant portion of I&I coming into the system through faulty or substandard sewer laterals. As an inducement for property owners to do a complete replacement of laterals, and thereby reduce the amount of I&I coming into the system, the City would participate in the cost of replacement at 50% of the cost based on the most recent bid amount for lateral replacement times the average distance between the sewer main and the building served by the new lateral on the street where the property is located. The fiscal impact of this proposal, would increase the base charge for the sewer utility by an estimated \$5.85 per quarter, or \$23.40 annually. The estimated annual cost would be approximately \$500,000.

Committee and staff discussed various aspects of the proposed policy revisions. Director Kaiser indicated that he would like to add a definition of "Partial Replacement" and City Attorney Godlewski indicated that language needed to be added to exclude City properties that are served by non-City utilities or sanitary district. Aldermen Kunz and Steele expressed concern that the special assessments would still be needed for sewer laterals but Alderman Steele indicated that after consideration, the proposal is a good starting point. Alderman Stevenson voiced concern that newer constructed buildings would be subsidizing older areas since most of the newer areas of the City already have sewer laterals made of acceptable material. Director Kaiser indicated that newer construction would benefit from this program through reduced treatment charges due to reduced I&I in the system. Discussion also took place regarding creating a sewer credit (similar to the TARF waiver) for those properties that have had a special assessment for sanitary sewer lateral replacement in the past five years.

Motion/Second/Carried Boyette/Kunz recommending Council approve amended Policy 2013-1 "Policy on procedures and payment for repairs on private sanitary sewer laterals" with additional language clarifying that City properties served by non-City utilities or sanitary districts are not eligible for this program and added a definitions for Partial Replacement. Staff is also directed to develop a sewer credit program (similar to the TARF waiver) for those properties that have had a special assessment for sanitary sewer lateral replacement in the past five years. Motion carried 4-1, with Alderman Stevenson voting no.

Fiscal Matters: December Vouchers: Motion/Second/Carried Stevenson/Steele to approve the December vouchers as presented. All voting aye.

Motion/Second/Carried Stevenson/Boyette to adjourn the meeting at 9:00 p.m. All voting aye.

Respectfully submitted,



Michael K. Easker, CPA
Director of Finance